

NOTES (continued)

	2021 E000's	2020 E000's
<b>4. INVESTMENT PORTFOLIO (continued)</b>		
<b>EQUITIES</b>		
SWAPROP-shares at market value	45 862	45 863
Royal Eswatini Sugar Corporation – shares at market value	760	700
Swazi Empowerment Limited – shares at market value	521 269	506 790
Ezulwini Reinsurance Company Ltd-shares at market value	30 255	31 390
Eswatini Royal Insurance Corporation at cost	87 500	85 764
Ingcamu Hotel	1	9 269
SBC Limited	101 940	101 742
Bekelela Enterprises	10	-
Woodlands Shopping Centre	1	-
Greystone	15 053	-
	<b>802 651</b>	781 518
<b>LOANS</b>		
Swaziland Building Society – Permanent shares	164 757	157 852
Eswatini Electricity Company	-	15 299
Eswatini Development and Savings Bank	163 271	255 709
New Mall Loan	6 942	6 942
Eswatini Revenue Authority	536 398	625 354
Swaziland Sugar Association	151 764	355 678
Eswatini National Housing Board	568 070	627 641
Royal Eswatini Sugar Corporation	34 934	39 723
Eswatini MTN	34 333	38 324
Standard Bank Eswatini	105 083	107 200
Select Limited loan 3	103 662	103 654
Select Limited loan 4	31 514	-
United Nations Building Loan	176 130	-
	<b>2 076 858</b>	2 333 376

NOTES (continued)

Notes	2021 E000's	2020 E000's
<b>4. INVESTMENT PORTFOLIO (continued)</b>		
<b>BONDS</b>		
Eswatini Government-SG 023	-	68 611
Eswatini Government-SG017	-	93 290
Eswatini Government-SG018	98 909	98 934
Eswatini Government-SG025	205 562	205 616
Eswatini Government-SG026	100 488	100 722
Eswatini Government-SG027	104 447	104 477
Eswatini Government-SG029	100 892	100 892
Eswatini Government-SG030	101 406	101 088
Eswatini Government-SG031	100 613	100 379
Eswatini Government-SG027A	105 326	105 513
Eswatini Government-SGIB002	102 241	101 854
Eswatini Government-SGIB004	97 399	97 021
Eswatini Government-SGIB005	100 239	99 686
Eswatini Government-SG033	50 702	50 551
Eswatini Government-SG034	70 426	70 140
Eswatini Government-SG035	146 552	69 357
Eswatini Government-SG040	91 108	91 177
Eswatini Government-SG041	122 927	123 127
Eswatini Government-SG042	80 759	80 709
Eswatini Government- SGIB006	104 789	100 078
Eswatini Government- SGIB007	99 287	99 144
Eswatini Government- SG047	77 596	-
Eswatini Government- SG049	30 448	-
Eswatini Government- SG051	55 208	-
Eswatini Government- SG052	65 105	-
	<b>2 212 429</b>	2 062 366
<b>PROPERTY AT VALUATION</b>		
Sibekelo Building	271 588	240 779
The New Mall (Proprietary) Limited	34 287	30 861
Residential Estate	12 091	11 397
Tonkwane Properties	124 531	124 531
Ingcamu Hotel–Hilton Garden Inn	395 370	504 830
	<b>837 867</b>	912 398
	<b>27 638 631</b>	22 024 510
Provisions for impairment	(158 372)	-
	<b>27 480 259</b>	22 024 510

NOTES (continued)

5. ACTUARIAL VALUATION

In accordance with the rules of the Fund, the financial position of the Fund is to be examined and reported on by the valuator at intervals not exceeding three years. The Board has resolved to value the financial position of the fund annually. The latest statutory valuation was as at 01 April 2021. The valuation covered the following membership.

	Number	Annual salary/ Pension E000's
Pensionable officers	41 323	5 978 115
Contract workers	88	39 866
Deferred pensioners	164	9 103
Pensioners (including suspended)	<b>25 562</b>	899 570

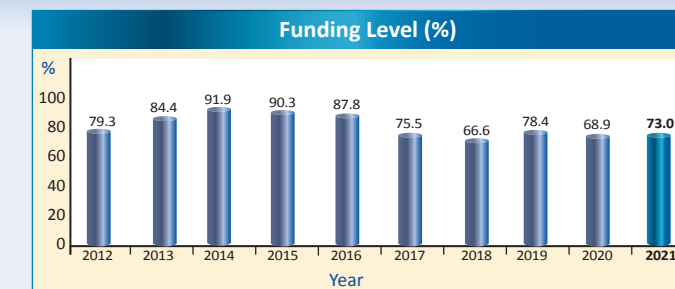
The net actuarial value of the Fund's assets was a deficit of E10 139 million (2020: E10 066 million) as at the valuation date. The actuarial value of the assets has been taken at market value for valuation purposes.

The actuarial valuation result in respect of past service was as follows:

	2021 E000's	2020 E000's
Accrued liability for Pensionable Officers	(24 426 424)	(20 353 678)
Accrued liability for Contract Workers	(27 425)	(30 374)
Deferred Pensioners	(93 518)	(79 925)
Pensioners	(12 663 025)	(11 526 075)
Benefits payable	(382 319)	(333 764)
Additional liabilities	-	(5 183)
Total liabilities	<b>(37 592 711)</b>	(32 328 999)
Actuarial value of assets	<b>27 453 576</b>	22 262 990
Deficit	<b>(10 139 135)</b>	(10 066 009)
Funding level:	<b>73.0%</b>	68.9%

NOTES (continued)

5. ACTUARIAL VALUATION (continued)



Contributions paid to the Fund, expressed as a percentage of pensionable salaries and before considering the deficit were:

	%	%
by members (average)	5	5
by government	<u>15</u>	<u>15</u>
	<u>20</u>	<u>20</u>

The contribution rate, after adding an allowance for expenses, required to support the level of benefits expected to accrue over the future service of current members was 28.2% (2020: 24.2%) of pensionable emoluments. This excludes any additional contribution required to reduce the deficit in the Fund.

The contribution rate required to eliminate the past service deficit over the next 15 years is 13.3% of pensionable emoluments. It should be noted though that in normal circumstances, pension fund deficits are required to be eliminated over a much shorter period than the future working lives of current employees.

In view of the level of underfunding a high degree of caution has to be exercised in granting salary/pension increases or any benefit improvements which could affect the liabilities of the Fund. The contribution rate required in order for the Fund to attain financial soundness over the next 15 years is 41.5% of pensionable emoluments.

PUBLIC SERVICE PENSIONS FUND



(Established under Section 3 of the Public Service Pensions Order, 1993)



ABRIDGED ANNUAL FINANCIAL STATEMENTS  
31 March 2021

This report constitutes an abridged version of the audited Annual Report for the year ended 31 March 2021. Copies of the complete report can be obtained from the Director Finance of the Public Service Pensions Fund at the following address:

6<sup>th</sup> Floor, Ingcamu Building,  
Mhlambanyatsi Road, Mbabane

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- 10 YEAR TREND

The members who were in office at the time of approval of the financial statements were all appointed on 1 June 2019, and were as follows:

### BOARD OF TRUSTEES

Name	Representing
Sammy Dlamini	Chairman
Dumisani Ndlangamandla	Employer representative (deceased 1 January 2021)
Dumsile J Ngwenya	Employer representative
Bathandwa Hlatshwayo	Employer representative
Hezekiel Mabuza	Employer representative (deceased 23 March 2021)
Celumusa Tembe	Employee representative
Celucolo Dlamini	Employee representative
Ross Maseko	Employee representative
Bheki Mamba	Employee representative
Dumisani Khumalo	Employee representative

### PRINCIPAL OFFICER/CHIEF EXECUTIVE OFFICER

The Principal Officer is Mr L P Dlamini.

### APPROVAL OF ABRIDGED FINANCIAL STATEMENTS

The information in this report is the responsibility of the Trustees and the Chief Executive Officer. The Annual Financial Statements were approved by the Trustees on 15 June 2021 and are signed on their behalf by:

 _____ Chairman	 _____ Trustee
 _____ Chief Executive Officer	

## STATEMENT OF FUNDS AND NET ASSETS

At 31 March 2021

	Notes	2021 E000's	2020 E000's
<b>FUNDS</b>			
Accumulated funds	1	<u>27 555 732</u>	22 160 834
<b>ASSETS</b>			
Property, plant and equipment		41 318	42 788
Investments		26 261 873	20 457 087
Investment property		803 579	881 537
Net current assets		<u>448 962</u>	779 422
Net assets		<u>27 555 732</u>	22 160 834

## REVENUE ACCOUNT

For the Year Ended 31 March 2021

	Notes	2021 E000's	2020 E000's
Contributions received	2	<u>1 201 604</u>	1 187 030
Income from investments		<u>1 787 581</u>	2 412 932
		<u>2 989 185</u>	3 599 962
Less: Administration expenses		<u>(264 758)</u>	(249 744)
		<u>2 724 427</u>	3 350 218
Less: Benefits awarded	3	<u>(1 325 381)</u>	(1 237 287)
Surplus before fair value adjustments		<u>1 399 046</u>	2 112 931
Adjustment to market value of investments		<u>3 995 852</u>	(3 245 010)
Accumulated funds for the year:			
- Before taxation		<u>5 394 898</u>	(1 132 079)
- Taxation		-	-
- After taxation		<u>5 394 898</u>	(1 132 079)
- At beginning of the year		<u>22 160 834</u>	23 292 913
- At end of the year		<u>27 555 732</u>	22 160 834

## NOTES

	Notes	2021 E000's	2020 E000's
<b>1. ACCUMULATED FUNDS</b>			
Balance at beginning of year		<u>22 160 834</u>	23 292 913
Accumulated surplus for the year after taxation		<u>5 394 898</u>	(1 132 079)
		<u>27 555 732</u>	22 160 834
<b>2. CONTRIBUTIONS RECEIVED</b>			
Members		<u>301 374</u>	297 309
Contributing employer		<u>900 230</u>	889 721
<b>TOTAL CONTRIBUTIONS</b>		<u>1 201 604</u>	1 187 030
<b>3. BENEFITS AWARDED</b>			
Pension		<u>922 683</u>	857 472
Lump sums of death		<u>83 135</u>	47 605
Lump sums on retirements		<u>295 105</u>	303 139
Lump sums on withdrawals		<u>2 340</u>	5 383
Other		<u>22 118</u>	23 688
		<u>1 325 381</u>	1 237 287
<b>4. INVESTMENT PORTFOLIO</b>			
The value of the Fund's assets held in the investment portfolio at year end was as follows:			
<b>INVESTMENT MANAGERS - FOREIGN MANAGED PORTFOLIOS</b>			
Allan Gray Asset Management (Proprietary) Limited		<u>3 385 678</u>	4 327 083
Coronation Asset Management (Proprietary) Limited		-	4 307
Foord Asset Management		-	510 396
Sanlam Investment Management (Proprietary) Limited		<u>1 439 397</u>	1 463 593

## NOTES (continued)

	Notes	2021 E000's	2020 E000's
<b>4. INVESTMENT PORTFOLIO (continued)</b>			
<b>INVESTMENT MANAGERS - FOREIGN MANAGED PORTFOLIOS</b>			
Stanlib Asset Management Limited		<u>1 561 723</u>	360 998
Stanlib Global		<u>2 790 780</u>	1 059 183
Old Mutual Investment Group (Proprietary) Limited		<u>1 475 935</u>	988 142
Aluwani Capital Partners (Proprietary) Limited		<u>1 580 401</u>	1 068 885
Alexander Forbes Investment Jersey Limited		<u>2 886 879</u>	1 339 545
African Alliance South Africa		<u>399 251</u>	-
Balondolozzi		<u>403 436</u>	-
Gryphon Asset Management		<u>794</u>	18 028
		<u>15 924 274</u>	11 140 160
<b>INVESTMENT MANAGERS - DOMESTIC MANAGED PORTFOLIOS</b>			
Stanlib Asset Management Limited Eswatini		<u>1 384 550</u>	1 150 582
Inhlonhla Eswatini		<u>2 798 559</u>	2 043 853
African Alliance Eswatini		<u>441 886</u>	467 646
Old Mutual Eswatini		<u>744 752</u>	446 725
		<u>5 369 747</u>	4 108 806
<b>MONEY MARKET AND SHORT TERM SECURITIES</b>			
African Alliance – Lilangeni Fund		<u>69 356</u>	151 975
Nedbank-Fixed term deposit		-	108 325
Eswatini Development and Savings Bank-Fixed term deposit		<u>107 880</u>	107 884
Old Mutual Absolute Growth Portfolio		<u>21 613</u>	20 623
Sanlam Unit Trust-Money market 1		<u>123 258</u>	114 437
Sanlam Unit Trust-money market 2		<u>42 981</u>	39 904
Stanlib Eswatini– Units at market value		<u>7 286</u>	102 430
Stanlib Unit Trusts- money market		<u>42 432</u>	40 308
		<u>414 806</u>	685 886



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