

# VERSO UMBRELLA PENSION RETIREMENT FUND

ANNUAL REPORT  
ISSUED DECEMBER 2016



# REPORT HIGHLIGHTS

## Fund Governance

**R**ule amendments to the Fund:

Rule amendment no 2 to the Fund, effective 1 November 2015, was approved by the Financial Service Board.

Rule amendment no 3 to the Fund, effective 1 July 2016, was approved by the Financial Service Board.

## Member Communication

**T**he InTouch app allows members exclusive access to their personal fund information, as well as the ability to:

- View their fund value
- Access annual benefit statements
- Manage beneficiaries
- Update contact information.

## Contact Us

E-mail: [info@vurf.co.za](mailto:info@vurf.co.za)  
 Call: 021 943 5300  
 Visit: [www.vurf.co.za](http://www.vurf.co.za)

InTouch Mobile App  
 E-mail: [intouch@verso.co.za](mailto:intouch@verso.co.za)  
 Call: 021 943 5300  
 Visit: [www.verso.co.za/page/mobile-apps](http://www.verso.co.za/page/mobile-apps)

## Fund Statistics

**36**  
**Participating**  
**Employers**

**1979**  
**Contributing**  
**Members**

**R302 million**  
**Total**  
**Investments**

### DISCLAIMER

This information is confidential and intended solely for the recipient's attention. Verso Financial Services (Pty) Ltd will not be held responsible for the consequences that may result from the dissemination, wrongful or otherwise, of such information to any third party.

# Introduction

**T**his report forms part of the Trustees communication policy. It endeavours to provide both participating employers and fund members with useful information about their fund and specific information regarding the Fund's financial position, which is based on the latest financial statements approved by the Trustees.

The Fund is a defined contribution fund and therefore the optimization of fund returns and the minimization of fund expenses is of critical importance. Both these issues are addressed within this report.

Members are encouraged to contact the Fund's Trustees or their human resources department with any questions and concerns.

## Fund Officials

For your convenience, the current Board of Trustees and Principal Officer are confirmed below:

- Ms Wahida Parker: Chairperson of the Board and Independent Trustee;
- Mr Willie Rossouw: Independent Trustee;
- Mr Warren Ingram: Appointed Trustee;
- Adv Christi Franken: Appointed Trustee;
- Mr Edward Thomson: Appointed Trustee;
- Mr Wynand Breytenbach: Appointed Trustee.

Ms Brenda Krummeck is the Fund's Principal Officer.

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# Fund Governance

The Fund is a separate legal entity, totally independent of the Fund's sponsor, Verso Financial Services (Pty) Ltd, and is managed by the Board of Trustees. As part of the Trustees' commitment to good governance as prescribed in the Financial Services Board Circular PF130, the Trustees have formulated the following Fund policies:

- Board charter for the Board of Trustees;
- Communication policy and strategy;
- Investment strategy;
- Risk management policy;
- Self-assessment framework for Board members.

These policies were formulated to ensure that the Fund is optimally managed to the benefit of the members of the Fund. The Trustees review these policies annually to ensure their relevance.

Rule amendments to the Fund:

Rule amendment no 2 to the Fund, effective 1 November 2015, was approved by the Financial Service Board. The following is implemented:

- Makes provision for the fund to act as a conduit to accept risk premiums for unapproved risk benefits;
- Remove the minimum contribution requirement for general rules, since the special rules will specify if applicable;
- If a member dies within the period during which payment is postponed, the benefit will be paid in accordance with Section 37C of the Pension Funds Act;
- Update the paid-up benefit wording to provide more detail how the paid-up benefits are dealt with, cost are deducted and benefits invested in the Fund;
- Amending the provision in the rules with regards to the process of resolutions.

Rule amendment no 3 to the Fund, effective 1 July 2016, was approved by the Financial Service Board. The following is implemented:

- Makes provision for the latest tax legislation changes;
- Update the Fund with certain aspects of the retirement reform that have been postponed and not repealed;
- Provide clarity with regards to the amount available to a member to use as a guarantee for a housing loan.

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# Audited Financial Statements at 30 June 2016

The Fund's external audit by Grant Thornton has been completed and approved by the Board of Trustees. Herewith a summary of the comparative results for the last audit period:

<b>Balance Sheet</b>	
	30-06-2016 (R'000)
<b>Total assets</b>	
Investments	302 275
Current assets	6 221
<b>Total liabilities</b>	
Member credits	303 034
Reserves	54
Current liabilities	5 406
Gross contributions	45 586
Investment return	20 356
Transfers received	1 670
Transfers out	(6)
Benefits paid	(19 022)

## Fund Expenses

The Fund's expenses, e.g. audit fees, actuarial fees, independent trustee's remuneration etc., are paid from the Fund's cost reserve account which is funded by a monthly contribution from the employer's contributions. The Trustees actively manage the Fund's expenses to ensure that it remains reasonable. R16 934 was paid as remuneration to the independent trustees.

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# Member Communication

Verso Financial Services launched the InTouch Mobile App. The InTouch app allows members exclusive access to their personal fund information. Members are able to view their fund values, access annual benefit statements as well as manage and update their contact details and beneficiaries, quickly, easily and securely from their mobile phone.

The Fund's website ([www.vurf.co.za](http://www.vurf.co.za)) is regularly updated to provide employers and members with a platform to obtain all relevant fund information.

Members can register online for both web access and SMS services to have direct access to their fund information.

# General

The Fund rules, the most recent actuarial valuation, audit report and financial returns may be inspected by any member at the offices of the Fund, or at the offices of the employer. You may purchase hard copies of these documents by sending a written request to the Principal Officer.

The legal provisions, under which the Fund and the benefits are governed, are explained in the Fund rules. These Rules are subject to amendments based on the discretion of the Board of Trustees. In the event of a dispute concerning an issue under the Fund rules, the procedure contained in the rules will be followed. Should you have a complaint, this should be put in writing and forwarded to either the Fund's Principal Officer, or to your employer. You have the right to receive a reply within 30 days after the addressee has received your complaint. Should you not receive a reply within the prescribed time period, or should the reply be unsatisfactory, you have the right to lodge your complaint with the Pension Funds Adjudicator. The Pension Funds Adjudicator can be contacted at Postal Address: P.O. Box 580, Menlyn, 0063; Tel No: 012 346 1738; Fax No: 086 693 7472; E-Mail address: [enquiries@pfa.org.za](mailto:enquiries@pfa.org.za).

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