



## COUNCIL FOR MEDICAL SCHEMES

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### **TO ALL PRINCIPAL OFFICERS, BOARD OF TRUSTEES OF ALL MEDICAL SCHEMES AND STATUTORY RETURN USERS**

Telephone: 012 431 0519

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Enquiries: Leentie Mouton

Date: 25 September 2006

### **Circular No 41 / 2006**

#### **2006 audited financial statements**

##### *Revised SAICA Accounting and Auditing Guide on Medical Schemes*

Please note that the SAICA Accounting and Auditing Guide on Medical Schemes has been revised by the Medical Schemes Project Group of The South African Institute of Chartered Accountants (SAICA) for the 2006 financial year.

The revised guide was prepared in compliance with the International Financial Reporting Standards (IFRS) and, for auditors of medical schemes, International Standards of Auditing (ISAs). It is very important to note that the guide is not considered to be complete in all aspects, and readers are advised to read the guide in conjunction with applicable legislation, IFRS and ISAs, where appropriate, to ensure that all areas are adequately covered.

This guide will be published on SAICA's website ([www.saica.co.za](http://www.saica.co.za)). Once this is published on the website, we will communicate it to you.

##### *2006 annual statutory return*

The 2006 annual statutory return will also be revised to ensure that it incorporates all the necessary changes as a result changes in IFRS. Please note that the 2005 annual statutory return may not be fully aligned with the revised SAICA guide, due to additional information required by the Office.

The 2006 annual statutory return will be available at the beginning of March 2007 on our website [www.medicalschemes.com](http://www.medicalschemes.com).

2006 SAICA Medical Schemes Update Workshops

It is imperative that all persons engaged in the audit of medical schemes keep abreast with changes in legislation and accounting statements that have a bearing on the medical schemes industry.

In this regard please note that the 2006 SAICA Medical Schemes Update Workshop will be held on 26 September in Durban, the 5<sup>th</sup> of October in Johannesburg and the 9<sup>th</sup> of October in Cape Town. More details with regards to this workshop are attached to this circular as Annexure A. Please also refer to SAICA's website for further information in this regard.

Reporting of non-compliance issues

Section 36(8)(a) of the Medical Schemes Act No 131 of 1998 requires an auditor to report on all non-compliance matters noted during the performance of an audit. Please note that the Board of Trustees Report should also deal with all non-compliance matters raised.

Prescription of unclaimed savings balances

Until such time that clarity has been provided from relevant legislation, schemes are advised that a medical scheme will not be allowed to write back any of the unclaimed savings balances to its income statement (hence, removing the liability from the balance sheet).



**T. PATRICK MASOBE**  
**REGISTRAR OF MEDICAL SCHEMES**

# SAICA Medical Schemes Update Workshops

26 September; 5 October; 9 October

## Who should attend:

This workshop is aimed at administrators, trustees and auditors of medical schemes.

## Workshop highlights:

The main focus of the workshop will be an update on developments in the medical schemes industry and introducing the updated medical schemes guide. The workshop will address:

- Capitation agreements
- Related party disclosures, and
- Other specific problem areas encountered during the 2005 year end.

The workshop will conclude with a panel discussion on the 2006 guide.

## Workshop programme:

The workshop will be pitched at CPD knowledge level two (i.e. delegates will be taken through the basics in detail).

Time	Topic	Speaker
8:00-8:30	Registration	
8:30-8:45	Welcome	Malcolm Brown (Chairman – SAICA Medical Scheme Project group)
8:45-9:45	Capitation agreements	Dennis Deysel (PricewaterhouseCoopers)/George Tweedy (Deloitte)
9:45-10:30	Related party disclosure	Laura Elliot (Ernst & Young)
10:30-11:00	Tea	
11:00-11:30	Specific problem areas	Council for Medical Schemes representatives
11:30-11:45	Council update	Council for Medical Schemes representatives
11:45-12:15	The guide 2006	Joanett Pienaar (KPMG)
12:15-13:00	Panel discussion	Panel

Please note that these times are approximate

## Workshop duration:

08H00 – Registration and refreshments

08H30 – Workshop commences

13H00 – Workshop concludes

## Dates and venues:

18 September

Pretoria

CSIR

Chairperson: Prof. William Pick Vice-Chairperson: Dr Saadiq Kariem Chief Executive & Registrar: Patrick Masobe

A STATUTORY BODY ESTABLISHED IN TERMS OF THE MEDICAL SCHEMES ACT, 1998 (ACT 131 OF 1998)

26 September  
5 October  
9 October

Durban  
Johannesburg  
Cape Town

The Royal Hotel  
Southern Sun Crowne Plaza  
The Cullinan

**Workshop investment:**

CAs(SA), AGAs, AATs and trainee accountants R495 (Including 14% VAT)  
Non-members R645 (Including 14% VAT)

**Enrolment:**

Should you wish to attend, please complete the booking form or alternatively send an e-mail to [marie@eventmakers.co.za](mailto:marie@eventmakers.co.za). For any queries, please contact Mari, Poverello on Tel: 011 462-4262 or Fax: 086 611 8813.

**Terms and conditions:**

Only written notice of cancellation will be considered, at no time are telephonic cancellations sufficient. A 15% administration fee will be charged for all cancellations received eight or more working days prior to the workshop. The full fee is payable if a cancellation is received within the seven working days prior to commencement of the workshop. Delegates booking and not attending will be liable for the full fee. SAICA's liability in the event of workshop cancellation will be limited to a refund of the workshop fee. Substitutions within the same payment category may be made for the workshop. Substitutions/transfers may not be made between different workshop venues and between different workshops. Enrolments close seven days prior to the workshop date. Should you not receive your tax invoice timeously, as confirmation of enrolment, please telephone the SAICA Workshops Unit.

Please note that payment is due strictly before the workshop or at the latest on the morning of the workshop.

**Other training courses:**

For more information about other training courses please visit [Training Courses](#)