|  |
| --- |
|  |
| **FSCA DRAFT PRUDENTIAL STANDARD**  **REQUIREMENTS RELATED TO REGULATORY REPORTING AND AUDITED FINANCIAL STATEMENTS FOR PENSION FUNDS** |
| **Comments Template** |

|  |
| --- |
| **PRIVACY STATEMENT**  Please take note that information collected in this template will be used for the purposes outlined in the template. In so doing, the identities of the entities and persons commenting on behalf of the entity will be identifiable.  The Financial Sector Conduct Authority(FSCA) publishes all comments received and responses on its website with the names of persons that commented, and entities they represent. This is to ensure transparency and openness in the response to comment process. All collected information will be processed in line with the FSCA’s Privacy Policy which can be found on [www.fsca.co.za](http://www.fsca.co.za). |

|  |
| --- |
|  |

|  |
| --- |
| **IMPORTANT INSTRUCTIONS**  Please note the following instructions for completing the template:   * For referencing purposes please use the numbering as contained in the draft Prudential Standard. * Commentators are requested to answer the questions relating to the expected impact of the draft Prudential Standard under Section C. If you wish to provide a qualitative response in this regard, please attach the response to the template as an Annexure. * For any other general comments, please use Section D. * Please send the completed template, in word format, to: [**FSCA.RFDStandards@fsca.co.za**](mailto:FSCA.RFDStandards@fsca.co.za) on or before **18 January 2023.**   Please note that no PDF or scanned documents or late submissions will be accepted unless agreed to in writing by the FSCA. |

**SECTION A - DETAILS OF COMMENTATOR**

|  |  |
| --- | --- |
| **Name of organisation/individual:** |  |
| **If the commentator is an organisation, provide the name and designation of the contact person:** |  |
| **Email address:** |  |
| **Contact number:** |  |

# SECTION B - COMMENTS ON THE DRAFTPRUDENTIAL STANDARD

| **No** | **Section of the Prudential Standard** | **Comment** |
| --- | --- | --- |
| 1. DEFINITIONS | | |
| 1. | 1.e.g. section 1, definition of “conceptual framework” | (please add more rows if required) |
| **2. APPLICATION** | | |
| 2. | 2 |  |
| 3. | 2(1) |  |
| 4. | 2(2) |  |
| 5. | 2(3) |  |
|  |  |  |
|  |  | **3. REGULATORY REPORTING REQUIREMENTS FOR FUNDS** |
| 3. | 3. |  |
|  |  |  |
| **4. FINANCIAL STATEMENTS** | | |
| 4. | 4. |  |
| 5. | 4(1) |  |
| 6. | Schedule A – Regulatory information |  |
| 7. | Schedule D – Report by the independent auditor |  |
| 8. | Schedule E – Report by board of fund |  |
| 9. | Schedule HA – 1.3 Plant & Equipment (subject to operating lease) (Current period) |  |
| 10. | Schedule HA – 1.4 Plant & Equipment (Right of use assets) (Current period) |  |
| 11. | Schedule HA – 1.5 Plant & Equipment (subject to operating lease)(previous period) |  |
| 12. | Schedule HA – 1.6 Plant & Equipment ( Right of use of assets)(previous period) |  |
| 13. | Schedule HA 1.7 Impairment |  |
| 14. | Schedule HA – 8.1 Benefits – current members |  |
| 15. | Schedule HA – 8.2 Benefits – Benefits in terms of surplus apportionment |  |
| 16. | Schedule HA – 8.3 Reconciliation of membership |  |
| 17. | Schedule HA – 9 Unclaimed benefits |  |
| 18. | Schedule HA – 13 Net investment income |  |
| 19. | Schedule HA – 13.1 Other income |  |
| 20.. | Schedule HA – 14.1 Board of fund expenses |  |
| 21. | Schedule HA – 14.4 Deputy principal officer expenses |  |
| 22. | Schedule HA -16.1 Financial liabilities |  |
| 23. | Schedule HA – 16.2 Provisions |  |
| 24. | Schedule HA –24 Cash at bank |  |
| 25. | Schedule I – Report of independent auditor |  |
| 26. | Schedule IA – F Security Lending |  |
| 27. | Schedule IA – G1 Derivative positions without residual risk |  |
| 28 | Schedule IA – G2 Derivative positions without residual risk |  |
| 29. | Schedule IA – J. Hedge funds |  |
| 30. | Schedule IA – P  Reconciliation between the investments in Schedule H2 and Schedule IA |  |
| 31. | Schedule IB - Regulation 28(8) Exclusions |  |
| 32. | Schedule IB – 8.1 Hedge funds |  |
| 33. | Schedule IB – 9.1 Private equity funds |  |
| 34. | Schedule IB – 10.1 Other assets not referred to in this schedule |  |
| 35. | Schedule IB – 11.1 Overall limit for infrastructure across all classes |  |
| 36. | Schedule IB – 11.2 Overall limit for all instruments per entity/Issuer |  |
| 37. | Schedule IB – New Table for Infrastructure |  |
| 38. | Schedule IB – Report of the independent auditor on compliance with Regulation 28 |  |
|  |  |  |
| **5. SHORT TITLE, COMMENCEMENT AND REPEAL** | | |
| 39. | 5(1) |  |
| 40. | 5(2) |  |
|  |  |  |
| **ANNEXURE 1. REGULATORY REPORTING FOR RETIREMENT FUNDS** | | |
| **1. FINANCIAL STATEMENTS** | | |
| 41. | 1 |  |
| 42. | 1(1) |  |
| 43. | 1(2) |  |
| 44. | 1(3) |  |
| 45. | 1(4) |  |
| **2. REPORTING CONCEPTS** | | |
| 46. | 2 |  |
| 47. | 2(1) |  |
| 48. | 2(2) |  |
| 49. | 2(3) |  |
| 50. | 2(4) |  |
| 51. | 2(5) |  |
| 52. | 2(6) |  |
| 53. | 2(7) |  |
| 54. | 2(8) |  |
| 55. | 2(9) |  |
| 56. | 2(10) |  |
| 57. | 2(11) |  |
| 58. | 2(12) |  |
| 59. | 2(13) |  |
| 60. | 2(14) |  |
| 61. | 2(15) |  |
| 62. | 2(16) |  |
| 63. | 2(17) |  |
| 64. | 2(18) |  |
| 65. | 2(19) |  |
|  |  |  |
| **3. INVESTMENTS** | | |
| 66. | 3 |  |
| 67. | 3(1) |  |
| 68. | 3(2) |  |
| 69. | 3(3) |  |
| 70. | 3(4) |  |
| 71. | 3(5) |  |
| 72. | 3(6) |  |
| 73. | 3(7) |  |
| 74. | 3(8) |  |
|  |  |  |
| **4. HOUSING LOAN FACILITIES** | | |
| 75. | 4 |  |
| 76. | 4(1) |  |
| 77. | 4(2) |  |
| 78. | 4(3) |  |
| 79. | 4(4) |  |
| 80. | 4(5) |  |
| 81. | 4(6) |  |
| 82. | 4(7) |  |
| 83. | 4(8) |  |
| 84. | 4(9) |  |
|  |  |  |
| **5. RESERVES** | | |
| 85. | 5 |  |
| 86. | 5(1) |  |
| 87. | 5(2) |  |
| 88. | 5(3) |  |
| 89. | 5(4) |  |
| 90. | 5(5) |  |
|  |  |  |
| **6. SURPLUS** | | |
| 91. | 6 |  |
| 93. | 6(1) |  |
| 94. | 6(2) |  |
| 95. | 6(3) |  |
| 96. | 6(4) |  |
| 97. | 6(5) |  |
| 98. | 6(6) |  |
| 99. | 6(7) |  |
| 100. | 6(8) |  |
| 101. | 6(9) |  |
| 102. | 6(10) |  |
| 103. | 6(11) |  |
| 104. | 6(12) |  |
| 105. | 6(13) |  |
| 106. | 6(14) |  |
| **7. TRANSFERS** | | |
| 107. | 7. |  |
| 108. | 7(1) |  |
| 109. | 7(2) |  |
| 110. | 7(3) |  |
| 111. | 7(4) |  |
| 112. | 7(5) |  |
| 113. | 7(6) |  |
| 114. | 7(7) |  |
| 115. | 7(8) |  |
| 116. | 7(9) |  |
| 117. | 7(10) |  |
| 118. | 7(11) |  |
| 119. | 7(12) |  |
| 120. | 7(13) |  |
|  |  |  |
| **8. ACCOUNTS RECEIVABLE AND ACCOUNTS PAYABLE** | | |
| 121. | 8 |  |
| 122. | 8(1) |  |
| 123. | 8(2) |  |
| 124. | 8(3) |  |
| 125. | 8(4) |  |
|  |  |  |
| **9. PLANT AND EQUIPMENT** | | |
| 126. | 9 |  |
|  |  |  |
| **10. IMPAIRMENT** | | |
| 127. | 10 |  |
| **11. PROVISIONS, CONTINGENT ASSETS AND CONTINGENT**  **LIABILITIES** | | |
| 128. | 11 |  |
|  |  |  |
| **12. CONTRIBUTIONS** | | |
| 129. | 12 |  |
| 130. | 12(1) |  |
| 131. | 12(2) |  |
| 132. | 12(3) |  |
| 133. | 12(4) |  |
| 134. | 12(6) |  |
| 135. | 12(5) |  |
| 136. | 12(6) |  |
| 137. | 12(7) |  |
| 138. | 12(8) |  |
| 139. | 12(9) |  |
| 140. | 12(10) |  |
| 141. | 12(11) |  |
| 142. | 12(12) |  |
| 143. | 12(13) |  |
| 144. | 12(14) |  |
| 145. | 12(15) |  |
| 146. | 12(16) |  |
| 147. | 12(17) |  |
| 148. | 12(18) |  |
| 149. | 12(19) |  |
| 150. | 12(20) |  |
| 151. | 12(21) |  |
|  |  |  |
| **13. BENEFITS** | | |
| 152. | 13 |  |
| 153. | 13(1) |  |
| 154. | 13(2) |  |
| 155. | 13(3) |  |
| 156. | 13(4) |  |
| 157. | 13(5) |  |
| 158. | 13(6) |  |
| 159. | 13(7) |  |
| 160. | 13(8) |  |
| 161. | 13(9) |  |
| 162. | 13(10) |  |
| 163. | 13(11) |  |
| 164. | 13(12) |  |
|  |  |  |
| **14. INVESTMENT INCOME** | | |
| 165. | 14 |  |
| 166. | 14(1) |  |
| 167. | 14(2) |  |
| 168. | 14(3) |  |
|  |  |  |
| **15. OTHER INCOME** | | |
| 169. | 15 |  |
| 170. | 15(1) |  |
| 171. | 15(2) |  |
| 172. | 15(3) |  |
| 174. | 15(4) |  |
|  |  |  |
| **16. EXPENSES** | | |
| 175. | 16 |  |
| 176. | 16(1) |  |
| 177. | 16(2) |  |
| 178. | 16(3) |  |
| 179. | 16(4) |  |
| 180. | 16(5) |  |
| 181. | 16(6) |  |
| 182. | 16(7) |  |
| 183. | 16(8) |  |
| 184. | 16(9) |  |
| 185. | 16(10) |  |
| 186. | 16(11) |  |
| 187. | 16(12) |  |
| **17. OPERATING LEASES** | | |
|  |  |  |
| 188. | 17 |  |
| **18. ACCOUNTING POLICIES, CHANGES IN ACCOUNTING ESTIMATES**  **AND ERRORS** | | |
| 189. | 18 |  |
| **19. RELATED PARTIES** | | |
| 190. | 19 |  |
|  |  |  |
| **20. EVENTS AFTER THE REPORTING PERIOD** | | |
| 191. | 20 |  |
|  |  |  |
| **21. FAIR VALUE MEASUREMENT** | | |
| 192. | 21 |  |
|  |  |  |

# SECTION C - QUESTIONS RELATING TO THE ANTICIPATED IMPACT OF THE PRUDENTIAL STANDARD

|  |  |  |
| --- | --- | --- |
| **No.** | **Question** | **Responses** |
|  | Will the Prudential Standard impose additional compliance costs on the business? If yes, please provide details including the expected costs. |  |
|  | How do you anticipate the Prudential Standard affecting the operational cost of the business, if at all? |  |
|  | Will the Prudential Standard result in termination of existing arrangements? If yes, please be specific and make reference to specific aspects of the draft Prudential Standard that will lead to such a termination. |  |
|  | If the answer to question 3 is yes, how many arrangements will be impacted and what is the expected cost implication thereof? |  |
|  | Are any other transitional arrangements necessary to implement the Prudential Standard? If yes, what transitional arrangements do you propose and for which section of the Prudential Standard?  (Please provide a justification for your response and details on timeframes to comply with the relevant section) |  |

**SECTION D - GENERAL COMMENTS**

|  |  |  |
| --- | --- | --- |
| **No.** | **Question** | **Responses** |
| **FORMAT OF THE PRUDENTIAL STANDARD** | | |
|  | Do you find the format of the draft Prudential Standard user friendly and simple to understand? If no, please provide suggestions for improvement. |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **No.** | | **Issue** | **Comment/input** |
| **ANY OTHER GENERAL COMMENTS** | | | |
|  |  | |  |
|  |  | |  |
|  |  | |  |