



**SUREMED HEALTH**  
(Registration Number 1464)

**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2022**

**SUREMED HEALTH  
SUMMARISED FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

**REPORT OF THE BOARD OF TRUSTEES**

The Board of Trustees hereby presents its report for the year ended 31 December 2022

Registration number 1464

**1. DESCRIPTION OF THE MEDICAL SCHEME**

**1.1. Terms of registration**

Suremed Health is a not-for-profit open medical scheme registered in terms of the Medical Schemes Act 131 of 1998, as amended.

**1.2. Benefit options with Suremed Health**

The scheme offers 4 benefit options to employers and members of the public

These are:

- Challenger Option
- Navigator Option
- Shuttle Option
- Explorer Option

**1.3. Personal medical savings account monies managed by the scheme on behalf of its members**

In order to provide a facility for scheme members to set funds aside to meet future healthcare costs not covered in the benefit options, the Trustees have made the savings plan option available to meet this objective.

Members that belonged to the Navigator benefit option during the year under review paid an amount of approximately 20% of their gross contributions into a savings account so as to help pay members' portions of healthcare costs, up to a prescribed threshold.

Unexpended savings amounts are accumulated for the long-term benefit of the member and interest is paid on balances at a rate determined by the trustees from time to time.

The liability to the members in respect of the savings plan is reflected as a financial liability in the financial statements, repayable in terms of Regulation 10 of the Act. In terms of the rules of the scheme, the scheme carries the risk.

Savings contributions are refundable when a member leaves the scheme or transfers to an option within the scheme which does not have a savings option. The money will be transferred to the member within six months of the date of the change.

**1.4. Risk transfer arrangements**

During the year under review, the scheme had capitation agreements in place for the whole year with ER24 in respect of emergency and ambulance benefits, and Primecure (Pty) Ltd in respect of primary care benefits on the Explorer and Shuttle options.

**2. MANAGEMENT AND KEY THIRD PARTY CONTRACTORS**

<b>2.1</b>	Board of Trustees in office during the year under review:	<b>2.2</b>	Principal officer
	Mr. AB Vermeulen Chairman (member elected)		Mr. J Janse van Rensburg
	Mr. JLO Fernandes Trustee (member elected)		
	Dr. N Louw Trustee (employer nominated)		
<b>2.3</b>	Registered office address:	<b>2.4</b>	Registered postal address:
	Momentum Thebe Ya Bophelo (Pty) Ltd 7 Lutman Street Richmond Hill Gqeberha 6001		Momentum Thebe Ya Bophelo (Pty) Ltd P O Box 1672 Gqeberha 6000
<b>2.5</b>	Medical Scheme Administrators during the year:	<b>2.6</b>	Actuaries during the year:
	Momentum Thebe Ya Bophelo (Pty) Ltd (Accreditation number: Admin 22) 7 Lutman Street Richmond Hill Gqeberha 6001		Prognosys Actuaries and Consultants (Accreditation number: RSP016/2010) 27 Muir Road Rondebosch Cape Town 7700
<b>2.7</b>	Auditors		
	PricewaterhouseCoopers Inc Ascot Office Park Greenacres Gqeberha 6045		

**3. INVESTMENT STRATEGY OF THE MEDICAL SCHEME**

The Trustees continue to invest in line with the requirements of the Act. There has been no change in the policy during the current accounting period.

The scheme's investment objectives are to maximise the return on its investments on a long term basis at minimal risk. The investment strategy takes into consideration both constraints imposed by legislation and those imposed by the Board of Trustees. To achieve this, the funds are invested on call and short-term deposits with major banking institutions, and flexible market dependant income products managed by Acsis.

#### 4. REVIEW OF THE ACCOUNTING PERIOD'S ACTIVITIES

##### 4.1 Operational statistics – Current year

	2022				
	Challenger	Navigator	Shuttle	Explorer	Total
Average number of members during the accounting period. (N)	144	454	179	227	1 003
Number of members at the end of the accounting period. (N)	141	445	195	213	994
Average number of beneficiaries during the accounting period (N)	308	979	280	330	1 898
Number of beneficiaries at 31 December	300	960	306	308	1 874
Average number of dependants	165	526	101	104	895
Number of dependants at 31 December	159	515	111	95	880
Dependant ratio at 31 December	1.13	1.16	0.57	0.45	0.89
Net contributions per average beneficiary per month (R)	3 937.24	2 188.52	1 320.83	1 173.23	2 167.92
Relevant healthcare expenditure per average beneficiary per month (R)	3 448.71	2 097.94	1 056.01	1 490.94	2 058.08
Non-healthcare expenditure per average beneficiary per month (R)	384.30	316.41	154.29	170.16	278.07
Relevant healthcare expenditure as a percentage of gross contributions (%)	87.59	82.95	79.95	127.08	87.81
Non-healthcare expenditure as a percentage of gross contributions (%)	9.76	12.51	11.68	14.50	11.86
Average age per beneficiary	49.30	41.62	30.88	35.91	40.15
Pensioner % at 31 December (beneficiaries > 65 years)	32.67%	16.56%	4.90%	16.88%	17.29%
Average accumulated funds per member at 31 December (R)	-	-	-	-	63 128
Return on investments as a percentage of investments (%)	-	-	-	-	5.78

##### 4.2 Results of operations

The results of the scheme are set out in the Annual Financial Statements. During 2022 the Challenger option saw 12 high cost cases, Navigator option saw 21 high cost cases and the Explorer option 3 such cases. These cases are not the norm. The Trustees believe that no further clarification is required.

##### 4.3 Accumulated funds ratio

	2022 R	2021 R
The accumulated funds ratio is calculated on the following basis:		
Accumulated funds	62 749 072	62 149 678
Total member's funds per Statement of Financial Position	62 749 072	62 149 678
Accumulated funds per regulation 29	62 749 072	62 149 678
Gross contributions	53 371 363	53 760 608
Ratio of accumulated funds to gross annual contribution income	117.57%	115.60%
NOTE: There are no adjustments required to the reserves as per the Statement of Financial Position in order to arrive at the reserves as per Regulation 29.		

##### 4.4 Reserve accounts

Movements in the reserves are set out in the Statement of Changes in Funds and Reserves included in the Annual Financial Statements. There have been no unusual movements that the Trustees believe should be brought to the attention of the members of the scheme.

##### 4.5 Outstanding risk claims

Movements on the outstanding risk claims provision are set out in Note 6 to the Annual Financial Statements. There have been no unusual movements that the Trustees believe should be brought to the attention of the members of the scheme.

#### 5. IMPACT OF IFRS 17

IFRS 17 is the new accounting standard under which insurance contracts will be reported and is effective for the scheme's period end commencing 1 January 2023. Previously insurance contracts were reported under the ambit of IFRS 4.

Two methodologies are allowed in the standard, namely the general measurement model or the premium allocation approach. As the contract boundary for the scheme is 12 months (January to December), the scheme is eligible to apply the premium allocation approach, which is a simplified valuation model.

IFRS 17 requires medical schemes to identify a portfolio of insurance contracts, which comprises contracts of similar risk and are managed together. These portfolios could be at, amongst others, three main levels for a medical scheme – scheme level, option level or member level. As the scheme is managed as a whole, i.e. options and members are managed together, the portfolio of insurance contracts in the case of the scheme would be at scheme level.

Fulfilment cash flows would include all items which are directly attributable to the business of a medical scheme, for example contribution income, relevant healthcare expenses, administration fees and other directly attributable items. Those non-directly attributable items, such as investment returns, will be excluded. This is subject to final guidance from SAICA and the Council for Medical Schemes.

The standard also requires a risk adjustment factor to be included in the scheme's IBNR provision, to be known under IFRS 17 as the Liability for Incurred Claims (LIC), to address the following risks: premium risk, claims risk, reinsurance risk and administration risk. This adjustment will be evaluated at the time of calculation as the scheme's current IBNR provision includes an additional margin already.

From a disclosure point of view, the face of the statement of financial position will refer specifically to "insurance contract liabilities" and the face of the statement of profit and loss and other comprehensive income to "insurance revenue" and "insurance service expenses", amongst others.

#### 6. EVENTS AFTER THE REPORTING PERIOD

There were no significant events after the reporting period that require disclosure, other than those already addressed.

## 7. ADMINISTRATION SERVICES

Momentum Thebe Ya Bophelo (Pty) Ltd, the administrator provides key management information to the scheme. Momentum Thebe Ya Bophelo (Pty) Ltd participates in the financial and operational activities of the scheme, but does not control the scheme.

Administration fees for the year ended 31 December 2022 paid to Momentum Thebe Ya Bophelo (Pty) Ltd amounted to R2 708 704 (2021: R2 748 521).

## 8. ACTUARIAL SERVICES

The scheme's actuaries have been consulted in the determination of the contribution and benefit levels.

## 9. MARKETING AND DISTRIBUTION SERVICES

Marketing and distribution services are managed directly by the scheme in conjunction with the Administrators.

## 10. INVESTMENTS IN AND LOANS TO PARTICIPATING EMPLOYERS OF MEMBERS OF THE MEDICAL SCHEME AND TO OTHER RELATED PARTIES

The scheme holds no investments in participating employers of scheme members, or other related parties.

## 11. NON-COMPLIANCE MATTERS

Section 33(2)

Each benefit option should be financially sound and self supporting. In respect of this scheme the Navigator and Explorer options incurred net healthcare deficits. Non-compliance results in benefit options making a surplus subsidising benefit options making a deficit.

The Navigator option saw 21 high cost cases during the year and the Explorer option 3 such cases. These cases are not the norm. Appropriate adjustments have been made to the Navigator and Explorer options for 2023.

Regulation 5(F)

In terms of this regulation diagnostic and such other code numbers that relate to relevant health services, need to be stated on all accounts. Non-compliance results in the scheme not complying with the Act. Certain accounts received from members who do not reside in South Africa do not have diagnostic and such other code numbers that relate to relevant health services. The administrator applies suitable codes where applicable.

Section 26(7)

In terms of this section all contributions are to be received within 3 days of becoming due. Non-compliance could result in possible cash flow strain and have an impact on interest income. Late payments of contributions by members are not within the scheme's control, however a credit control policy is in place to address this matter and late payments are followed up by the administrator.

Section 59(2)

Certain claims were paid in excess of 30 days after receipt by the administrator as a result of queries to be investigated/audited in relation thereto. Non-compliance could impact on the relationship with members and providers. The number of claims affected, however, is very small. Procedures and policies are in place to manage late payment of claims, including a weekly report of claims held for investigation which is checked and signed by management to ensure that the 30 day limit is not exceeded. This practice ensures accurate claims processing and is in the interest of the risk management of the scheme.

The Trustees do not consider that these non-compliance matters have had a significant impact on the operations of the scheme or on the Financial Statements.

## 12. AUDIT COMMITTEE

An Audit Committee was established in accordance with the provisions of the Act. The Committee is mandated by the Board of Trustees by means of written terms of reference as to its membership, authority and duties. The Committee consists of five members, of which two are members of the Board of Trustees. The majority of the members, including the chairman, are not officers of the scheme or its third party administrator. The Committee met on three occasions during the course of the year as follows:

13 April 2022  
31 August 2022  
1 December 2022

The Principal Officer of the scheme, the financial manager of the administrator and the external auditors attend all Audit Committee meetings and have unrestricted access to the chairman of the Committee.

In accordance with the provisions of the Act, the primary responsibility of the Committee is to assist the Board of Trustees in carrying out its duties relating to the medical scheme's accounting policies, internal control systems and financial reporting practices. The external auditors formally report to the Committee on critical findings arising from audit activities.

The Audit Committee is pleased to report that:

- It has carried out its duties in terms of the Medical Schemes Act and the Board of Trustees written Audit Committee charter;
- The external auditors have confirmed their independence;
- The external auditors confirmed that the audit plan performance and their fees have been reviewed by the audit committee;
- The assurances provided by management, the internal auditors and the external auditors have satisfied the committee that the controls are adequate and effective;
- It has had oversight of the financial reporting process;
- It has reviewed the internal audit committee reports and findings;
- It has reviewed the Annual Financial Statements and the audit report thereon and recommended the acceptance thereof by the Board of Trustees;
- It has evaluated the effectiveness of the risk management and governance processes of the Board of Trustees; and
- The audit committee have completed self-evaluations.

The independent members of the Audit Committee, fulfils the role of the Remuneration Committee

The committee during the year under review was:

VD Rubin CA (SA); H.dip. BDP; MBA (Chairman) - Independent member  
J Rollason LL.B, FCII, CFP - Independent member  
AB Vermeulen B Comm (ACC) AGA – Trustee member  
JLO Fernandes CA(SA) – Trustee member  
JJ Janse van Rensburg B Comm – Trustee member  
DM Perlstein B.Acc; CA (SA); H. Dip. Company Law - Independent member

### 13. MEETING ATTENDANCE AND REMUNERATION

The following schedules sets out the attendance at meetings and remuneration received.

NAME	BOARD MEETINGS		OTHER MEETINGS		FEES R	EXPENSES R	AUDIT COMMITTEE MEETINGS		REMUNERATION COMMITTEE MEETINGS		FEES R
	A	B	A	B			A	B	A	B	
AB Vermeulen (BoT Chairman)	5	5	1	1	540 800	(C) 19 841	3	3	1	1	-
J Janse van Rensburg (Principal Officer)	5	5	1	1	690 000	7 182	3	3	1	1	-
JLO Fernandes (Trustee Member)	5	5	1	1	317 000	4 329	3	3	-	-	-
N Louw (Trustee member)	5	5	1	1	304 700	2 773	-	-	-	-	-
VD Rubin (Audit Comm. Chairman)	-	-	-	-	-	-	3	3	1	1	49 155
J Rollason (Audit Comm. Member)	-	-	-	-	-	-	3	1	1	1	10 500
D Perlstein (Audit Comm. Member)	-	-	-	-	-	-	3	3	1	1	32 550
<b>Total</b>	<b>20</b>	<b>20</b>	<b>4</b>	<b>4</b>	<b>1 852 500</b>	<b>34 125</b>	<b>18</b>	<b>16</b>	<b>5</b>	<b>5</b>	<b>92 205</b>

A = Total possible number of meetings that could have been attended

B = Actual number of meetings attended.

C = This amount includes expenses paid by the Chairman on behalf of the scheme



## **Independent Auditor's Report on Summarised Financial Statements**

*To the Members of Suremed Health*

### **Opinion**

The summarised financial statements, as set out on pages 5 to 8, which comprise the summarised statement of financial position as at 31 December 2022, and the summarised statement of comprehensive income, summarised statement of changes in funds and reserves and summarised statement of cash flow for the year then ended, and related notes, are derived from the audited financial statements of Suremed Health (the Scheme) for the year ended 31 December 2022.

In our opinion, the accompanying summarised financial statements are consistent, in all material respects, with the audited financial statements, in accordance with the content and disclosure requirements of Circular 6 of 2013 issued by the Council for Medical Schemes as applicable to summary financial statements.

### **Summarised Financial Statements**

The summarised financial statements do not contain all the disclosures required by International Financial Reporting Standards and the Medical Schemes Act of South Africa as applicable to annual financial statements. Reading the summarised financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

The summarised financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

### **The Audited Financial Statements and Our Report Thereon**

We expressed an unmodified audit opinion on the audited financial statements in our report dated 12 April 2023. That report also includes:

- The communication of a key audit matter.

### **Trustees' Responsibility for the Summarised Financial Statements**

The trustees are responsible for the preparation of the summarised financial statements in accordance with the content and disclosure requirements of Circular 6 of 2013 issued by the Council for Medical Schemes as applicable to summary financial statements.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on whether the summarised financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance International Standards on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*.

*PricewaterhouseCoopers Inc.*

**PricewaterhouseCoopers Inc.**

**Director: A Rathan**

**Registered Auditor**

**Gqeberha, South Africa**

**26 April 2023**

PricewaterhouseCoopers Inc., Ascot Office Park, 1 Ascot Road, Greenacres, Gqeberha, 6045

P O Box 27013, Greenacres, 6057

T: +27 (0) 41 391 4400, F: +27 (0) 41 391 4500, [www.pwc.co.za](http://www.pwc.co.za)

Chief Executive Officer: L S Machaba

The Company's principal place of business is at 4 Lisbon Lane, Waterfall City, Jukskei View, where a list of directors' names is available for inspection.

Reg. no. 1998/012055/21, VAT reg.no. 4950174682.

**SUMMARISED FINANCIAL STATEMENTS**

**SUMMARISED STATEMENT OF FINANCIAL POSITION  
31 DECEMBER 2022**

	2022 R	Notes	2021 R
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investments	15 000 000		-
<b>Current assets</b>	<b>57 788 506</b>		<b>72 968 133</b>
Investments	48 000 000		58 000 000
Trade and other receivables	4 364 864		3 657 897
Cash and cash equivalents	5 423 642		11 310 236
<b>Total assets</b>	<b>72 788 506</b>		<b>72 968 133</b>
<b>FUNDS AND LIABILITIES</b>			
<b>Members' funds</b>			
Accumulated funds	62 749 072		62 149 678
<b>Current liabilities</b>	<b>10 039 434</b>		<b>10 818 455</b>
Personal medical savings account monies managed by the scheme on behalf of its members	6 069 098		6 329 431
Trade and other payables	1 770 336		1 489 024
Outstanding risk claims provision	2 200 000	3.1	3 000 000
<b>Total funds and liabilities</b>	<b>72 788 506</b>		<b>72 968 133</b>

**SUMMARISED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 R	Note	2021 R
Risk contribution income	49 367 978	5	49 669 958
Net claims incurred	(45 902 352)		(46 315 241)
Net expense of risk transfer arrangements	(198 361)	9	(941 869)
Managed care: management services (accredited organisations)	(765 884)		(816 120)
Gross healthcare result	2 501 381		1 596 728
Member acquisition and retention costs	(789 556)		(745 206)
Administration expenditure	(5 608 958)		(5 491 064)
Impairment losses: Trade and other receivables	66 287		(32 916)
Net healthcare result	(3 830 846)		(4 672 458)
Other income	4 520 382		3 894 677
Investment Income	3 957 614		3 533 652
Prescribed savings balances written off	377 227		147 912
Sundry income	185 541		213 113
Other expenditure	(90 142)		(96 138)
Interest paid	(90 142)		(96 138)
Net surplus/(deficit) for the year	599 394		(873 919)

**SUMMARISED STATEMENT OF CHANGES IN FUNDS AND RESERVES  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Accumulated Funds R	Total Members' Funds R
Balance as at 1 January 2021	63 023 597	63 023 597
Net deficit for the year	(873 919)	(873 919)
Balance as at 31 December 2021	62 149 678	62 149 678
Net surplus for the year	599 394	599 394
Balance as at 31 December 2022	62 749 072	62 749 072

**SUMMARISED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 R	2021 R
Net cash outflow from operating activities	(3 705 796)	(4 966 324)
Net cash (outflow)/inflow from investing activities	(2 180 798)	8 998 747
<b>NET (DECREASE)INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(5 886 594)</b>	<b>4 032 423</b>
Cash and cash equivalents at beginning of period	11 310 236	7 277 813
<b>TOTAL CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>5 423 642</b>	<b>11 310 236</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**1. Basis of preparation**

The summarized financial statements have been extracted from the statutory financial statements prepared in accordance with IFRS for the year ended 31 December 2022. The same accounting policies and methods of computation have been used in preparing the summarized financial statements as in the previous annual financial statements.

**2. Financial assets**

Financial assets are recognised on the scheme's statement of financial position when it becomes a party to the contractual provisions of the instrument.

**3. Provisions**

Provisions are recognised when the scheme has a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The outstanding risk claims provision is a provision made for the estimated cost of healthcare benefits that have occurred before the year end, but have not been reported to the scheme by that date.

**3.1 Outstanding risk claims provision**

	2021 R	2021 R
Balance at beginning of year	3 000 000	4 000 000
Payments in respect of prior year	(2 721 134)	(3 258 709)
Over provision in prior year	278 866	741 291
Adjustment for current year	1 921 134	2 258 709
Balance at end of year	2 200 000	3 000 000

**4. Medical Insurance Contracts**

Contracts under which the scheme accepts significant medical insurance risk from another party (the member) by agreeing to compensate the member or other beneficiary if a specified uncertain future event (the insured event) adversely affects the member or other beneficiary, are classified as insurance contracts. The contracts issued compensate the scheme's members for healthcare expenses incurred.

**5. Risk contribution income**

Contribution income is received monthly and recognised as income over the period of indemnity. Risk contribution income represents gross contributions after deduction of savings plan contributions.

	2022 R	2021 R
Gross contributions per registered rules	53 371 363	53 760 608
Less: Savings contributions received	(4 003 385)	(4 090 650)
Risk contribution income per statement of comprehensive income	49 367 978	49 669 958

**6. Claims**

Gross claims incurred comprise the total estimated cost of all claims arising from healthcare events that have occurred in the year and for which the scheme is responsible, whether or not reported by year-end.

**7. Managed care: management services**

These expenses represent internal expenditure and the amounts paid or payable to third party administrators, related parties and other third parties for managing the utilization, costs and quality of healthcare services to the Scheme.

**8. Investment income**

Interest is recognised as it accrues according to the effective interest method. Dividend income is recognised when the scheme becomes entitled to it.

**9. Risk transfer arrangements**

Risk transfer premiums are recognised as an expense over the indemnity period on a straight-line basis. Risk transfer premiums and benefits reimbursed are presented in the Statement of Comprehensive Income on a gross basis. Only contracts that give rise to a significant transfer of insurance risk are accounted for as insurance. Amounts recoverable under such contracts are recognised in the same year as the related claim. Claims recoveries relating to risk transfer arrangements are calculated based on claims settled in terms of risk transfer arrangements.

**Net (expense)/income of risk transfer arrangements**

	2022 R	2021 R
AMBULANCE SERVICES		
Premiums/fees paid	(204 868)	(208 654)
Claims incurred in respect of related risk transfer arrangements	222 647	297 856
Net income	17 779	89 202

	2022 R	2021 R
PRIME CURE		
Premiums/fees paid	(4 916 755)	(4 320 882)
Claims incurred in respect of related risk transfer arrangements	4 700 615	3 289 811
Net expense	(216 140)	(1 031 071)

**10. Impairment losses**

The carrying amounts of the scheme's assets are reviewed at each reporting date to determine whether there is an indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

**11. Personal medical savings accounts**

The personal medical savings account liability (2022: R6 069 098 and 2021: R6 329 431) is the net balance due to members in respect of the savings contribution received and claims paid.



**12. Related party transactions**

Momentum Thebe Ya Bophelo (Pty) Ltd, the administrator provides key management information to the scheme. Momentum Thebe Ya Bophelo (Pty) Ltd participates in the financial and operational activities of the scheme, but does not control the scheme.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the scheme. Key management personnel includes the Board of Trustees and Principal Officer. The amounts include close family members of the Board of Trustees and the Principal Officer. (Refer to Note 19 for Trustee remuneration and expenses). These transactions were all concluded in terms of the rules of the scheme.

	2022 R	2021 R
<b>Key management personnel</b>		
<i>Transactions</i>		
Remuneration and expenses – Board of Trustees	1 189 443	1 112 544
Remuneration and expenses – Principal Officer	697 182	659 723
Contributions received	354 050	308 100
Claims incurred	518 002	401 798
Accumulated savings	26 557	26 032
<b>Transactions with parties that have significant influence over the scheme</b>		
Momentum Thebe Ya Bophelo (Pty) Ltd		
- Administration fees	2 708 704	2 748 521
- Managed care fees	591 348	636 019
<i>Outstanding balances at 31 December</i>		
<b>Administrator</b>		
Momentum Thebe Ya Bophelo (Pty) Ltd		
- Administration fees	325 859	220 317
- Managed care fees	46 667	49 074
Amounts due to the administrator are payable on the first working day of the following month		

**13. Surplus/(deficit) from operations per benefit option**

	2022 R Challenger	2022 R Navigator	2022 R Shuttle	2022 R Explorer	2022 R Total
Gross contribution income	14 567 801	29 716 363	4 435 335	4 651 864	53 371 363
Less: Savings contribution income	-	(4 003 385)	-	-	(4 003 385)
<b>Net contribution income</b>	14 567 801	25 712 978	4 435 335	4 651 864	49 367 978
<b>Relevant healthcare expenditure</b>	(12 760 239)	(24 648 703)	(3 546 079)	(5 911 575)	(46 866 597)
Net claims incurred	(12 586 861)	(24 124 801)	(3 571 908)	(5 618 781)	(45 902 352)
Net expense of risk transfer arrangements	5 519	12 114	25 829	(241 823)	(198 361)
Premiums/fees paid	(33 772)	(111 888)	(3 713 602)	(1 262 361)	(5 121 623)
Claims incurred in respect of related risk transfer arrangements	39 291	124 002	3 739 431	1 020 538	4 923 262
Managed care: management services (accredited organisations)	(178 897)	(536 016)	-	(50 971)	(765 884)
<b>Gross healthcare result</b>	1 807 562	1 064 275	889 256	(1 259 711)	2 501 381
Member acquisition and retention costs	(87 043)	(464 643)	(120 978)	(116 891)	(789 556)
Administration expenses	(1 332 294)	(3 303 080)	(407 725)	(565 859)	(5 608 958)
Net impairment losses on healthcare receivables	(2 580)	50 209	10 596	8 062	66 287
<b>Net healthcare result</b>	385 645	(2 653 239)	371 148	(1 934 399)	(3 830 846)
<b>Members as at 31 Dec 2022</b>	<b>141</b>	<b>445</b>	<b>195</b>	<b>213</b>	<b>994</b>

13. Surplus/(deficit) from operations per benefit option - continued

	2021 R Challenger	2021 R Navigator	2021 R Shuttle	2021 R Explorer	2021 R Total
Gross contribution income	14 615 835	30 423 448	3 822 848	4 898 477	53 760 608
Less: Savings contribution income	-	(4 090 650)	-	-	(4 090 650)
<b>Net contribution income</b>	14 615 835	26 332 798	3 822 848	4 898 477	49 669 958
<b>Relevant healthcare expenditure</b>	(11 299 972)	(28 822 972)	(3 040 449)	(4 909 838)	(48 073 230)
Net claims incurred	(11 127 894)	(28 299 471)	(2 032 448)	(4 855 428)	(46 315 241)
Net expense of risk transfer arrangements	17 769	49 750	(1 008 001)	(1 387)	(941 869)
Premiums/fees paid	(34 511)	(115 687)	(3 132 599)	(1 246 739)	(4 529 536)
Claims incurred in respect of related risk transfer arrangements	52 280	165 437	2 124 598	1 245 352	3 587 667
Managed care: management services (accredited organisations)	(189 846)	(573 251)	-	(53 023)	(816 120)
<b>Gross healthcare result</b>	3 315 863	(2 490 174)	782 399	(11 361)	1 596 728
Member acquisition and retention costs	(72 194)	(457 843)	(104 245)	(110 924)	(745 206)
Administration expenses	(1 301 987)	(3 286 138)	(335 180)	(567 759)	(5 491 064)
Net impairment losses on healthcare receivables	17 694	(61 306)	2 626	8 070	(32 916)
<b>Net healthcare result</b>	1 959 376	(6 295 461)	345 600	(681 974)	(4 672 458)
<b>Members as at 31 Dec 2021</b>	<b>152</b>	<b>481</b>	<b>172</b>	<b>233</b>	<b>1 038</b>

14. Contingencies and commitments

The scheme did not have any other contingencies or commitments at year end other than those disclosed in the annual financial statements.

**APPROVAL OF THE STATUTORY ANNUAL FINANCIAL STATEMENTS**

The Annual Financial Statements were approved by the board on 12 April 2023 and signed on its behalf by Messrs AB Vermeulen (Chairman), JLO Fernandes (Trustee) and J Janse van Rensburg (Principal Officer).

  
AB VERMEULEN  
CHAIRMAN

  
JLO FERNANDES  
TRUSTEE

  
J JANSE VAN RENSBURG  
PRINCIPAL OFFICER

The full audited annual financial statements, including the report of the auditors, will be available at the Annual General Meeting. Further copies may be obtained from the Fund Manager at (041) 395-4400.