



**COUNCIL FOR MEDICAL SCHEMES**

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

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Date: 10 February 2006

### **Circular No 5 / 2006**

## **ANNUAL STATUTORY RETURNS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2005**

The Office is in the process of amending the 2005 annual statutory return online program, which will be available on our website ([www.medicalschemes.com](http://www.medicalschemes.com)) during the first week of March 2006.

Please note that the deadline for the submission of the 2005 annual statutory return is **2 May 2006**. Section 37(1) of the Medical Schemes Act 131 of 1998 ("the Act") requires that schemes submit its annual financial statements within four months after the end of the financial year. However, due to the fact that 30 April 2006 is on a Sunday and taking cognisance of all the public holidays thereafter, the next business day is 2 May 2006.

The following signed documentation in terms of section 37 of the Act must be physically submitted to the Office of the Registrar by no later than 2 May 2006, to ensure a complete submission:

- Two hard copies of the 2005 annual statutory return – with the watermark "Final for Signature MM/DD/YYYY".
- Two sets of the 2005 audited financial statements.
- Board of Trustees' Report.
- The auditor's management report to the board of trustees on the 2005 audit findings.
- Detailed investment schedules including a breakdown of all the underlying assets per institution. Please also refer to circular 7 of 2005 in this regard.

Chairperson: Prof. Nicky Padayachee Vice-Chairperson: Ms Gando Matyumza Chief Executive & Registrar: Patrick Masobe

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

The Principal Officer, Chairperson and one other trustee signatory in terms of section 39 of the Act must sign these documents. The investment schedules should be signed off by the principal officer; the auditors are required to sign off on parts 4 – 9, as well as part 12 of the annual statutory return. Please note that the Office will regard the submission of the 2005 annual statutory return documentation as incomplete, if any of the documents are not signed as required.

In this regard, it is important to note that the signing authority of a Principal Officer and/or Chairperson can only be delegated to a suitable person appointed by the board of trustees; the appointment of the acting Principal Officer should be inline with the provisions of section 57(4)(a) and 57(7) of the Medical Schemes Act, and the appointment of the acting Chairperson inline with the rules of the scheme. Where applicable, a copy of the signed board of trustee resolution, where another person was appointed, should accompany the 2005 annual statutory return.

Your attention is drawn to the provisions of section 66(3) of the Act, in terms of which any medical scheme which fails to furnish the Registrar with the prescribed documentation, shall be liable to a penalty of R1,000.00 (one thousand rand) for every day, which the failure continues. PLEASE NOTE THAT THE DEADLINE APPLIES TO THE RECEIPT OF THE SIGNED DOCUMENTS BY THE OFFICE AND NOT MERELY THE ELECTRONIC SUBMISSION.

Your co-operation will be highly appreciated.

A handwritten signature in black ink, appearing to read 'Maggie Grobler', with a large, stylized initial 'M'.

**MAGGIE GROBLER**  
**HEAD: FINANCIAL SUPERVISION**  
**COUNCIL FOR MEDICAL SCHEMES**