

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits Scheme Annual Report) Guideline No. 3 of 2020



GUIDELINES ON PREPARATION OF RETIREMENT BENEFITS SCHEMES' ANNUAL REPORT

The URBRA (Preparation of Retirement Benefits Schemes Annual Report) Guidelines are issued pursuant to sections 93 and in exercise of the powers conferred by sections 5(1) (d) and 66(2) of the Uganda Retirement Benefits Regulatory Authority Act, 2011

These guidelines seek to revise and replace the Guidelines on Preparation of Retirement Benefits Annual Report for retirement benefits schemes that were first issued in 2017. Accordingly, *The URBRA (Preparation of Retirement Benefits Schemes' Annual Report) Guideline No.2 of 2017 are hereby revised and replaced by URBRA (Preparation of Retirement Benefits Schemes' Annual Report) Guideline No.3 of 2020.*

Issued on the 8th day of October, 2020

These Guidelines are not a legal document nor do they substitute the provisions of the Uganda Retirement Benefits Regulatory Authority Act 2011 and the Regulations made thereunder. The Guidelines should be read together with the URBRA Act 2011 and the Regulations made thereunder.

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits Scheme Annual Report) Guideline No. 3 of 2020

Contents

GUIDELINES ON PREPARATION OF RETIREMENT BENEFITS SCHEMES' ANNUAL REPORT	i
1.0 Authorization	iii
2.0 Introduction.....	iii
3.0 Objectives	iv
4.0 Duty of trustees to prepare Financial statements of a Retirement Benefits Scheme.....	iv
5.0. Disclosures made in the Notes to the financial statements	v
TEMPLATE INDICATING THE CONTENTS OF ANNUAL REPORT FOR A RBS	2
Particulars of Trustees and advisers	2
Trustees' Annual report.....	3
Constitution of the Scheme	3
Transfers and Recent developments	3
Management of the Scheme	3
Financial development of the Scheme	3
Interest declared to members	4
Changes in Scheme membership.....	4
Actuarial review (Defined Benefits schemes).....	5
Statement of Trustees' responsibilities for the Financial Statements	7
Approval of the annual financial statements	8
Independent Auditor's report to the Members of XYZ RBS	10
Statement of Changes in Net Assets or Fund Account for the period ended DD/MM/YY. (Ref. IAS 26).....	11
Statement of Net Assets available for Benefits as at DD/MM/YY	12
Statement of Changes in Members' Funds and Reserves	13
Statement of Cashflows for the period ended DD/MM/YY.....	14
Notes (forming part of the Financial Statements).....	15

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits Scheme Annual Report) Guideline No. 3 of 2020

1.0 Authorization

IN EXERCISE of the powers conferred by sections 5(1) (d) and 66(2) of the Uganda Retirement Benefits Regulatory Authority Act, 2011(URBRA Act) the Uganda Retirement Benefits Regulatory Authority (herein referred to as URBRA) issues the Guidelines set out here below, for observance by all retirement benefits schemes registered under the URBRA Act, 2011 in respect to preparing the Annual Report.

2.0 Introduction

- 2.1 Section 66(2) of the URBRA Act requires trustee within four months after the end of each financial year, to submit to the Authority, an annual report on the transactions of the retirement benefits scheme during the preceding year, which shall include, among other things, an audited financial statement and such other information as the Authority may require.
- 2.2 The purpose of these guidelines is to provide a template for preparing the Annual Report of a Retirement Benefits Scheme (RBS) for purposes of Section 66 (2) of the URBRA Act 2011 including such other information required by the Authority.
- 2.3 In developing these Guidelines, the Uganda Retirement Benefits Regulatory Authority has avoided taking an overly prescriptive approach and has, instead, provided RBS with minimum requirements as to how it could achieve the prudential requirements of preparing an Annual Report.
- 2.4 Furthermore, these guidelines are not intended to be all encompassing, references to the International Financial Reporting Standards, URBRA Act and regulations made under the Act should always be taken into consideration.

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits Scheme Annual Report) Guideline No. 3 of 2020

3.0 Objectives

The objective of these guidelines is:

- i. To provide a template for preparing the Annual Report of a Retirement Benefits Scheme (RBS) for purposes of Section 66 (2) of the URBRA Act 2011 including such other information required by the Authority.
- ii. To provide RBS with minimum requirements as to how to achieve the prudential requirements of preparing an Annual Report.
- iii. To provide guidance on interest declaration to members.
- iv. To clarify on classification of financial instruments by board of Trustees.

4.0 Duty of trustees to prepare Financial statements of a Retirement Benefits Scheme

- (1) The trustee of a retirement benefits scheme shall ensure that financial statements prepared are in accordance with the Act, Regulations, the International Financial Reporting Standards and any guidelines issued by the Authority
- (2) The financial statements of a retirement benefits scheme shall include-
 - (a) statement of changes in net assets outlining the revenue and expenditure for the period;
 - (b) statement of net assets so as to be able to determine the total assets, the total liabilities and the net assets available for the payment of benefits of the retirement benefits scheme at the end of the period;
 - (c) statement of cash flow;
 - (d) Statement of changes in members Funds and reserves.
 - (e) a summary of the significant accounting policies adopted by the trustee for the scheme;
 - (f) notes to the financial statements setting out other details as required by IFRS or by these guidelines;

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits Scheme Annual Report) Guideline No. 3 of 2020

- (3) The financial statements shall be in English and Reporting currency shall be Uganda shillings.
- (4) The financial statements shall be audited by an auditor authorised by the Institute of Certified Public Accountants of Uganda, appointed by the trustee and approved by the Authority.

5.0. Disclosures made in the Notes to the financial statements

- (1) The notes to the financial statements shall disclose-
 - (a) the value of each investment held at year end;
 - (b) the change in fair value attributable to each investment;
 - (c) the methods adopted for determining the value of each class of investments;
 - (d) the dates of the last independent valuations of property investment together with the names and qualification of the valuers;
 - (e) Details of investment in the Employer (if any)
 - (f) investment expenses of the fund manager, including all fees, brokerage and commissions;
 - (g) the individual remuneration paid to each trustee;
 - (h) details of any trustee related entities;
 - (i) details of any related party transactions with the trustee including the amounts involved;
 - (j) details of income tax payable, deferred tax liabilities and benefits;
 - (k) details of contingent liabilities and capital commitments;
 - (l) details of any significant events occurring after the balance date;
 - (m) details of financial instruments and exposures in respect thereto;
 - (n) depreciation of property, plant and equipment other than investment property;
 - (o) details of investments that exceed 5% of net assets available for benefits;

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits Scheme Annual Report) Guideline No. 3 of 2020

- (p) the annual return on investments and the annual rate credited to members account ;
 - (q) details of the changes in members' funds disclosing-
 - (i) how the changes in net assets have been apportioned to members' accrued benefits and reserves;
 - (ii) interest credited or provided for crediting to members; details of contributions not yet allocated to members' accounts;
 - (iii) details of other funds not yet allocated to members' accounts; and
 - (iv) other changes in members' funds details which are to be provided;
 - (r) in respect of any unallocated members' funds, the circumstances leading to the unallocated amount;
 - (s) the balances of any reserve accounts and precise description of the reason for each such account;
 - (t) a summary of the benefit payments by class of benefit;
- (2) Other relevant disclosures shall also disclose-
- (a) the remuneration paid to the auditor for auditing the financial statements and for any other services;
 - (b) in case of a defined retirement benefits scheme, details of the last actuarial report in respect of members' benefits setting out-
 - (i) the date of the report;
 - (ii) the name and qualifications of the actuary;
 - (iii) a description of the significant actuarial assumptions;
 - (iv) the method used to calculate the actuarial present value of the liabilities;
 - (v) any comments by the actuary in respect of the estimated surplus or deficit in assets compared with the liability for members' benefits; and
 - (vi) the actuary's recommendation of the level of future contributions.

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits scheme Annual Report) Guideline No. 1 of 2020

**TEMPLATE INDICATING THE CONTENTS OF ANNUAL REPORT
FOR A RETIREMENT BENEFITS SCHEME**

XYZ RBS Trustees' annual report for the year ended *DD/MM/YY*

Licence number RBS.XXXX

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits scheme Annual Report) Guideline No. 1 of 2020

Particulars of Trustees and advisers

a) Trustees

If a scheme appointed individual trustees, clearly specify between member and employer nominees, date of appointment or resignation.

If a scheme appointed corporate trustee, the names of directors of corporate trustees must be disclosed.

b) Fund manager

c) Administrator

d) Custodian

e) Auditor

f) Actuary (where applicable)

g) Principal Legal Advisor (where applicable)

h) Bankers etc.

From b)-h) provide names, physical and postal address, and telephone number.

Scheme offices

Provide scheme address and telephone number

Enquiries

The electronic address could be an email address, telephone or a website if it has the facility for asking questions. Provide mode of communication for members with enquiries about the Scheme, individual's entitlements, etc.

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits Scheme Annual Report) Guideline No. 3 of 2020

Trustees' Annual report

Example: The Trustees present their annual report on the XYZ RBS ('the Scheme'), together with the financial statements of the Scheme for the year ended DD/MM/YY.

Introduction

Constitution of the Scheme

Provide details of the establishment, nature and status of the RBS

Amendments to Trust Deed and scheme rules

Provide details of any amendments to the scheme Rules.

Amendment no.	Motivation and description of rule amendment	Date of Board of Trustees 's resolution	Effective date	Date of approval by URBRA

Transfers and Recent developments

Provide details of transfers from or to the scheme, new subscribers to or leavers from the umbrella scheme etc.

Management of the Scheme

Provide details on the following;

- *Board of Trustees who served during the year.*
- *Board Committees, Composition and their respective duties*
- *Meetings of the Board of trustees*

Financial development of the Scheme

Provide a summary of the Scheme's financial performance highlights for a period of atleast five years as set out in the table below.

XYZ RBS financial performance for the year ended DD/MM/YY

Xx04	Xx03	Xx02	Xx01	Xx00
'000	'000	'000	'000	'000

Contributions

Member related payments

Transfer to or from the scheme

Net (withdrawals)/additions from dealings with members

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits Scheme Annual Report) Guideline No. 3 of 2020

Net returns on investments

Net increase/(decrease) in fund

Net assets at start of year

Net assets at the end of year

Provide information on the scheme performance overview for a period of at least five years i.e. cost to Asset ratio, cost to Net realised income ratio, Return on investment etc.*

Net realised income = Realised income - (realised losses + Withholding tax)*

Self-investment, breach of the Statement of Investment regulations and investment asset class allocations at year end.

Interest declared to members

State the percentage of the interest declared by the trustees to be credited into the member's account at year end.

Example: The Board has declared an interest of xxx% to be credited into members account for the year ended DD/MM/YY.

- (i) Interest should be allocated on a prorata basis to all scheme members including active, dormant or deferred members.*
- (ii) Distributable income shall include all realised income and unrealised gains and losses net of scheme expenses.*
- (iii) Unrealised gains and losses arising from measuring debt instrument at fair value shall not form part of distributable income.*

Changes in Scheme membership

The change in membership during the year as set out below.

See example below.

MEMBERSHIP		
	Xx01	Xx00
Contributing member	181	171
pensioners	11	10
Deferred members	12	10
Total members	204	191
PENSIONERS		
Start of the year:	10	11
Additional pensioner	1	2

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits Scheme Annual Report) Guideline No. 3 of 2020

<i>Deceased pensioners</i>	(2)	(3)
<i>Pensioners at the end of the year</i>	11	10
CONTRIBUTING MEMBERS		
<i>Start of the year</i>	171	168
<i>Joiners</i>	29	10
<i>Less Leavers</i>	(10)	(5)
<i>Less deferred</i>	(5)	(2)
<i>Less Deceased</i>	(4)	-
Contributory members at end of year	181	171
DEFERRED MEMBERS		
<i>Start of the year</i>	10	8
<i>Leavers/new deferred members</i>	5	2
<i>Less active pensioner</i>	(3)	-
Deferred members at end of year	12	10

Due to the difference in the scheme designs and nature, “**Deferred members**” should be defined

Actuarial review (Defined Benefits schemes)

Provide details On the following:

- *Summary Objectives of Actuarial review*
- *Assumptions and methods used*
- *Funding status,*
- *For deficits provide recovery plans agreed between trustee and employer*

.....
<signature>

CHAIRPERSON

<Insert name>

.....
<signature>

BOARD MEMBER

<Insert name>

.....
<signature>

BOARD MEMBER

<Insert name>

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits Scheme Annual Report) Guideline No. 3 of 2020

<insert date>

<insert date>

<insert date>

Notes: It is recommended that:

- *the chairperson signs the financial statements together with an employer appointed board member and a member elected board member.*
- *in the case a scheme has independent board members, one independent trustee must sign the financial statements together with the chairperson.*

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits Scheme Annual Report) Guideline No. 3 of 2020
Statement of Trustees' responsibilities for the Financial Statements

URBRA Act and Regulations require the Trustees to make available to scheme members and other parties, audited financial statements for each Scheme year which show a true and fair view, of the financial transactions of the Scheme during the reporting period and of the amount and disposition at the end of the Scheme year of the assets and liabilities.

It also requires the Trustees to ensure that the scheme keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the scheme and safeguarding the assets of the scheme.

Responsibilities

The trustees are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in the manner required by URBRA Act and regulations, and for such internal control as trustees determined is necessary to enable the preparation of financial statements, whether due to fraud or error.

The Board of Trustees hereby confirm that, during the period under review, in the execution of their duties they have complied with the duties imposed by URBRA Act 2011, Regulations and the rules of the fund, including the following:

- ensured that adequate accounting records are kept inclusive of proper minutes of all resolutions passed by the Board of Trustees; and for taking such steps as are reasonably open to them to safeguard the assets of the Scheme and to prevent and detect fraud and other irregularities,
- ensured that proper internal control systems were employed by or on behalf of the fund;
- ensured that adequate and appropriate information was communicated to the members including their rights, benefits, duties in terms of the rules of the fund etc.
- took all reasonable steps to ensure that contributions, where applicable, were paid timely to the fund
- obtained expert advice on matters where they lacked sufficient expertise;
- ensured that the rules, operation and administration of the fund complied with the URBRA Act and all applicable legislations; and
- ensured that Scheme funds were invested and maintained in accordance with the fund's investment policy statement and Investment Regulations issued by URBRA.

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits Scheme Annual Report) Guideline No. 3 of 2020
Approval of the annual financial statements

The Board of Trustees accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with IFRS and scheme rules. The trustees are of the opinion that the financial statements give a true and fair view of the financial affairs of the scheme and its operating results.

These financial statements have been reported on by *<insert name of auditing firm>*, who were given unrestricted access to all financial records and related data, including minutes of all relevant meetings. The Board of Trustees believes that all representations made to the independent auditors in the representation letter during their audit were valid and appropriate. The report of the independent auditor is presented on page *<insert page no>*.

Notwithstanding the above-mentioned information, the Board of Trustees wish to draw attention to the following:

Specific instances of non-compliances	Remedial action taken

These financial statements:

- were approved by the Board of Trustees on **<insert date>**;
- are to the best of the Board of Trustees knowledge and belief confirmed to be complete and correct;
- fairly represent the net assets of the fund as at **<insert date>** as well as the results of its activities for the period then ended in accordance with IFRS.

We confirm that for the period under review, the **<insert name of fund>** has submitted all regulatory and other returns and any other information as required by the provision of the URBRA Act 2011 and to the best of my knowledge all applicable legislation except for the following (where applicable):

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits Scheme Annual Report) Guideline No. 3 of 2020

Nothing has come to the attention of the Trustees to indicate that the scheme will not be able to meet its obligations for the next twelve months from the date of this statement and the requirements of the URBRA Act.

.....

.....

.....

<signature>

<signature>

<signature>

CHAIRPERSON

BOARD MEMBER

BOARD MEMBER

<Insert name>

<Insert name>

<Insert name>

<insert date>

<insert date>

<insert date>

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits Scheme Annual Report) Guideline No. 3 of 2020

Independent Auditor's report to the Members of XYZ RBS

To the Trustees of the XYZ RBS

a) Report on the Audit of the Financial Statements

- Opinion on financial statements
- Basis for the opinion < Conduct of the audit and audit evidence, affirmative statement about the auditor's independence and fulfilment of relevant ethical responsibilities>,
- Material Uncertainty Related to Going Concern (if applicable)
- Emphasis of Matter (if applicable)
- Key Audit Matters include matters which were most significant during the Audit.
- Trustees' responsibilities for the financial statements
- Auditors' responsibilities for the audit of financial statements

b) Report on Other Legal and Regulatory Requirements

<signature>

CPA

<Date>

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits Scheme Annual Report) Guideline No. 3 of 2020

Statement of Changes in Net Assets or Fund Account for the period ended DD/MM/YY. (Ref. IAS 26)

	Notes	XX01 Shs'000	XX01 Shs'000
Contributions and benefits			
Contributions receivable	2		
Individual transfers in			
Group transfer in	3		
Benefits payable	4		
Individual transfers out			
Net (withdrawals)/additions from dealings with members			
Returns on investments			
Investment income	5		
Change in market value of investments	15(a)		
Gain/ loss on sale of investment	15(a)		
Foreign exchange loss/ gain (<i>specify between realized and unrealised</i>)	17		
Other income <specify>	10		
Total investments income			
Administrative expenses	8		
Provisions	13		
Other <specify>			
Surplus before tax			
Income Tax expenses	14		
Net increase/(decrease) in the fund during the year			

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits Scheme Annual Report) Guideline No. 3 of 2020

Statement of Net Assets available for Benefits as at DD/MM/YY

	Notes	XX01	XX00
		Shs'000	Shs'000
ASSETS			
Non-current Assets			
Investment assets: < maturing after 12 months>			
Equities	15		
Bonds & Bills	15		
Investment & owner occupied Property	7		
Pooled investment vehicles < provide a note>			
Associates < provide a note>			
Deposits with commercial banks < provide a note>			
Plant and equipment	6		
Others <specify>	11		
Current Assets			
Investment < maturing within 12 months>	15		
Contributions receivable	11		
Cash & bank balances			
Account receivables < provide a note>			
Total Assets			
Non-current Liabilities:			
Deferred tax	14		
Current Liabilities			
Benefits payable	12		
Transfers payable	3		
Other account payables < specify>	9		
Total Liabilities			
Net Assets			
Members Fund and Reserves			
Accumulated Members' funds	SCMFR		
Reserve account	SCMFR		

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits Scheme Annual Report) Guideline No. 3 of 2020

	Accumulated members' Fund	Reserve s Account Reserve Account	Unallocated funds	FairValue Reserve: Debt Securities.	Total
	000	000	000	000	000
Opening balance as at 1st Jan xxx1	Xxx	xxx	xxx	xxx	xxx
Net dealings with members	Xxx	-	-	-	xxx
surplus for the year		xxx		xxx	xxx
Interest declared >	Xxx	(xxx)		-	xxx
Movement in Unallocated funds	xxx	-	xxx	-	
Others <specify>	Xxx	xxx		-	xxx
At end of period 31st Dec xxx1	XXX	XXX	XXX	XXX	XXX
 Opening balance as at 1st Jan xxx0	 Xxx	 xxx	 xxx	 xxx	 xxx
Net dealings with members	Xxx	-		-	xxx
surplus for the year		xxx	-	xxx	xxx
Interest declared	xxx	(xxx)	-	-	xxx
Others <specify>	Xxx	xxx		-	xxx
At end of period 31st Dec xxx0	XXX	XXX	XXX	XXX	XXX
FairValue Reserve: Debt Securities		SCMFR			
Un allocated funds		SCMFR			
Total Members Fund and Reserves					

Statement of Changes in Members' Funds and Reserves

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits Scheme Annual Report) Guideline No. 3 of 2020

- *Accumulated members funds include accumulated contributions and interest allocated to members over the years.*
- *Unallocated funds include unallocated contributions and forfeitures due to scheme's vesting policy circumstances leading to the unallocated funds should be disclosed.*
- *FairValue reserve for debt instruments includes only accumulated FairValue movement on debt instruments classified at fair value. No funds shall be allocated to members' account from this reserve until realised.*

Statement of Cashflows for the period ended DD/MM/YY

Notes XX01 XX00

Cash Flows from Operating Activities

increase / (decrease) in net assets before tax

Adjustments for non-Cash items:

Depreciation

changes in fair value of investment

Unrealised forex loss/(gain)

Other <Specify>

Cash Flows from Operating Activities before changes in working capital

Adjustments for changes in working capital

changes in Receivables

changes in Payables

changes in inventories

Others specify

Net Cash from Operating Activities

Cash from Investing Activities

Maturity of investments < specify>

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits Scheme Annual Report) Guideline No. 3 of 2020

Purchase of an asset < specify>

Others specify

Net Cash Used for Investing Activities

Cash and Cash Equivalents for the year

Cash and Cash Equivalents at the beginning of the year

Cash and Cash Equivalents at the end of the year.

Notes (forming part of the Financial Statements)

1. PRINCIPAL ACCOUNTING POLICIES *(The following statements are examples only)*

Example <The following are the principal accounting policies have been applied consistently by the fund to all years presented, unless otherwise stated. The principal accounting policies applied in the preparation of these financial statements are set out below>.

a. Basis of preparation

<Insert a statement disclosing a framework used>

b. Basis of measurement

<Example: The financial statements are prepared on the historical cost and going concern bases, except where specifically indicated otherwise in the accounting policies >

c. Plant and equipment

- All plant and equipment are initially recorded at cost. Land and buildings are subsequently shown at market value, based on valuations by external independent valuers, less subsequent depreciation. The remaining plant and equipment is stated at historical cost less depreciation.*
- Depreciation is calculated on the straight-line method to write off the cost of each asset, or the re-valued amounts, to their residual values over their estimated useful life as follows:*

Items	Useful life
Computer equipment and software	3 years
Office equipment	3 - 8 years
Furniture and fittings	10 years

- Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Impairment losses are recognised.*

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits Scheme Annual Report) Guideline No. 3 of 2020

- *Gains and losses on disposal of plant and equipment are determined by reference to their carrying amount and are taken into account in determining the net surplus or deficit.*

d. Financial instruments (Refer to IFRS 9)

- *Financial instruments include cash and bank balances, investments, receivables, accounts payable etc.*
- *Financial instruments are initially measured at cost as of trade date, which includes transaction costs. Subsequent to initial recognition, these instruments are measured as set out below.*

- ***Debt securities.***

Debt instruments shall be measured either at either Fair Value or at amortized cost depending on scheme's business model for managing financial assets and their contractual cash flow characteristics.

Debt securities shall be classified at amortised cost, if the objective of holding those instruments is to only collect contractual cash flows which comprise solely of payments of principal and interest till the maturity date.

Debt instruments shall only be classified at Fair Value, if the objective of holding those instruments is to sell or trade them.

Equity instruments

Equity instruments shall be measured at fair value. The fair value of marketable securities is calculated by reference to the applicable Stock Exchange quoted selling prices at the close of business on the net assets date or selling prices ruling at the year-end date.

Describe valuation method for valuation of unlisted equities refer to IFRS 13.

e. Foreign currencies

Transactions in foreign currencies during the year are translated into Uganda shillings at the exchange rate ruling at the date of the transaction. Monetary asset and liabilities denominated in foreign currencies at a reporting date are translated into Uganda shillings at the rate ruling at the year-end date. Differences arising on investment balance translation are accounted for in the change in market value of investments during the year.

f. Contributions

Normal contributions are accounted for in the period in which they fall due.

Employer deficit funding contributions are accounted for on the due dates on which they are payable in accordance with the Remedial Plan under which they are being paid.

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits Scheme Annual Report) Guideline No. 3 of 2020

g. Payments to members

Benefits are accounted for in the period in which they fall due for payment. Where there is a choice, benefits are accounted for in the period in which the member notifies the Trustees of his decision on the type or amount of benefit to be taken or, if there is no member choice, they are accounted for on the date of retirement or leaving.

Individual transfers in or out are accounted for when paid or received which is normally when member liability is accepted/discharged.

Group transfers are accounted for in accordance with the terms of the transfer agreement.

h. Expenses

Expenses are accounted for on an accruals basis.

I. Investment property

Investment properties are held to earn rental income and appreciate capital value. Owner-occupied properties are held for administrative purposes. This distinguishes owner-occupied properties from investment properties.

Investment properties are accounted under fair value model and are carried at market value determined annually by external independent professional valuers. Fair value adjustments are included in the statement of changes in net assets available for benefits.

J. Critical accounting estimates and judgements

Note: The scheme should disclose any accounting estimates and judgements used in applying accounting principles and reported amounts in relation to impairment losses on financial assets, fair value determination and financial risk management among others.

2. Contributions received and receivable

	Xx01	Xx00
	Shs'000	Shs'000
Employer:		
Normal		
Deficit Funding		
Other (specify)		
Members:		
Normal		
Additional Voluntary Contributions		
Total contributions.		

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits Scheme Annual Report) Guideline No. 3 of 2020

Deficit funding contributions are being paid by the Employer into the DB Scheme for a period in accordance with a recovery plan in order to improve the Scheme's funding position. The notes to the financial statements should explain for how long deficit funding contributions are payable

Umbrella Retirement Benefits Scheme should further disclose contributions relating to each participating employer.

Other contributions into the scheme should be clearly specified.

3. Group transfer in

The group transfer represents the assets transferred to the Scheme in respect of members of another Scheme. The bulk transfer can comprise of investment assets and cash.

4. Benefits paid and payable

	Xx01	Xx00
	shs'000	shs'000
Pensions		
Commutations and lump sum retirement benefits		
Purchase of annuities		
Lump sum death benefits		
Others <specify>		

5. Investment income

	Xx01	Xx00
	Shs'000	Shs'000
Dividends from equities		
Income from gov't bonds		
Income from corporate bonds		
rental income		
Interest on cash deposits		
income from gov't bills		
Income from pooled investment vehicles		
Other Income <specify>		

6. Plant and equipment *< Provide details for current and previous periods>*

	Computer equipment and software A	Furniture and fittings B	Other C	Total A+B+C
Gross carrying amount				
At beginning of period				
Additions				
Disposals				
Others <specify>				
At end of period				
Accumulated depreciation & impairment				
At beginning of period				
Depreciation charges				
Accumulated depreciation on disposals				
Impairment				
Net carrying amount at end of period				

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits Scheme Annual Report) Guideline No. 3 of 2020

7. Investment properties and Owner Occupied Investments

				A	B	C	D	E	A+B-C+ D+E
Instrument	Address	Valuation method	Date of last valuation	At beginning of period	Additions	Disposals	Fair value adjustment	Transfer to/from owner occupied properties or Investment properties	At end of period
Investment Properties (List)									
Owner Occupied Properties (List)									
TOTAL									

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits Scheme Annual Report) Guideline No. 3 of 2020
Note. Similar schedule for the previous year to be reproduced for comparison.

8. Administration expenses

	Notes	Current period	Previous period
Actuarial fees			
Administrator fees			
Audit fees			
Custodial fees			
Fund manager fees			
Consultancy fees <specify the nature of services)			
Depreciation			
URBRA Levy			
Operating lease payments			
Penalties			
Principal Officer Expenses	8.3		
Staff expenses	8.2		
Board of Trustees expenses	8.1		
Other (<i>Provide details</i>)			
Total			

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits Scheme Annual Report) Guideline No. 3 of 2020

8.1 Board of Trustees expenses

	Current period	Previous period
Remuneration		
Meeting allowances		
Expenses		
Other payments <specify>		
Total		

8.2 Staff expenses

	Current period	Previous period
Remuneration (specify between salaries, wages, leave pay, gratuity etc.)		
Contributions to retirement fund (clearly specify for mandatory and voluntary contributions)		
Training expenses		
Staff medical insurance		
Other payments <specify>		
Total		

8.3 Principal Officer expenses

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits Scheme Annual Report) Guideline No. 3 of 2020

	Current period	Previous period
Remuneration		
Allowances		
Other payments		
Total		

9. Other Accounts payable

	Current period	Previous period
<i>(Provide details)</i>		

10. Other income

	Current period	Previous period
Bad debts recovered		
Employers contributions towards expenses		
Other <i>(Provide details)</i>		

11. Contributions receivable

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits Scheme Annual Report) Guideline No. 3 of 2020

	Current period	Previous period
<i>Contributions due for 30 days</i>		
<i>Contributions due for over one but less than six months</i>		
<i>Contributions due for over six months but less than one year.</i>		
<i>Contributions due for over one year</i>		

Contributions receivable should be classified according to period with which they have been outstanding

12. Benefits Payable

	Current period	Previous period
<i>Benefits due for less than 30 days</i>		
<i>Benefits due for over one but less than six months</i>		
<i>Benefits due for over six months but less than one year.</i>		
<i>Benefits due for over one year</i>		

Benefits payable should be classified according to period with which they have been outstanding

13. Provisions

	Current period	Previous period
<i>(Provide details)</i>		
TOTAL		

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits Scheme Annual Report) Guideline No. 3 of 2020

Note 13. Provisions should end with the movement which reconciles with losses that would have materialised during the period and included in the statement of changes in net asset. For each class of provision, disclose the following:

- Description of the underlying obligation and expected timing of the settlement thereof.
- Indication of uncertainties about the amount or timing of those settlements
- Amount of expected reimbursements

14. Tax

Details of tax computations clearly showing income tax payable, deferred tax liabilities and all the adjustments made.

15. Investment

Details of the values of investment by major class held by the fund at the end of the reporting period,

Funds with more than one fund manager should clearly separating investments as per portfolio held by a fund manager.

For investment measured at fair value, provide details on how fair value of financial instruments has been determined using the fair value hierarchy as stipulated by IFRS 13 Fair Value measurement.

15 (a) Investment reconciliation

Reconciliation of investments held at the beginning and the end of the year showing the fair value of each investment held at year end and the change in fair value attributable to each investment; purchase at cost and sales proceeds.

The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sales of investments during the year.

16. Prior period adjustment

	Current period	Previous period
<i>Provide details</i>		

Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits Scheme Annual Report) Guideline No. 3 of 2020

Example:

During the period, the fund changed its accounting policy with respect to (mention the specific standard or interpretation, *nature of change, amount of the adjustment for each financial statement line and reason for change*).

17. Foreign exchange gain/ (loss)

Provide details on the movement clearly categorising between realised and unrealised gains and loss

18. Financial risk management

Disclose information in relation to Scheme's exposures to certain investment risks and Trustees' approach to risk management. See IFRS 7 financial risk management.

19. Related party transactions

<The following are examples only>

<u>Related party</u>	<u>Relationship</u>	<u>Description</u>	<u>Transactions</u>
			UGX

The chairperson BOT owns the company, which provides consulting services to the fund. Consulting fees for XX01 amounted to Ugshs XXX (xx00: Ugshs XXX) (refer to note XX to the financial statements).

The employer purchased a property owned by the fund during the current period. The purchase price of ugshs XXX was a market related price. The profit on the sale of the property is reflected in note XX to the financial statements.

20. Contingencies and commitments

Provide details on whether there was contingent liabilities or capital commitment at the end of the reporting period. Examples of contingent liabilities include claims against the scheme or the costs of litigation.

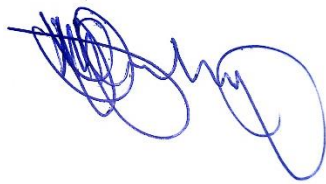
Uganda Retirement Benefits Regulatory Authority (Preparation of Retirement Benefits Scheme Annual Report) Guideline No. 3 of 2020

21. Self-investment

The Scheme holds an investment of Ugshs xxx <number of shares> of the sponsors ordinary shares at the year end, the value of which represents 2% of the Scheme's net assets.

The basic requirement is to disclose the percentage of the Scheme's resources invested in employer-related investments at the end of the year. Further disclosures are required if the percentage exceeds 5%

Issued on the 8th day of October, 2020



Signed: Martin A. Nsubuga
CHIEF EXECUTIVE OFFICER