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Independent Auditor's Limited Assurance Report of Foord Unit Trusts (RF) (Pty) Ltd (the "Manager")

We have undertaken our limited assurance engagement to determine whether the attached Schedule IB 'Assets of the Fund held in compliance with Regulation 28' at 28 February 2021 (the "Schedule") has been prepared in terms of the requirements of Regulation 28 of the Pension Funds Act of South Africa (the "Regulation") by Foord Balanced Fund (the "Portfolio"), as set out on pages 4 to 8. Our engagement arises from our appointment as auditor of the Foord Unit Trusts (RF) (Pty) Ltd and is for the purpose of assisting the Portfolio's unitholders to prepare the unitholder's Schedule IB 'Assets of the Fund held in compliance with Regulation 28' in terms of the requirements of Regulation 28(8)(b)(i).

The responsibility of the Directors of the Manager

The Directors of the Manager are responsible for the preparation of the Schedule in terms of the requirements of the Regulation, and for such internal control as the Manager determines is necessary to enable the preparation of the Schedule that is free from material misstatements, whether due to fraud or error.

Our independence and quality control

We conducted our engagement in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibility* section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing compliance with Regulation 28 of the Pension Funds Act. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Auditor's responsibility

Our responsibility is to express a limited assurance conclusion on whether, based on the procedures we have performed and the evidence we have obtained, the Schedule has been prepared in terms of the requirements of the Regulation.

We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historic Financial Information (ISAE) 3000 (Revised) issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain limited assurance on whether the Schedule has been prepared in terms of the requirements of Regulation 28 of the Pension Funds Act of South Africa.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. The procedures we performed were based on our professional judgement and includes inquiries, observation of processes followed, inspection of documents, analytical procedures, evaluating reporting policies and agreeing or reconciling with underlying records.

We completed our audit of the financial statements of the Manager for the year ended 28 February 2021, prepared in accordance with International Financial Reporting Standards, on which we issued an unmodified opinion on 29 May 2021. Our audit was performed in accordance with International Standards on Auditing and not for the purpose of expressing an opinion on the Manager's internal controls. Where appropriate, we have drawn on evidence obtained regarding instances of non-compliance with the Regulation identified during the course of our audit that might materially affect the financial statements and have performed such additional procedures as we considered necessary.

The procedures performed included:

- Re-computing the Schedule's arithmetical accuracy;
- Reviewing the appropriateness of the classification of a sample of the underlying assets;
- Agreeing a sample of the fair values on the Schedule to the investment administration system; and
- Inspecting whether any instances of non-compliance with the Regulations were correctly disclosed on the Schedule.



The procedures performed in a limited assurance engagement vary in nature and timing, and are less in extent, than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Accordingly, we do not express a reasonable assurance opinion about whether the Schedule has been prepared in terms of the requirements of the Regulation.

We believe that the evidence obtained as part of our limited assurance engagement is sufficient and appropriate to provide a basis for our limited assurance conclusion expressed below.

Limited assurance conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Schedule IB 'Assets of the Fund held in compliance with Regulation 28' at 28 February 2021 by the Foord Balanced Fund, has not been prepared in terms of the requirements of Regulation 28 of the Pension Funds Act of South Africa.

Restriction on use and distribution

This report is prepared in terms of the requirements of Regulation 28(8)(b)(i)(aa) and is intended only for the Manager and Portfolio's unitholders for the purpose indicated in the first paragraph. Consequently, the Schedule and our report may not be suitable for another purpose and is not to be used for any other purpose nor distributed to any other parties.

KPMG Inc.

A handwritten signature in black ink, appearing to read 'MJ Coelho'.

Per MJ Coelho
Chartered Accountant (SA)
Registered Auditor
Director

15 June 2021

Schedule IB (Foord Balanced Fund)
Assets held in compliance with Regulation 28 as at 28 February 2021

		Fair value	
		R	
A Total assets of the fund		26 450 158 012	
Categories of kinds of assets	%	Fair value R	Fair value %
1 CASH	100%	1 244 315 564	4.70%
1.1 Local notes, deposits, money market instruments issued by a South African Bank, margin accounts, settlement accounts with an exchange and Islamic liquidity management financial instruments	100%	133 201 853	0.50%
(a) Notes and coins, any balance or deposit in an account held with a South African bank -per issuer/entity	25%	-12 136 882	-0.05%
FIRST RAND BANK LIMITED		-12 136 882	-0.05%
(b) A money market instrument issued by a South African bank including an Islamic liquidity management financial instrument -per issuer/entity	25%	133 644 102	0.51%
ABSA BANK LIMITED		39 468 876	0.15%
CHINA CONSTRUCTION BANK		3 461 409	0.01%
BNP PARIBAS		1 704 215	0.01%
FIRST RAND BANK LIMITED		12 368 891	0.05%
HONG KONG SHANGHAI BANKING CORPORATION		6 967 944	0.03%
NEDBANK LIMITED		39 188 153	0.15%
STANDARD CHARTERED BANK		341	0.00%
STANDARD BANK OF SOUTH AFRICA		30 484 272	0.12%
(c) Any positive net balance in a margin account with an exchange -per issuer/entity	25%	11 694 633	0.04%
JSE LIMITED		11 694 633	0.04%
(d) Any positive net balance in a settlement account with an exchange, operated for the buying and selling of assets -per issuer/entity	25%	-	0.00%
1.2 Foreign balances or deposits, money market instruments issued by a foreign bank including Islamic liquidity management financial instruments	SARB maximum limits	1 111 113 712	4.20%
(a) Any balance or deposit held with a foreign bank -per issuer/entity	5%	1 111 113 712	4.20%
Foord Global Equity Fund: Cash Effect		421 484 632	1.59%
Foord Global Equity Fund Lx: Cash Effect		225 343 994	0.85%
Foord Int. Fund (Lux): Cash Effect		426 560 331	1.61%
JP Morgan		37 724 754	0.14%
(b) Any balance or deposit held with an African bank -per issuer/entity	5%	-	0.00%
(c) A money market instrument issued by a foreign bank including an Islamic liquidity management financial	5%	-	0.00%
2 DEBT INSTRUMENTS INCLUDING ISLAMIC DEBT INSTRUMENTS	100% issued/guaranteed by Republic otherwise 75%	4 699 483 485	17.77%
2.1 Inside the Republic	75/100%	4 212 539 811	15.93%
(a) Debt instruments issued by, and loans to, the government of the Republic, and any debt or loan guaranteed by the Republic	100%	3 944 734 746	14.91%
(b) Debt instruments issued or guaranteed by the government of a foreign country -per issuer	75%		
(c) Debt instruments issued or guaranteed by a South African Bank against its balance sheet:-	75%	267 805 065	1.01%
(c)(i) Listed on an exchange with an issuer market capitalisation of R20 billion or more, or an amount or conditions as prescribed -per issuer	75%	267 805 065	1.01%
STANDARD BANK OF SOUTH AFRICA	25%	267 805 065	1.01%
(c)(ii) Listed on an exchange with an issuer market capitalisation of between R2 billion and R20 billion, or an amount or conditions as prescribed -per issuer	75%	-	0.00%
(c)(iii) Listed on an exchange with an issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed -per issuer	15%	-	0.00%
(c)(iv) Not listed on an exchange -per issuer	75%	-	0.00%
(c)(iv) -per issuer	10%	-	0.00%
(c)(iv) -per issuer	5%	-	0.00%
(d) Debt instruments issued or guaranteed by an entity that has equity listed on an exchange, or debt instruments issued or guaranteed by a public entity under the Public Finance Management Act, 1999 (Act No. 1 of 1999) as prescribed:-	50%	-	0.00%
(d)(i) Listed on an exchange -per issuer	50%	-	0.00%
(d)(ii) Not listed on an exchange -per issuer	10%	-	0.00%
(d)(ii) -per issuer	25%	-	0.00%
(e) Other debt instruments:-	5%	-	0.00%
(e)(i) Listed on an exchange -per instrument	25%	-	0.00%
(e)(i) -per instrument	5%	-	0.00%

(e)(ii)	Not listed on an exchange	15%			0.00%
	-per instrument	5%			
2.2 Outside the Republic					
(a)	Debt instruments issued by, and loans to, the government of the Republic, and any debt or loan guaranteed by the Republic	SARB max limits	486 943 674		1.84%
			-		0.00%
(b)	Debt instruments issued or guaranteed by the government of a foreign country	SARB max limits			0.00%
	-per issuer	10%			
(c)	Debt instruments issued or guaranteed by a South African Bank against its balance sheet-	SARB max limits			0.00%
(c)(i)	Listed on an exchange with an issue market capitalisation of R20 billion or more, or an amount or conditions as prescribed	SARB max limits			0.00%
	-per issuer	25%			
(c)(ii)	Listed on an exchange with an issuer market capitalisation of between R2 billion and R20 billion, or an amount or conditions as prescribed	SARB max limits			0.00%
	-per issuer	15%			
(c)(iii)	Listed on an exchange with an issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed	SARB max limits			0.00%
	-per issuer	10%			
(c)(iv)	Not listed on an exchange	SARB max limits			0.00%
	- per issuer	5%			
(d)	Debt instruments issued or guaranteed by an entity that has equity listed on an exchange	SARB max limits	486 943 674		1.84%
(d)(i)	Listed on an exchange	SARB max limits	486 943 674		1.84%
	-per issuer	10%			
	Nagacorp 9.375% 21/05/2021		305 885 692		1.16%
	Foord Int. Fund (Lux) B : Corp. Bond Effect		181 057 982		0.68%
(d)(ii)	Not listed on an exchange	25%			0.00%
	-per issuer	5%			
(e)	Other debt instruments:-	25%			0.00%
(e)(i)	Listed on an exchange	25%			0.00%
	- per instrument	5%			
(e)(ii)	Not listed on an exchange	15%			0.00%
	-per instrument	5%			
		15%			
3 EQUITIES					
3.1	Inside the Republic		17 842 323 282		67.46%
(a)	Preference and ordinary shares in companies, excluding shares in property companies, listed on an exchange	75%	11 477 467 644		43.39%
(a)(i)	Issuer market capitalisation of R20 billion or more, or an amount or conditions as prescribed	75%	11 477 467 644		43.39%
	-per issuer	15%	10 735 310 784		40.59%
	Anglo American		153 525 625		0.58%
	Anheuser-Busch InBev		797 475 623		3.02%
	Aspen		915 757 204		3.46%
	AVI		208 542 052		0.79%
	BHP		1 403 813 792		5.31%
	Bidcorp		390 937 428		1.48%
	British American Tobacco		378 003 296		1.43%
	Bidvest		339 995 562		1.29%
	Richemont		867 078 374		3.28%
	Richemont Warrant		7 905 745		0.03%
	Capitec		54 765 585		0.21%
	Distell		83 437 500		0.32%
	FirstRand		835 214 933		3.16%
	Italtile		98 021 114		0.37%
	Life Healthcare		147 291 325		0.56%
	Mediclinic		130 126 405		0.49%
	Mr Price		219 074 660		0.83%
	Naspers "N"		1 313 585 588		4.97%
	Netcare		148 014 117		0.56%
	Pepkor		52 197 545		0.20%
	Prosus "N"		286 008 241		1.08%
	Standard Bank Group		634 270 084		2.40%
	Sanlam		22 907 982		0.09%
	Santam		151 025 129		0.57%
	Sasol		54 931 490		0.21%
	Spar Group		484 396 338		1.83%
	The Foschini Group		273 689 978		1.03%
	Vodacom		163 428 529		0.62%
	All Share Index March 2021		119 889 540		0.45%

(a)(ii)	Issuer market capitalisation of between R2 billion and R20 billion, or an amount or conditions as prescribed	75%	717 813 476	2.71%
	-per issuer	10%		
	Invicta		72 423 187	0.27%
	KAP		77 863 631	0.29%
	Metair		133 928 850	0.51%
	Oceana		29 784 057	0.11%
	Omnia		357 044 173	1.35%
	PSG		42 404 116	0.16%
	RMB Holdings		4 365 462	0.02%
(a)(iii)	Issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed	75%	24 343 384	0.09%
	-per issuer	5%		
	EOH		24 343 384	0.09%
(b)	Preference and ordinary shares in companies, excluding shares in property companies, not listed on an exchange	10%	-	0.00%
	-per issuer	2.5%		
3.2	Outside the Republic	SARB max limits	6 364 855 638	24.06%
(a)	Preference and ordinary shares in companies, excluding shares in property companies, listed on an exchange-	SARB max limits	6 364 855 638	24.06%
(a)(i)	Issuer market capitalisation of R20 billion or more, or an amount or conditions as prescribed	SARB max limits	6 364 855 638	24.06%
	-per issuer	15%		
	Foord Global Equity Fund: Equity Effect		1 501 137 684	5.68%
	Foord Global Equity Fund Lx: Equity Effect		2 783 085 548	10.52%
	Foord Int. Fund (Lux): Equity Effect		2 080 632 405	7.87%
(a)(ii)	Issuer market capitalisation of between R2 billion and R20 billion, or an amount or conditions as prescribed	SARB max limits	-	
	-per issuer	10%		
(a)(iii)	Issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed	SARB max limits	-	
	-per issuer	5%		
(b)	Preference and ordinary shares in companies, excluding shares in property companies, not listed on an exchange	SARB max limits	-	
	-per issuer	2.5%		
4	IMMOVABLE PROPERTY		1 368 993 179	5.18%
4.1	Inside the Republic		1 186 544 452	4.49%
(a)	Preference shares, ordinary shares and linked units comprising shares linked to debentures in property companies, or units in a Collective Investment Scheme in Property, listed on an exchange	25%		
(a)(i)	Issuer market capitalisation of R10 billion or more, or an amount or conditions as prescribed	25%	1 186 544 452	4.49%
	-per issuer	15%	1 109 360 220	4.19%
	Capital & Counties Properties		744 755 630	2.82%
	Equites Property		112 452 916	0.43%
	Fortress		252 151 674	0.95%
(a)(ii)	Issuer market capitalisation of between R3 billion and R10 billion, or an amount or conditions as prescribed	25%	77 184 232	0.29%
	-per issuer	10%		
	Emira Property		30 075 341	0.11%
	Stor-Age Property		47 108 891	0.18%
(a)(iii)	Issuer market capitalisation of less than R3 billion or an amount or conditions as prescribed	25%	-	0.00%
	-per issuer	5%		
(b)	Immovable property, preference and ordinary shares in property companies, and linked units comprising shares linked to debentures in property companies, not listed on an exchange	15%	-	0.00%
	- per issuer	5%		
4.2	Outside the Republic	SARB max limits	182 448 727	0.69%
(a)	Preference shares, ordinary shares and linked units comprising shares linked to debentures in property companies, or units in a Collective Investment Scheme in Property, listed on an exchange	SARB max limits	182 448 727	0.69%
(a)(i)	Issuer market capitalisation of R10 billion or more, or an amount or conditions as prescribed	SARB max limits	-	0.00%
	-per issuer	15%		
(a)(ii)	Issuer market capitalisation of between R3 billion and R10 billion, or an amount or conditions as prescribed	SARB max limits	-	0.00%
	-per issuer	10%		
(a)(iii)	Issuer market capitalisation of less than R3 billion or an amount or conditions as prescribed	SARB max limits	182 448 727	0.69%
	-per issuer	5%		
	Foord Global Equity Fund Lux: Property Effect		6 933 661	0.03%
	Foord Global Equity Fund: Property Effect		12 869 760	0.05%
	Foord Int. Fund (Lux) B : Property Effect		162 645 306	0.61%
(b)	Immovable property, preference and ordinary shares in property companies, and linked units comprising shares linked to debentures in property companies, not listed on an exchange	SARB max limits	-	0.00%
	- per issuer	5%		

5		1 295 042 501	4.90%
5.1	Inside the Republic	1 077 159 167	4.07%
(a)	Kruger Rands and other commodities on an exchange, including exchange traded commodities	1 077 159 167	4.07%
(a)(i)	Gold (including Kruger Rands)	1 077 159 167	4.07%
(a)(ii)	Other commodities	-	0.00%
	-each other commodity		
5.2	Outside the Republic	217 883 334	0.82%
(a)	Gold and other commodities on an exchange, including exchange traded commodities	217 883 334	0.82%
(a)(i)	Gold	217 883 334	0.82%
(a)(ii)	Other commodities	-	0.00%
	-each commodity		
6	INVESTMENTS IN THE BUSINESS OF A PARTICIPATING EMPLOYER INSIDE THE REPUBLIC IN TERMS OF:-		
(a)	Section 19(4) of the Pension Funds Act		
(b)	To the extent it has been allowed by an exemption in terms of section 19(4A) of the Pension Funds Act		
7	HOUSING LOANS GRANTED TO MEMBERS IN ACCORDANCE WITH THE PROVISIONS OF SECTION 19(5)		
8	HEDGE FUNDS, PRIVATE EQUITY FUNDS AND ANY OTHER ASSET NOT REFERRED TO IN THIS SCHEDULE		
8.1	Inside the Republic	-	0.00%
(a)	Hedge fund	-	0.00%
(a)(i)	Funds of hedge funds	-	0.00%
(a)(ii)	Hedge funds	-	0.00%
(b)	Private equity funds	-	0.00%
(b)(i)	Funds of private equity funds	-	0.00%
(b)(ii)	Private equity funds	-	0.00%
(c)	Other assets not referred to in this schedule and excluding a hedge fund or private equity fund	-	0.00%
8.2	Outside the Republic	-	0.00%
(a)	Hedge fund	-	0.00%
(a)(i)	Funds of hedge funds	-	0.00%
(a)(ii)	Hedge funds	-	0.00%
(b)	Private equity funds	-	0.00%
(b)(i)	Funds of private equity funds	-	0.00%
(b)(ii)	Private equity funds	-	0.00%
(c)	Other assets not referred to in this schedule and excluding a hedge fund or private equity fund	-	0.00%
9	Fair value of assets to be excluded in terms of sub-regulation (8)(b) of Regulation 28		
9.1	Inside the Republic		
9.2	Outside the Republic	SARB max limits	
	TOTAL (equal to the fair value of assets)	26 450 158 012	100% RC

Investments outside the Republic	Fair value R	Fair Value Percentage
Foreign balances or deposits, money market instruments issued by a foreign bank including Islamic liquidity management financial instruments	1 111 113 712	4.20%
Debt instruments including Islamic debt instruments	486 943 674	0.00%
Equities	6 364 855 638	24.06%
Immovable property	182 448 727	0.69%
Commodities outside the Republic	217 883 334	0.82%
Hedge Funds, private equity funds and any other assets not referred to in this schedule	-	0.00%
Fair value of assets to be excluded in terms of sub-regulation (8)(b) of Regulation 28	-	0.00%
TOTAL	8 363 245 085	29.78%
Asset Limits in terms of sub regulation 3(f)		
Item 2.1(e)(ii)	-	0.00%
Item 3.1(b)	-	0.00%
Item 4.1(b)	-	0.00%
Item 8	-	0.00%
TOTAL	-	0.00%
Asset Limits in terms of sub regulation 3.1(g)		
Item 3.1(b)	-	0.00%
Item 8.1(b)	-	-
TOTAL	0	0

Breaches in terms of Regulation 28

No breaches were noted. Market movements caused the market value of foreign assets to exceed 30% of the portfolio as follows:

Date investment limit exceeded	Date resolved
02-Jan-20	17-Dec-20
21-Dec-20	23-Dec-20
28-Dec-20	30-Dec-20
31-Dec-20	04-Feb-21
05-Feb-21	31-Mar-21