



**HELP FILE WITH REGARDS TO THE QUARTERLY STATUTORY
RETURN 2012**



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LOGIN ONTO QUARTERLY STATUTORY RETURN



Not yet a user on the system:
Click on the words 'Register Here'.

The user should ensure that he or she selects all the schemes, for which he or she would like to register, when clicking on the button to select the schemes.

When the user submits his or her request to be registered, an e-mail will be sent to the 'administrator' of that scheme, to approve the registration of the user. Please note that our system has one administrator for each scheme, which is the very first person to register as a user for that specific scheme.

As soon as we receive the approval from the 'administrator' of the scheme, the Office will e-mail the new user his or her username and password to access the online statutory return.

The following screen will appear when the user clicked on the 'Register Here' button:

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A screenshot of a web browser displaying the registration page for the Council for Medical Schemes (CMS). The browser's address bar shows the URL 'http://www.medicalschemes.com/Forms/register.asp'. The page features the CMS logo at the top left and navigation links for 'Home' and 'Contact Us'. The main content area contains a registration form with the following fields: a 'Click on the "..." button to select one or many Schemes' dropdown menu, a large empty text box, and input fields for 'First Name', 'Last Name', 'Email', 'Confirm Email', 'Telephone', 'Cellphone', 'Fax', 'Street', 'City', and 'Postal Code'. The Windows taskbar at the bottom shows the system clock as 10:28 AM on 2011/06/02.

The user should then capture his or her user name and password on the login screen and press submit.



Forgot your password?

Should a user forget his or her password, the user should use the button provided on the login screen stating “Forgot your Password? **Click Here**”

The following screen will appear, and the user will be required to complete the required information and press OK. If the secret answer corresponds with the answer captured during the registration process of the user, the user will receive an e-mail from the Office with his password.

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As soon as the user has logged in, the following screen will appear. The user should choose the specific scheme he or she would like to access. The user will also have the option to choose whether he or she would like to access the current year's return or previous years' returns (in a read-only format).

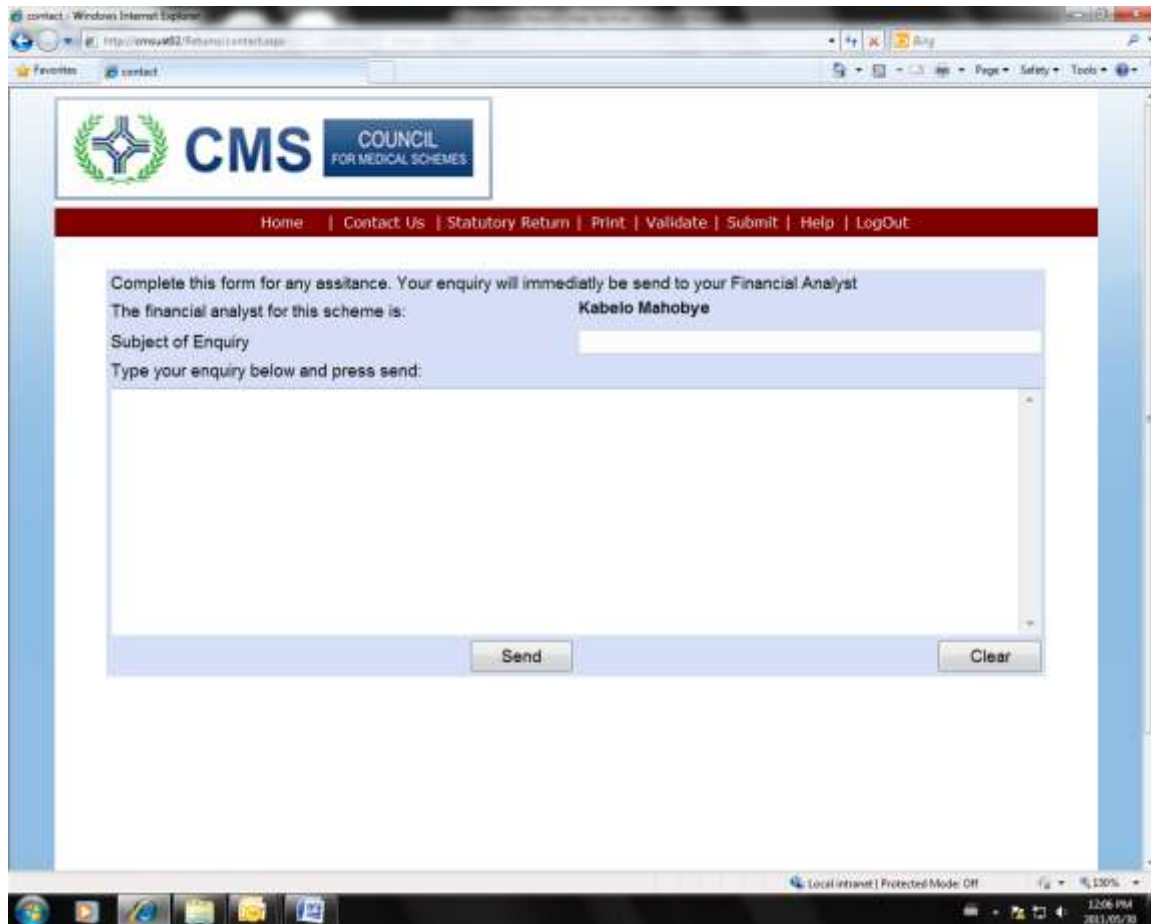


After selecting the scheme, the following screen will appear:



CONTACT US

Should a user experience any problems with the online statutory return, he or she can contact the Office at any point in time by just clicking on the '**Contact us**' option on the task bar. The following screen will appear:

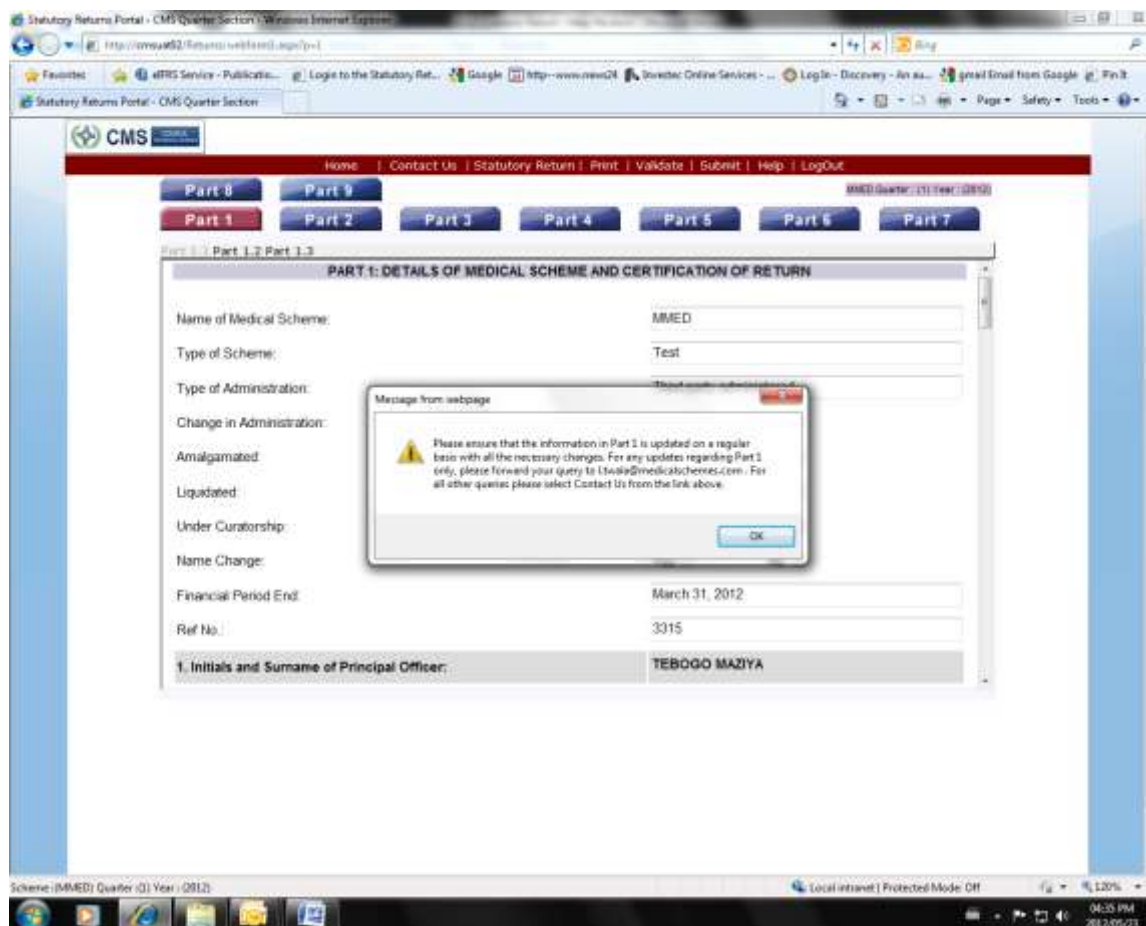


The name of the financial analyst responsible for the specific scheme will appear on the screen. The user should only complete the details of his or her enquiry and press 'send'. An e-mail will be send to the specific financial analyst responsible for the scheme. It is then the financial analyst's responsibility to contact the scheme and resolve the enquiry.

STATUTORY RETURN

To access the individual parts of the online statutory return, the user should click on the 'statutory return' button on the task bar. Part 1.1 will automatically open.

Part 1.1 Details of Medical Scheme and Certification of Return



Part 1 will be blocked for changes; all changes need to be sent to l.twala@medicalschemes.com.

Please ensure that the latest details of the Principal Officer, Chairperson, Trustee signatory, Scheme, Administrator, Fund manager, User, Auditor(s) and Liquidator and/or Curator (where applicable) are updated every quarter in part 1.1 of the return. Please note that the word document will be automatically e-mailed to the various persons indicated in Part 1 of the return.

Reference number

The reference number is automatically registered on our system, when the scheme is uploaded onto the system. Hence, this field will always remain a read-only field.

Please note that the reference number will stay the same if the scheme changed its name.

Amalgamations

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A final set of audited accounts, including the statutory return for the year in which a scheme has amalgamated have to be prepared and submitted to the Registrar.

Please take note that all the sections must be completed with the data for the period in which the scheme that amalgamated was in operation. This is done to ensure that the full 12 months' figures are obtained for all sections, especially part 3 and 4 in respect of the service providers and the income statement (i.e. the new scheme will not report on that data in their return as only opening balances are taken into account in their return).

Every line item of the balance sheet should be completed in detail. The closing balance sheet figures will become zero through the use of the last line item "Transfer of assets / liability due to amalgamation"; this is done to ensure that the balance is zero confirming that the scheme does not exist anymore as at the end of a quarter as it has amalgamated with another scheme. For example:

Investment classes per Annexure B	Previous Quarter		Current Quarter	
	Long Term	Short Term	Long Term	Short Term
	R	R	R	R
3.1.7.2.1- Cash, Bills, Bonds, Securities and Loans	0	0	12	12
3.1.7.2.2- Property	0	0	12	12
3.1.7.2.3- Shares and Convertible Debentures (excl. shares in property companies)	0	0	12	12
3.1.7.2.4- Debentures	0	0	12	12
3.1.7.2.5- Other derivative asset class (specify)	0	0	36	693,748
3.1.7.3- Other assets in territories outside the Republic	0	0	12	12
3.1.8- Transfer of assets due to amalgamation	0	0	12	12
3.1.9 Total investments	0	0	7,226,079	4,963,491.32
3.1.10 Outstanding cheques	0	0	15	15
3.1.11 Total investments for purposes of Annexure B	0	0	7,226,094	4,963,491.34

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Please ensure that the closing balances of the scheme that amalgamated agree with the opening balance that has been transferred to the new scheme for inclusion into their accounts.

Consolidations

Where a scheme completes the quarterly return on a consolidated basis, group transactions that relates to other parties in the group (not the scheme) should be aggregated and included in the specific line provided for on the balance sheet items.

The screenshot shows a web browser window displaying the 'Statutory Returns Portal - CMS Quarter Section'. The page is titled 'MMSD Quarter (1) Year (2012)'. At the top, there are navigation tabs for Part 1 through Part 7, with Part 3 currently selected. Below the tabs, there is a table with columns for 'Part 3.1', 'Part 3.2', 'Part 3.3', 'Part 3.4', 'Part 3.5.1', 'Part 3.5.2', 'Part 3.6', 'Part 3.7', 'Part 3.8', 'Part 3.9', 'Part 3.10', and 'Part 3.11'. The table lists various categories of amounts owing by, with values in the 'Part 3.2' and 'Part 3.11' columns.

Category	Part 3.2	Part 3.11
2.2.11 Provider balances	0	50,720,064
2.2.12 Amounts owing by:		2,909,950
2.2.12.1 Administrator	0	0
2.2.12.2 Reinsurer (other than claim recoveries)	0	0
2.2.12.3 Managed care organisations (other than claim recoveries)	0	2,348,647
2.2.12.4 Brokers	0	558,303
2.2.12.5 Other related party (specify)	0	0
2.2.13 Sundry debtors (specify)	0	12,145,279
2.2.14 Savings plan debtors (specify)	0	280,000
2.2.15 Less: Provision for impaired losses at quarter end (excluding risk transfer arrangements)	0	(152,517,971)
2.2.16 Trade and other receivables of group companies on consolidation	0	0
2.2.17 Transfer of assets due to amalgamation during the year	0	0
2.2.18 Total trade and other receivables	0	2,338,208,122

Below the table, there are two prompts with 'Click here' buttons:

- Please indicate whether the scheme has any agreements in place with employers / members to pay their contributions after 3 days of it becoming due. [Click here](#)
- Please indicate the remedial actions taken by the scheme where contributions were received after three days. [Click here](#)

All income statement transactions for the group companies should be included in part 4 under other income (4.1.15) and/or other expenses (4.1.17):



Part 4.2			
4.1.7	Less: Managed care: management services	(15,254,563)	(15,254,563)
4.1.8	Less: Broker service fees	(670,000,000)	(670,000,000)
4.1.9	Less: Administration expenses	(600,000,000)	(600,000,000)
4.1.10	Less: Net impairment losses: Trade and other receivables	0	0
4.1.11	Net healthcare result	(1,296,604,531)	(1,296,604,531)
4.1.12	Less: Net impairment losses: Other	0	0
4.1.13	Other investment income	0	0
4.1.14	Other realised and unrealised gains/(losses)	(7,000,000)	(7,000,000)
4.1.15	Less: Other income	0	0
4.1.16	Own facility surplus/(deficit)	1,521	1,521
4.1.17	Less: Other expenses	0	0
4.1.18	Less: Finance costs	0	0
4.1.19	Less: Investment management fees	0	0
4.1.20	Less: Operating expenses on rental of investment property	0	0
4.1.21	Surplus/(Deficit) for the year	(1,303,603,011)	(1,303,603,011)
4.1.22	Projected annual gross contribution income	500	500

Liquidations

A final set of accounts, including the statutory return, should be prepared until the effective date of liquidation.

Auditor(s)

The details of the auditor(s), as approved by the Registrar in terms of section 36 of the Act for the applicable financial year, should be captured in part 1.9.

Certification of the return

In terms of section 39(1) of the Act a medical scheme shall be deemed not to have complied with any provision of this Act which imposes upon such a medical scheme the obligation to furnish to the Registrar a document prepared by the medical scheme, unless such document is signed by the Principal Officer and one other person authorised in accordance with the rules of the medical scheme to sign documents.

In addition section 39(2)(a) of the Act requires that the following persons shall sign any document within terms of any provision of the Act must be furnished by a medical scheme to the Registrar:



- (a) In the case of a board of trustees, the chairperson of the board of trustees, and by one other member of such board; and
- (b) In any other case, persons designated by the Registrar who exercise control over the business of the medical scheme concerned.

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 in line with the provisions of section 57(4)(a) and 57(7) of the Medical Schemes Act, and the appointment of the acting Chairperson in line 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 quarterly statutory return.

Part 1.2 Benefit Options



The scheme should report separately on all registered options for the financial period concerned; even if some of the options were discontinued during the course of the year. Benefit options will be updated by the Benefit management



unit according to the registered rules of the scheme. Schemes will not be able to add options in Part 1.2.

Provision has been made for financial transactions in the 'other' column in part 3.10 of the return, should the scheme have incurred some financial transactions in the quarter concerned for options that have been deregistered but are in process of being wound down.

The benefit options captured in part 1.2 will automatically pull thru to parts 2.1, 2.2, 3.10, 3.11 and 8.1.

Part 1.3 Board of Trustee members at the end of the quarter



Part 1.3 will also be updated by the Office schemes should send all updates to l.twala@medicalschemes.com.



PART 2 NON FINANCIAL DATA

Please note that all these sections are compulsory.

Part 2.1 Membership at the End of the Quarter

The screenshot displays the 'PART 2.1: MEMBERSHIP AT THE END OF THE QUARTER' section of the CMS Statutory Return Portal. The page features a navigation menu with buttons for Part 1 through Part 7, and a table with columns for Benefit Options, Members, Adult Dependants, Child Dependants, and Beneficiaries. Below the table are instructions and 'Click here' buttons for providing reasons for zero values or low membership counts.

Benefit Options	Members	Adult Dependants	Child Dependants	Beneficiaries
2.1.1.1 OPTION A	185,761	123,365	141,710	450,836
2.1.1.2 OPTION B	47,099	29,324	25,478	101,901
2.1.1.3 OPTION C	32,424	18,477	20,596	71,497
2.1.1.4 OPTION D	17,517	10,649	10,510	38,676
2.1.1.5 OPTION E	1,020	653	591	2,264
2.1.1.6 OPTION F	64,555	41,110	37,682	143,347
2.1.1.7 OPTION G	15,029	3,739	5,740	24,508
2.1.1.8 OPTION H	137,656	33,758	84,138	255,552
2.1.1.9 OPTION I	88,625	58,403	57,874	204,902
2.1.2 Consolidated Total	958,519	519,651	644,793	2,122,963

Please provide the reasons, should the members and/or adult and/or child dependants be zero for any option: [Click here](#)

Please provide the reasons, and actions to be taken, should the principal members be less than 6 000 members: [Click here](#)

The membership figures for each of the benefit options should be provided in this part. The dependants should also be split between adult and child dependants as defined in the rules of the scheme. Beneficiaries are the sum of members and dependants.

Reasons should be provided where members and/or the adult and/or child dependants is zero for any option. Reasons should also be provided should the principal members be less than 6000 members.



Part 2.2 Age Analysis of Beneficiaries as at the End of the Quarter

		Consolidated Total		Per Benefit Option OPTION K	
		Male	Female	Male	Female
2.2.1	Less than one year	18,052	17,565	4,688	4,544
2.2.2	1-4 years	58,502	55,714	13,764	13,347
2.2.3	5-9 years	62,099	59,047	12,894	12,547
2.2.4	10-14 years	54,741	52,653	10,238	10,018
2.2.5	15-19 years	52,423	51,004	9,523	9,071
2.2.6	20-24 years	52,303	57,974	11,127	12,946
2.2.20	Total	807,374	845,622	167,399	174,679
CUMULATIVE TOTAL		1,652,996			
65 years + ratio		6.80 %		4.20 %	
Average age per beneficiary		32.71		30.20	

Please provide the reasons, should the total males or females be zero for any option : [Click here](#)

The scheme should capture the number of beneficiaries as at the end of the quarter per age band in this section. Important to note that the age of the beneficiary should be calculated as at **1 January** of the financial year concerned. This information should be provided on an option level, and should be split between male and female beneficiaries.

The consolidated number of beneficiaries as well as the number of beneficiaries per option should validate to the number of beneficiaries captured in part 2.1.

65 years + ratio

The system automatically calculates the number of beneficiaries older than 65 years as a percentage of the total beneficiaries. This is done on a consolidated as well as option level.



Average age per beneficiary

The system automatically calculates the average age per beneficiary for the scheme as well as the individual options.

Reasons should be provided where total males or females are zero for any option.

Part 2.3 Member Movement for the Quarter

The screenshot shows the CMS Statutory Return Portal interface. The main content area is titled "PART 2.3: MEMBER MOVEMENT FOR THE QUARTER". It contains a table with the following data:

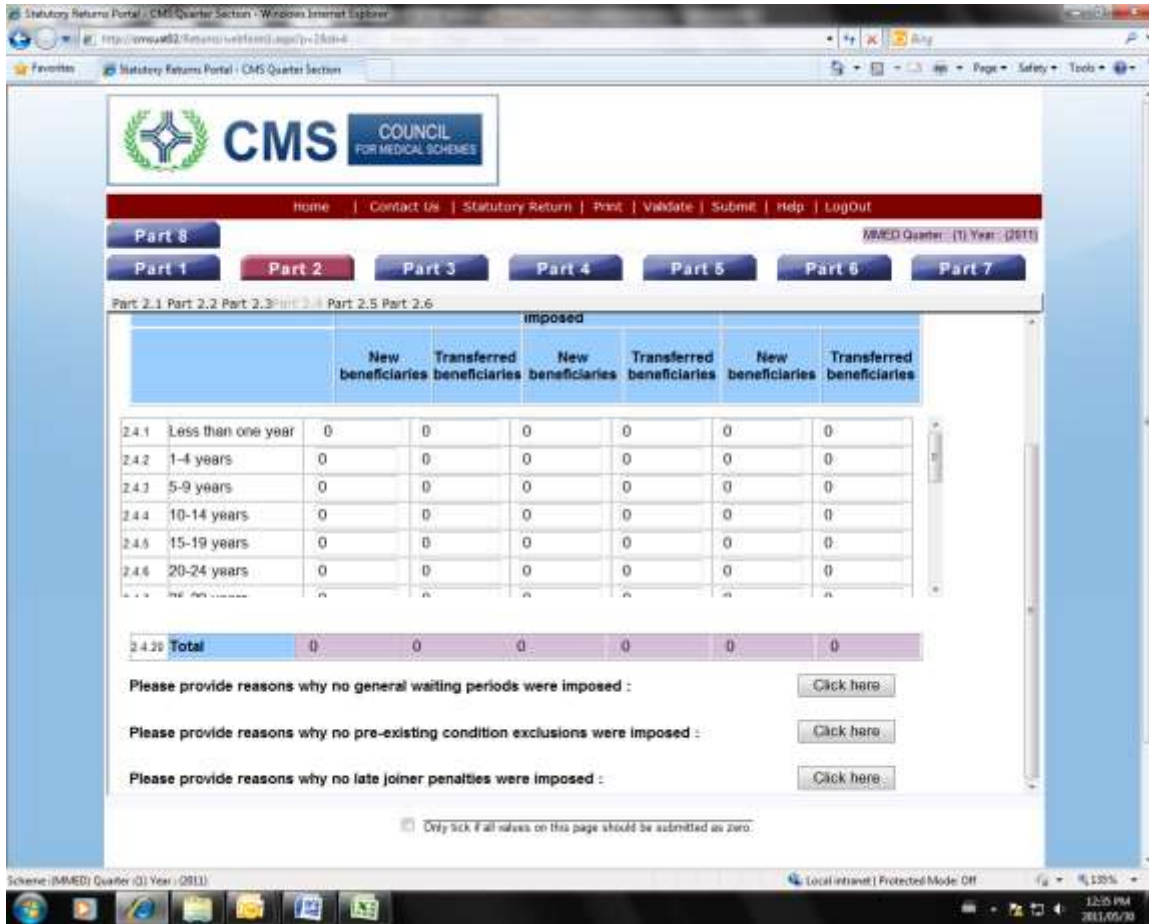
	Number of new members transferring from other schemes	Number of new members not transferring from other schemes	Number of new dependants transferring from other schemes	Number of new dependants not transferring from other schemes	Number of members leaving the scheme	Number of dependants leaving the scheme
2.3.1 First Quarter	30,841	31,228	35,371	124,258	21,130	31,068
2.3.2 Second Quarter						
2.3.3 Third Quarter						
2.3.4 Fourth Quarter						

The scheme should complete the number of members transferring from other schemes as well as the number of members not transferring from other schemes (new entries into the medical scheme environment), per quarter in this part. The number of dependants joining the scheme should also be completed per quarter.

The number of members and dependants leaving the scheme should also be completed per quarter.



Part 2.4 Waiting Periods applied during the quarter concerned



The scheme should complete the number of beneficiaries, per age band (new beneficiaries that entered the medical schemes environment as well as new beneficiaries transferred from other medical schemes) to whom the following were imposed:

- General waiting periods
- Pre-existing condition exclusions
- Late joiner penalties

Important to note that the age of the beneficiary should be calculated as at 1 January of the financial year concerned.

Reasons should be provided where no general waiting periods, pre existing conditions exclusions or late joiner penalties were imposed during the quarter.



Part 2.5 Number of Registered Members and Dependants at the End of Each Month

	Month	Members	Adult Dependants	Child Dependants	Beneficiaries	Dependant Ratio
2.5.1	January	0	0	0	0	0.00
2.5.2	February	0	0	0	0	0.00
2.5.3	March	72,758	519,651	3,083	595,492	7.18
2.5.4	April	0	0	0	0	0.00
2.5.5	May	0	0	0	0	0.00
2.5.6	June	0	0	0	0	0.00
2.5.7	July	0	0	0	0	0.00
2.5.8	August	0	0	0	0	0.00
2.5.9	September	0	0	0	0	0.00
2.5.10	October	0	0	0	0	0.00
2.5.11	November	0	0	0	0	0.00
2.5.12	December	0	0	0	0	0.00
2.5.13	Total	72,758	519,651	3,083	595,492	7.18

The scheme should capture the number of members, adult dependants and child dependants (as defined in the scheme’s rules) per month in this section. Beneficiaries are the sum of members and dependants.

The consolidated number of members, adult and child dependants at the end of the last month of each quarter (i.e. March, June, September and December) pulls through from the consolidated number of members, adult and child dependants captured in part 2.1.

Average members and dependants

The total number of members and dependants for the year divided with the number of months in which the medical scheme had members. For example, if a scheme had members from October to December for the financial year, the total will be divided by three.

Dependant ratio



The dependant ratio is calculated as the total dependants (adult plus child) divided by the number of members.

Reasons should be provided should the members and/or adult and/or child dependants be zero in any month.

Part 2.6 Distribution of Membership at End of the Quarter Period



The number of members, adult dependants and child dependants per province should be completed in this part. Beneficiaries are the sum of members and dependants.

The total number of members and dependants in this part should agree with the consolidated total number of members and dependants in part 2.1.

This information is normally collected from the following sources:

- Private Postal Address
- Business Postal Address
- Employer (Pay Point)



However, the Office would prefer that this part illustrate the distribution of members based on where services are delivered to the beneficiaries.

PART 3 NOTES TO THE FINANCIAL STATEMENTS

Part 3.1 Investments

Investment classes per Annexure B	Previous Quarter		Current Quarter	
	Long Term	Short Term	Long Term	Short Term
	R	R	R	R
3.1.1 Deposits and balances in current and savings accounts, negotiable deposits, money market instruments, structured bank notes, margin deposits with SAFEX and collateralised deposits.				
3.1.1.1 Inside the Republic:				
3.1.1.1.1 Per registered bank > R5 billion (specify)	0	0	50	2,956,440,400
3.1.1.1.2 Per registered bank > R100 million (specify)	0	0	30	66,096,047
3.1.1.1.3 Other (specify)	0	0	15,265	125,632
3.1.1.2 Territories outside the Republic	0	0	152,654	124,583
3.1.2 Bills, bonds and securities issued or guaranteed by and loans to or guaranteed by.				
3.1.2.1 Inside the Republic:				
3.1.2.1.1 Per registered bank (specify)	0	0	105	1,910,049,100
3.1.2.1.2 Other (specify)	0	0	12	9,961,409
3.1.2.2 Territories outside the Republic	0	0	12	15

The investments should be split between long-term investments and short-term investments, as per the scheme’s investment policy. Short-term investments are defined as those investments that mature within the next 12 months (after the financial year-end).

Every class of investments should be disclosed in the line item provided for that specific class of investments, and also according to the issuing institution.

The scheme should provide the full details of any investments included in all the ‘other’ buttons in 3.1.

HELP FILE – QUARTERLY STATUTORY RETURN 2012



Any bank overdraft balances should not be netted off against positive bank balances in this part; bank overdrafts should be disclosed in part 3.3 (trade and other payables).

Policies of Insurance where policy proceeds are directly linked to the market value of the underlying assets should be disclosed in 3.1.6.2 per insurer. Underlying assets in respect of these policies must be disclosed under the relevant categories in Part 3.1. The total in 3.1.9 will not include the policies as disclosed in 3.1.6.2.

Statutory Returns Portal - CMS Quarter Section - Windows Internet Explorer

Home | Contact Us | Statutory Return | Print | Validate | Submit | Help | Logout

Part 1 | Part 2 | **Part 3** | Part 4 | Part 5 | Part 6 | Part 7

Part 3.1 | Part 3.2 | Part 3.3 | Part 3.4 | Part 3.5.1 | Part 3.5.2 | Part 3.6 | Part 3.7 | Part 3.8 | Part 3.9 | Part 3.10 | Part 3.11

PART 3.1: INVESTMENTS

Investment classes per Annexure B	Previous Quarter		Current Quarter	
	Long Term	Short Term	Long Term	Short Term
	R	R	R	R
3.1.5.9 Territories outside the Republic	0	0	0	0
3.1.6 Policies of insurance.				
3.1.6.1 Policies of insurance where the policy proceeds are not directly linked to the market value of the underlying assets	0	0	0	0
3.1.6.2 Policies of insurance where policy proceeds are directly linked to the market value of the underlying assets				
3.1.6.2.1 Per insurer(specify)	0	0	30,000,000	0
3.1.7 Other assets not referred to elsewhere in this section.				
3.1.7.1 Other assets inside the Republic (specify)	0	0	0	0
3.1.7.2 Derivatives (inside the Republic):				
3.1.7.2.1 Cash, Bills, Bonds, Securities and Loans	0	0	0	0
3.1.7.2.2 Property	0	0	0	0
3.1.7.2.3 Shares and Convertible Debentures (excl. shares in minority companies)	0	0	0	0

Scheme (MRED) Quarter (1) Year (2012) Local intranet | Protected Mode: Off 08:31 AM 28/2/2012

Outstanding cheques are disclosed in part 3.1.10. It should be noted that this is only a disclosure item, to enable the Office to test the scheme's compliance with Regulation 30, read together with Annexure B. Line 3.1.9 should still agree with the scheme's investments as reported in the balance sheet.

Part 3.2 Trade and Other Receivables



The screenshot shows a web browser window displaying the 'Statutory Returns Portal'. The main content area is titled 'PART 3.2: TRADE AND OTHER RECEIVABLES'. It contains a table with the following data:

	MMD Quarter (1) Year (2012)	
	Previous Quarter	Current Quarter
	R	R
3.2.1 Contributions outstanding	0	1,201,801,866
3.2.1.1 - Current	0	1,171,675,022
3.2.1.2 - 30 days	0	14,476,476
3.2.1.3 - 60 days	0	5,006,915
3.2.1.4 - 90 days	0	6,750,623
3.2.1.5 - 120 days +	0	4,882,820
3.2.2 Recoveries from members for payments paid and payable (except for contributions, loans and savings plan account advances)	0	0
3.2.2.1 - Current	0	0
3.2.2.2 - 30 days	0	0
3.2.2.3 - 60 days	0	0
3.2.18 Total trade and other receivables	0	2,340,338,085

Where a line starts with the word 'Less', the scheme should place a minus in front of the figure.

The scheme should provide a proper ageing of debtor balances, where required in the return. The scheme should not disclose the full debtor balance under one age category.

Any advances on savings plan accounts should be shown separately as part of trade and other receivables (part 3.2.3); these balances should also be aged.

Risk transfer arrangements (3.2.4) are the sum of commercial reinsurance contracts (3.2.4.1) and other risk transfer arrangements (3.2.4.2).

Commercial reinsurance contracts will constitute insurance contracts entered into with a long-term insurer registered in terms of section 9 of the Long-term Insurance Act, 1998 (Act No. 52 of 1998), or a short-term insurer registered in terms of section 9 of the Short-term Insurance Act, 1998 (Act No. 53 of 1998).



The share of outstanding claims provision covered by commercial reinsurance contracts (3.2.4.1.1) plus the share of claims reported not yet paid covered by commercial reinsurance contracts (3.2.4.1.2) must agree with the provision for reinsurance claims recovered in part 3.5.2.3.

Commercial reinsurance claims paid by the scheme but not yet recovered from the reinsurer should be included in part 3.2.4.1.2.

Other risk transfer arrangements will constitute all “other” reinsurance contracts that fall within the definition of IFRS 4, for example a capitation agreement entered into with a managed healthcare provider. Please note that not all capitation agreements will fall within the definition of IFRS 4 by default. Each contract will have to be evaluated in terms of IFRS 4. (Also refer to Appendix IV of the 2010 SAICA Guide)

3.2.4.2.1 has to agree to the closing balance of the outstanding claims provision-covered by Other risk transfer arrangements in 3.10.14.

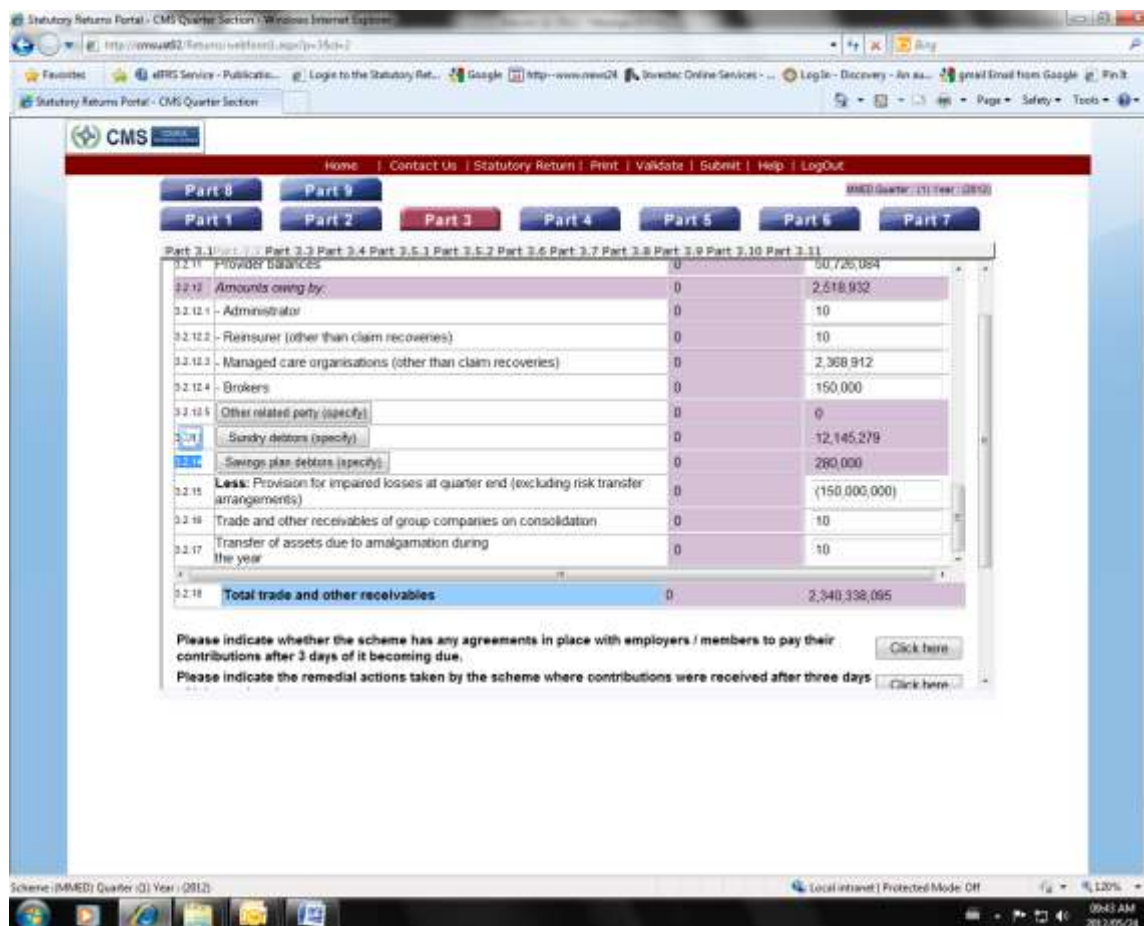
All amounts owing by providers (i.e. overpayments made to providers), should be included in the provider balances line in part 3.2.11 of the return.

The scheme should include any related party debit balances at year-end in 3.2.12.5 (unless the return provides for that related party in a specific line). The scheme should consider the requirements of IAS 24 in this regard.

The scheme should ensure that they disclose every debtor in the specific line provided for in part 3.2. Sundry debtors (3.2.13) should only be used if the return did not make provision for that specific debtor.

The scheme should furthermore NOT aggregate all its sundry debtor balances together in one line item in sundry debtors (3.2.13). Any balance greater than 10% of the total trade and other receivables should be disclosed separately in part 3.2.13.

The scheme should disclose savings plan debtors in 3.2.14 where amounts are still to be received from savings plan investments.



Important to note that in order to recognise a road accident fund (RAF) debtor, the following needs to be considered:-

- In terms of the Framework for the Preparation and Presentation of Financial Statements paragraph 83 an item that meets the definition of an income should be recognised if:
 - (a) it is probable that any future economic benefit associated with the item will flow to or from the enterprise; and
 - (b) the item has a cost or value that can be measured with reliability.
- The probability of future economic benefit is further explained in paragraph 85 which states that the concept of probability is used in the recognition criteria to refer to the degree of uncertainty that the future economic benefits associated with the item will flow to or from the enterprise. The concept is in keeping with the uncertainty that characterises the environment in which an enterprise operates. Assessments of the degree of uncertainty attaching to the flow of future economic benefits are made on the basis of the evidence available when the financial statements are prepared.
- Paragraph 93, which deals with the recognition of income states that the procedures normally adopted in practice for recognising income, for



example, the requirement that revenue should be earned, are applications of the recognition criteria in this Framework. Such procedures are generally directed at restricting the recognition as income to those items that can be measured reliably and have a sufficient degree of certainty.

- Furthermore, in terms of IAS 37 (Provisions, Contingent Liabilities and Contingent Assets) Appendix A, no asset is recognized if the inflow of economic benefits is probable, but not virtually certain. Hence, in terms of paragraph 31 no asset is recognized. The scheme should therefore follow the disclosure requirements stipulated in paragraph 89, which states that where an inflow of economic benefits is probable, an enterprise should disclose a brief description of the nature of the contingent assets at the balance sheet date, and, where practicable, an estimate of their financial effect, measured using the principles set out for provisions in paragraphs 36-52.
- Based on the information provided the right to receive reimbursement from the Road Accident Fund is not virtually certain and cannot be measured reliably. Unless the scheme can provide the Office with written acknowledgement guaranteeing 100% of the recoveries to be received from the Road Accident Fund, the income from the Road Accident Fund cannot be measured reliably as the scheme does not have a sufficient degree of certainty to what extent the claim will realize nor of when it will be settled by RAF. It is a known fact that claims can take as long as 6 years to be settled because of medical complications.

THUS taking cognizance of IFRS the scheme cannot raise a debtor for possible MVA recoveries because the right to receive reimbursement is not virtually certain and more importantly it cannot be measured reliably. Therefore, these MVA recoveries can only be reported as income once received.

Accrued interest (part 3.2.9) should include all accrued interest, including those specified on the schemes' investment portfolios.

Should the scheme have outstanding contributions for longer than 30 days, the scheme should indicate whether they have any agreements in place with employers or members to pay contributions after 3 days of becoming due and should also indicate remedial actions taken by the scheme where contributions were received after 3 days of becoming due.

Reasons should be provided should the administrator, reinsurer, managed care organisation, brokers or other related parties owe the scheme any amounts.

Part 3.3 Trade and Other Payables

HELP FILE – QUARTERLY STATUTORY RETURN 2012



	Previous Quarter		Current Quarter	
		R		R
3.3.1	Reported claims not yet paid	0		403,601,498
3.3.1.1	Reported claims not yet paid -due to members (including outstanding cheques)	0		107,044,445
3.3.1.2	Reported claims not yet paid - due to providers (including outstanding cheques)	0		296,617,053
3.3.2.1	Stale cheques for claims expenses	0		0
3.3.2.2	Stale cheques for expenses other than claims	0		0
3.3.3	Net contributions received in advance	0		36,016,081
3.3.4	Payments received in advance under risk transfer arrangements	0		0
3.3.4.1	Payments received in advance under commercial reinsurance contracts	0		0
3.3.4.2	Payments received in advance under other risk transfer arrangements	0		0
3.3.5	Bank overdraft (current account)	0		0
3.3.6	Amounts owing to:	0		376,528,488
3.3.6.1	Administrator	0		246,059,503
3.3.11	Total trade and other payables	0		825,147,807

Reported claims not yet paid should include all the scheme's claims creditors (including outstanding cheques relating to reported claims not yet paid that were written back to trade and other payables). It should be noted that the reported claims not yet paid must be greater than or equal to part 3.10.4.3 (Direct benefits reported not yet paid) (Consolidated total column) and part 3.10.4.6 (managed care: healthcare benefits (no transfer of risk) reported not yet paid) (Consolidated total column).

All outstanding cheques relating to expenses other than claims that have been written back to trade and other payables should be included in other payables and accrued expenses (3.3.11). The nature of these expenses must also be included.

Stale cheques are all those cheques that have not yet been cashed, but have also not yet prescribed.

The scheme should include all related party credit balances in 3.3.6.5 (unless the return provides for that related party in another specific line). The scheme should consider the requirements of IAS 24 in this regard.



It should be noted that all unallocated deposits should be disclosed separately in part 3.3.9 and should not be netted off against outstanding contributions in part 3.2.1 of the return. Reasons should be provided if the unallocated deposits are greater than one month's average gross contributions.

The scheme should ensure that they disclose every creditor in the specific line provided for. Other payables and accrued expenses (3.3.11) should only be used if the return did not make provision for that specific creditor.

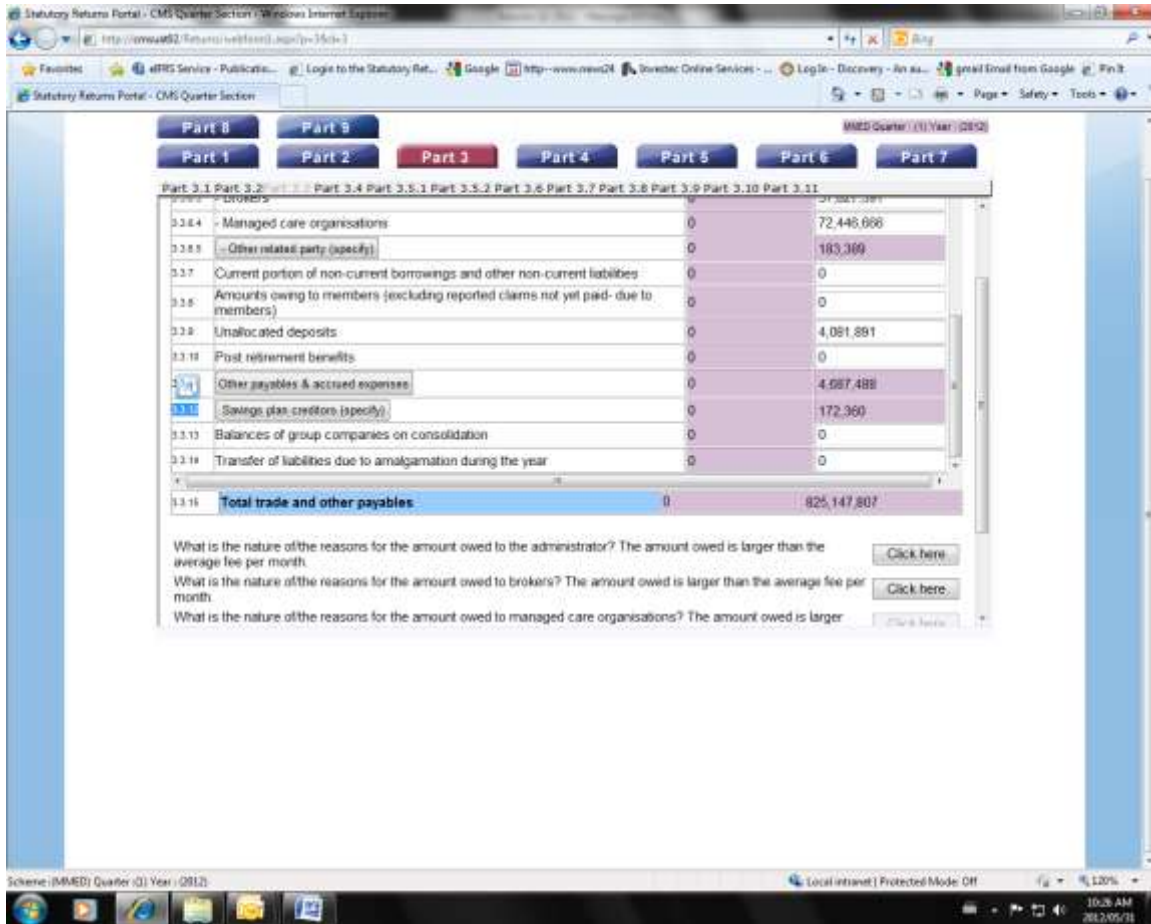
The scheme should furthermore NOT aggregate all its sundry creditor balances together in one line item in other payables and accrued expenses (3.3.11). Any balance greater than 10% of the total trade and other payables should be disclosed separately in part 3.3.11.

Reasons should be provided should the scheme owe its administrator, managed care organisation or brokers more than one month's average fee. Where a bank overdraft (3.3.5) or current portion of borrowings (3.3.7) has been disclosed, the scheme should indicate whether Council approval was obtained in terms of Section 35(6)(c) of the Medical Schemes Act.

Where a third party administered scheme has disclosed post retirement benefits in 3.3.10, the scheme should indicate in respect of which employees are the benefits due.

Important to note that the provision for outstanding claims is not included in this section, but disclosed in part 3.10.

The scheme should disclose savings plan liabilities in 3.3.12 where amounts are still to be paid over to savings plan investments.



Part 3.4 Managed Care: Management Services

This part should be completed per managed care contract; the first screen will appear as follows, the scheme may then add additional contracts (other than with the Administrator) by clicking on the "Add contract" button where every managed care: management services contract can be added:

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Part 8 Part 9 **Part 3** Part 4 Part 5 Part 6 Part 7

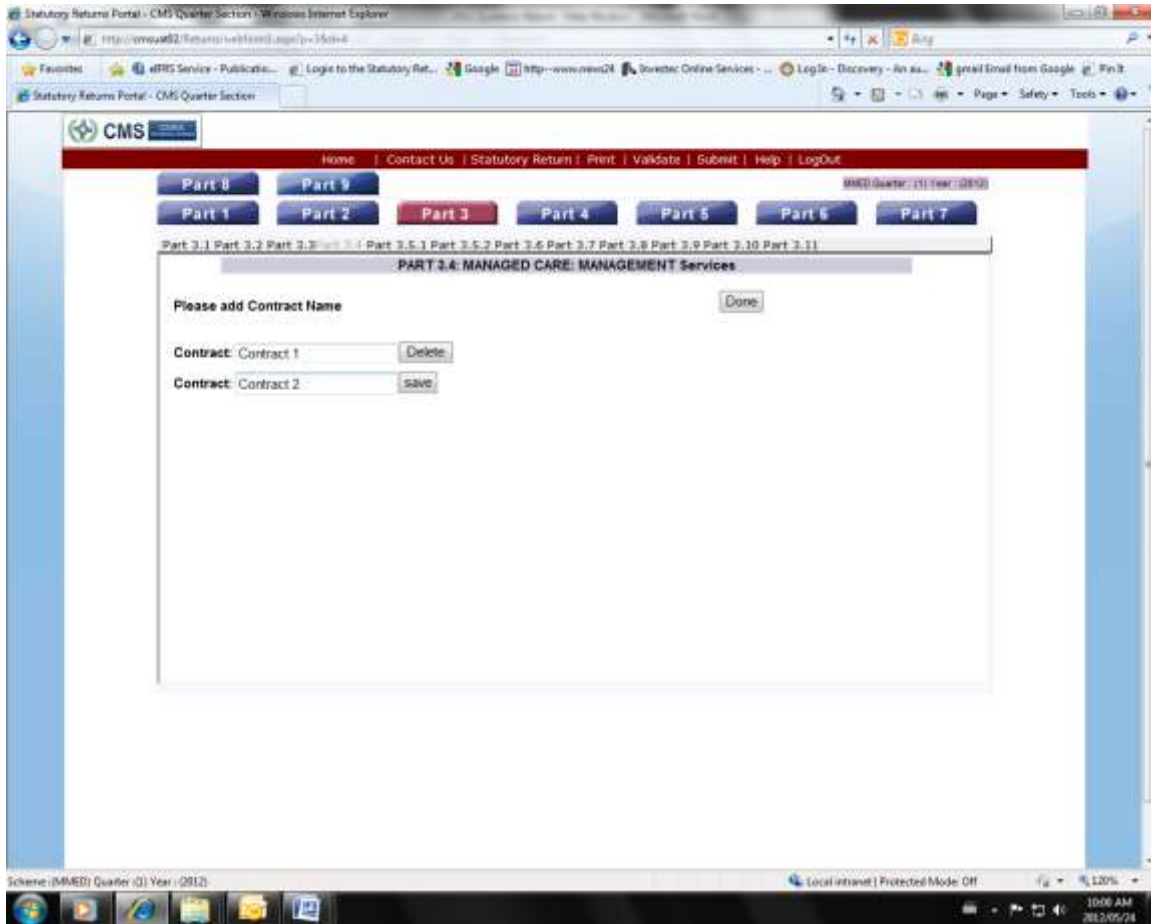
Part 3.1 Part 3.2 Part 3.3 Part 3.4 **Part 3.5** Part 3.6 Part 3.7 Part 3.8 Part 3.9 Part 3.10 Part 3.11

PART 3.4: MANAGED CARE: MANAGEMENT SERVICES

Add contract

	Current Quarter			Total
	Self 3rd Party Administrator	Other third parties		
	R	R	R	R
3.4.1 Asthma programme	0	0	0	0
3.4.2 Case management	0	0	0	0
3.4.3 Chronic medicine management	0	0	0	0
3.4.4 Clinical review/auditing	0	0	0	0
3.4.5 Dental benefit management	0	0	0	0
3.4.6 Disease management	0	0	0	0
3.4.7 Disease/prescribed minimum benefit management	0	0	0	0
3.4.8 Drug utilisation review	0	0	0	0
3.4.9 Female Wellness programme	0	0	0	0
3.4.10 Fraud hotline	0	0	0	0
3.4.11 Health advice line	0	0	0	0
3.4.12 HIV management	0	0	0	0

Scheme (IMED) Quarter (Q1) Year (2012) Local intranet | Protected Mode: Off 120% 09:49 AM 28/12/2011



Managed care means clinical and financial risk assessment and management of healthcare, with a view to facilitating appropriateness and cost – effectiveness of relevant health services within the constraints of what is affordable, through the use of rules-based and clinical management-based programs.

Hence, managed care: management services is the cost of managing healthcare expenditure, such as bill review, specialist and hospital referrals, case management, disease management (where healthcare benefits are not included in the contract), peer review, claims audits and statistical analysis, and it does not include the cost of any relevant healthcare services.

Managed care: management services expenses are disclosed, showing separately internal expenditure (incurred by the administrator) and outsourcing costs (services delivered by third parties).

The scheme should ensure that they disclose every managed care: management service in the specific line provided for. The other line (3.4.29) should only be used if the return did not make provision for a specific managed care: management service.



The scheme should furthermore NOT aggregate all its managed care: management services together in one line item in the other box provided in part 3.4.29; a detailed split of all services received should be provided.

Reasons should be provided if the services listed in 3.4.29 be equal to 3.4.30.

Part 3.5.1 Net (Income)/Expense from other Risk Transfer Arrangements (Excluding Commercial Reinsurance Contracts)

This part should be completed per managed care contract; hence the first screen that will appear as follows, to enable the scheme to capture every managed care: healthcare benefit contract:

The screenshot shows a web browser window displaying the CMS Statutory Returns Portal. The page title is "PART 3.5: RISK TRANSFER ARRANGEMENTS: MANAGED CARE: HEALTHCARE BENEFITS". The page contains a form with the following elements:

- A "Please add Contract Name" label with a "Done" button to its right.
- A list of contracts, each with a "Contract:" label, a text input field, and a "Delete" button:
 - Contract: Contract 1 [Delete]
 - Contract: Contract 2 [Delete]
 - Contract: [save]
- A checkbox at the bottom with the text "My tick if all values on this page should be submitted as zero."

As soon as all the contracts are captured and saved, the scheme should press the 'done' button. The following screen will appear:



Statutory Returns Portal - CMS Quarterly Section - Windows Internet Explorer

http://www.cms.gov/StatutoryReturns/Default.aspx?pr=35&id=1

Statutory Returns Portal - CMS Quarterly Section

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Part 8 (IMMED) Quarter: (1) Year: (2011)

Part 1 Part 2 Part 3 Part 4 Part 5 Part 6 Part 7

Part 3.1 Part 3.2 Part 3.3 Part 3.4 Part 3.5 Part 3.5.1 Part 3.5.2 Part 3.6 Part 3.7 Part 3.8 Part 3.9 Part 3.10 Part 3.11

PART 3.5: RISK TRANSFER ARRANGEMENTS: MANAGED CARE: HEALTHCARE BENEFITS

		Consolidated total	Per contract
		R	Contract 1
		R	R
3.5.1	Managed care: healthcare expenses (capitation fee)	1,220,683,404	600,000,000
3.5.2	Claims recoveries from managed care organisations	(15,000,199)	(100)
3.5.3	Other (specify)	35	12
3.5.4	Nett expenses/(income) on managed care arrangements	1,205,683,240	599,999,912

Only tick if all values on this page should be submitted as zero.

Scheme: (IMMED) Quarter: (1) Year: (2011)

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Important to note that this part should only be completed if there was indeed a true risk transfer from the scheme to the managed care organisation. The scheme should refer to IFRS 4 in this regard, to ensure that the managed care contract meets the definition of an insurance contract. IFRS 4 requires the scheme to assess each contract separately to determine whether there is a transfer of insurance risk.

The capitation fees paid should be captured in part 3.5.1.1; any claims recoveries (of whatever nature) should be capture in part 3.5.1.2. Please note that this figure should be a negative figure, as claims recoveries are a credit balance.

Your attention if furthermore drawn to IFRS 4 that indicates that a medical scheme should consider its assets under risk transfer arrangements (mainly comprising recoveries under risk transfer arrangements) for impairment. An asset under a risk transfer agreement is considered to be impaired when there is objective evidence, as a result of an event that occurred after initial recognition of the asset, that the medical scheme may not receive all amounts



due to it under the terms of the contract; and that event has a reliably measurable impact on the amounts that the scheme will receive under the risk transfer agreement.

Part 3.5.1.2 (Claims recoveries from managed care organizations) includes any benefits paid or provided by the contracted managed care organization.

Any other transactions not provided for in part 3.5.1.1 and part 3.5.1.2 should be captured in part 3.5.1.3 (other). The details of these transactions should be provided.

Should the premiums less recoveries be greater than 50% per contract, the scheme should provide the basis for the calculation of the estimated claims recoveries per contract.

Part 3.5.2 Net income/ (expenses) from risk transfer arrangements: commercial reinsurance contracts

This part should be completed per reinsurance contract; hence the first screen that will appear looks like follows, to enable the scheme to capture every reinsurance contract separately:

The screenshot shows a web browser window displaying the CMS Quarterly Return portal. The page title is 'PART 3.5.2: NET INCOME(EXPENSES) FROM RISK TRANSFER ARRANGEMENTS: COMMERCIAL REINSURANCE CONTRACTS'. The navigation bar includes buttons for Part 1 through Part 7, with Part 3 highlighted. Below the navigation bar, there is a breadcrumb trail: 'Part 3.1 Part 3.2 Part 3.3 Part 3.4 Part 3.5.1 Part 3.5.2 Part 3.6 Part 3.7 Part 3.8 Part 3.9 Part 3.10 Part 3.11'. The main content area contains a table with the following structure:

Please add Contract Name		Done
Contract: Jaska	Delete	
Contract: SOW	Delete	

As soon as all the contracts are captured and saved, the scheme should press the 'done' button. The following screen will appear:



	Consolidated total		Per contract	
	R		R	
3.5.2.1 Re-insurance premiums paid	15,000	15,000	15,000	15,000
3.5.2.2 Re-insurance claims recovered	(25,000)	(25,000)	(25,000)	(25,000)
3.5.2.3 Provision for reinsurance claims recovered	16,000	16,000	16,000	16,000
3.5.2.4 Profit/(Loss) on re-insurance arrangements	10,000	10,000	10,000	10,000
3.5.2.5 Commissions on reinsurance agreements	10,000	10,000	10,000	10,000
3.5.2.6 Discounts received	10	10	10	10
3.5.2.7 <i>Nett income/(expense) from commercial reinsurance arrangements</i>	26,010	26,010	26,010	26,010

Prepaid re-insurance premiums are included in current assets in part 3.2.5 of the return.

Profit/ (loss) on a commercial reinsurance arrangements (3.5.2.4) should be recognised either as a debtor or creditor over the period of risk covered by the policy that covers a period for more than one year. It is not the difference between the claims recovered and the premiums paid, but the profit/ (loss) in terms of the commercial reinsurance contract.

The commissions on commercial reinsurance arrangements (3.5.2.5) and discounts received (3.5.2.6) are as specified in the actual commercial reinsurance contract.

Please note that all expenses in respect of commercial reinsurance contracts must be captured as a negative amount and all income in respect of commercial reinsurance contracts as a positive amount.

Part 3.6 Administration Expenses



		Year to Date	Current Quarter
		R	R
3.6.1	Actuarial fees	10	10
3.6.2	Administration fees:		
3.6.2.1	- Fees paid to the administrator	851,345,198	851,345,198
3.6.2.2	- Indirect fees paid to the administrator	10	10
3.6.3	Advertising	10	10
3.6.4	Annual general meeting costs	10	10
3.6.5	Association fees	6,413	6,413
3.6.6	Audit expense:		
3.6.6.1	- Audit services	109,089	109,089
3.6.6.2	- Audit expenses	10	10
3.6.6.3	- Audit committees	168,035	168,035
3.6.6.4	- Over/(under) provision of prior year's audit fees	10	10
3.6.6.5	- Other non-audit expenses (specify)	1,254	1,254

Where a line starts with the word 'Less', the scheme should place a minus in front of the figure.

The scheme should ensure that they disclose every expense in the specific line provided for in part 3.6 of the return. Other administration expenses (3.6.39) should only be used if the return did not make provision for that specific expense.

The audit committee fees (3.6.6.3) should include all audit committee fees (i.e. fees paid to non-executive audit committee members); this line does not only refer to specific audit expenses incurred by the auditor.

Association fees (3.6.5) relate to fees paid to non-professional organisations such as Registrar levies, BHF membership etc.

In the event that a scheme entered an amount in line 3.6.9 (co-administration fees paid for ongoing services provided by third parties), but no such contracts exists in part 1.1, the scheme would be required to provide more information on the nature of the services, including the name of the provider.



Consultancy fees (3.6.11) are those fees paid where the board of trustees obtained expert advice on legal, accounting and/or any other business matter of which the members of the board of trustees may lack sufficient expertise.

Council for Medical Schemes expenses (3.6.12) are any other fees paid to the Council for Medical Schemes such as rule registration fees etc. It therefore excludes Registrar levies and penalties paid to the Council for Medical Schemes.

Investigation fees (3.6.20) will include any special investigations initiated by the scheme (including fraud investigations).

Please note that marketing (3.6.22) and advertising (3.6.3) expenses exclude fees paid to brokers as well as any distribution costs, which are disclosed under Part 3.10 of the return.

Please note that penalties in part 3.6.26 should include those penalties paid to the Registrar.

Professional fees (3.6.31) relate to membership fees paid to associations (i.e. Accountants, nurses, doctors etc.).

The scheme should furthermore NOT aggregate all its other administration expenses together in one line item in part 3.6.39. Every expense greater than 10% of the total administration expenses should be disclosed separately in part 3.6.39.

Where a scheme received a subsidy or refund from any third party for administration expenses incurred by the scheme, those subsidies should NOT be included in part 3.6.40. Any such subsidies should be included in 'other operating income' in part 4.1.15 of the return. The Office would like to see the total costs to administer the scheme in part 3.6.

Reasons should be provided if the scheme has not disclosed any fidelity guarantee insurance premiums (3.6.17) or any professional indemnity insurance premiums (3.6.32) year to date.

Part 3.7 Other Realised and Unrealised Gains/(Losses)



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Part 1 | Part 2 | **Part 3** | Part 4 | Part 5 | Part 6 | Part 7

Part 3.1 | Part 3.2 | Part 3.3 | Part 3.4 | Part 3.5.1 | Part 3.5.2 | Part 3.5.3 | Part 3.5.4 | Part 3.5.5 | Part 3.5.6 | Part 3.5.7 | Part 3.5.8 | Part 3.5.9 | Part 3.5.10 | Part 3.5.11 | Part 3.6 | Part 3.7 | Part 3.8 | Part 3.9 | Part 3.10 | Part 3.11

PART 3.7: OTHER REALISED AND UNREALISED GAINS/(LOSSES)

	Year to Date	Current Quarter
	R	R
3.7.1 Profit/(loss) on disposal of property, plant and equipment	10	10
3.7.2 Profit/(loss) on disposal of investment property	10	10
3.7.3 Realised gain/(loss) on disposal of available-for-sale investments	10	10
3.7.4 Unrealised gain/(loss) on revaluation of investment property	11	11
3.7.5 Net gains/(losses) on revaluation of investments carried at fair value through the statement of comprehensive income	7,029,258	7,029,258
3.7.6 Other (specify)	10	10
3.7.7 Total realised and unrealised gains/(losses)	7,029,299	7,029,299

Only tick if all values on this page should be submitted as zero.

Scheme: (MVED) Quarter: (1) Year: (2011) Local intranet | Protected Mode: Off 133% 8:22 PM 2011/05/28

Realised and unrealised gains and losses arising from changes in the fair value of investments held at fair value through profit or loss are included in the income statement in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of the available-for-sale investments are included in the fair value reserve and are not taken to the income statement. Once an available-for-sale investment is sold, the realised fair value gain or loss on the changes in the fair value of the available-for-sale investments is included in the income statement.



Part 3.8 Guarantees and Suretyship for Third Parties Liabilities (Including Contingent Liabilities) at the End of the Quarter Period



Where the scheme has provided a guarantee and/or suretyship to a third party, details of such guarantee and/or suretyship should be disclosed, per individual party to which such guarantee or suretyship was given. The scheme is also to indicate whether approval was obtained from Council in this regard.

The scheme should also list all assets individually, which were encumbered at end of the financial period.



Part 3.9 Related Party Transactions year to date



Due to inconsistencies experienced in the past, no differentiation between income and expenditure, as well as debit and credit balances are required.

Potential related parties as well as related party disclosure are discussed in detail in the relevant Appendices to the SAICA Guide. In terms of IAS 24 – *Related Party Disclosure*, “a related party is a person or entity that is related to the entity that is preparing its financial statements:

- (a) A person or a close member of that person’s family is related to a reporting entity if that person:
 - (i) has control or joint control over the reporting entity;
 - (ii) has significant influence over the reporting entity; or
 - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- (b) An entity is related to a reporting entity if any of the following conditions applies:



- (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity)".

Based on the definition of related parties above, the scheme would need to select the appropriate nature of relationship from the drop-down menu supplied in part 3.9 for each individual transaction/balance:

- Associate
- Joint venture
- Key management personnel
- Significant influence
- Sponsoring employer
- Subsidiary
- Other (Specify)

The income statement should be disclosed per party and per nature of transaction in part 3.9.1. The scheme should not aggregate all the income statement related party transactions.

The balances owing to/from related parties at quarter-end should be disclosed in part 3.9.2. The balance sheet balances for the quarter should be disclosed per party and per nature. The scheme should not aggregate all the related party balances.

The following are examples of the type of information that we require for purposes of part 3.9 when a scheme has identified an entity as a related party:

(Please note that the following examples are not considered to be an exhaustive list of all possible related parties and transactions.)



Board of trustees/Principal officer/Executive management and their close family members

(Key management personnel)

- Trustee remuneration and considerations will be pulled through as an aggregate from part 3.6.37.
- Principal Officer remuneration and considerations will be pulled through from part 3.6.28 and part 3.6.29.
- Any other members of "executive" management's remuneration should be disclosed separately from the board of trustees and Principal Officers' remuneration.
- Gross contributions received (disclosed in aggregate)
- Gross claims paid (disclose in aggregate)
- Ex-gratia payments (disclose in aggregate)
- Any other transaction entered into between the scheme and one of the parties mentioned above (disclose per individual)
- Any transactions between the scheme and another entity that is controlled, jointly controlled or significantly influenced by one of the parties mentioned above (disclose per individual)
- Outstanding balances on savings accounts (disclosed in aggregate)
- Outstanding contributions payable to scheme (disclosed in aggregate)
- Outstanding claims due by the scheme (disclosed in aggregate)
- Outstanding balances with regards to any other transaction (disclose per individual)

Employer groups

(The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.)

- Grant received from employer
- Administration refund from employer
- Rent paid to the employer
- Administration fees paid if the employer group handles the administration function
- Site office costs
- Any other transactions
- Outstanding balances due by the scheme in respect of the above transactions
- Outstanding balances due to the scheme in respect of the above transactions

Administrators



(A management entity that provides key management personnel services to a scheme may be deemed a related party in respect of those key management personnel services.)

- Administration fees paid
- Administration fees recovered
- Site office costs
- Rent received (where administrator rents building from scheme)
- Rent paid (where scheme rents building from administrator)
- Any other transactions
- Outstanding balances due by the scheme in respect of the above transactions
- Outstanding balances due to the scheme in respect of the above transactions

Managed care organisations

(A management entity that provides key management personnel services to a scheme may be deemed a related party in respect of those key management personnel services.)

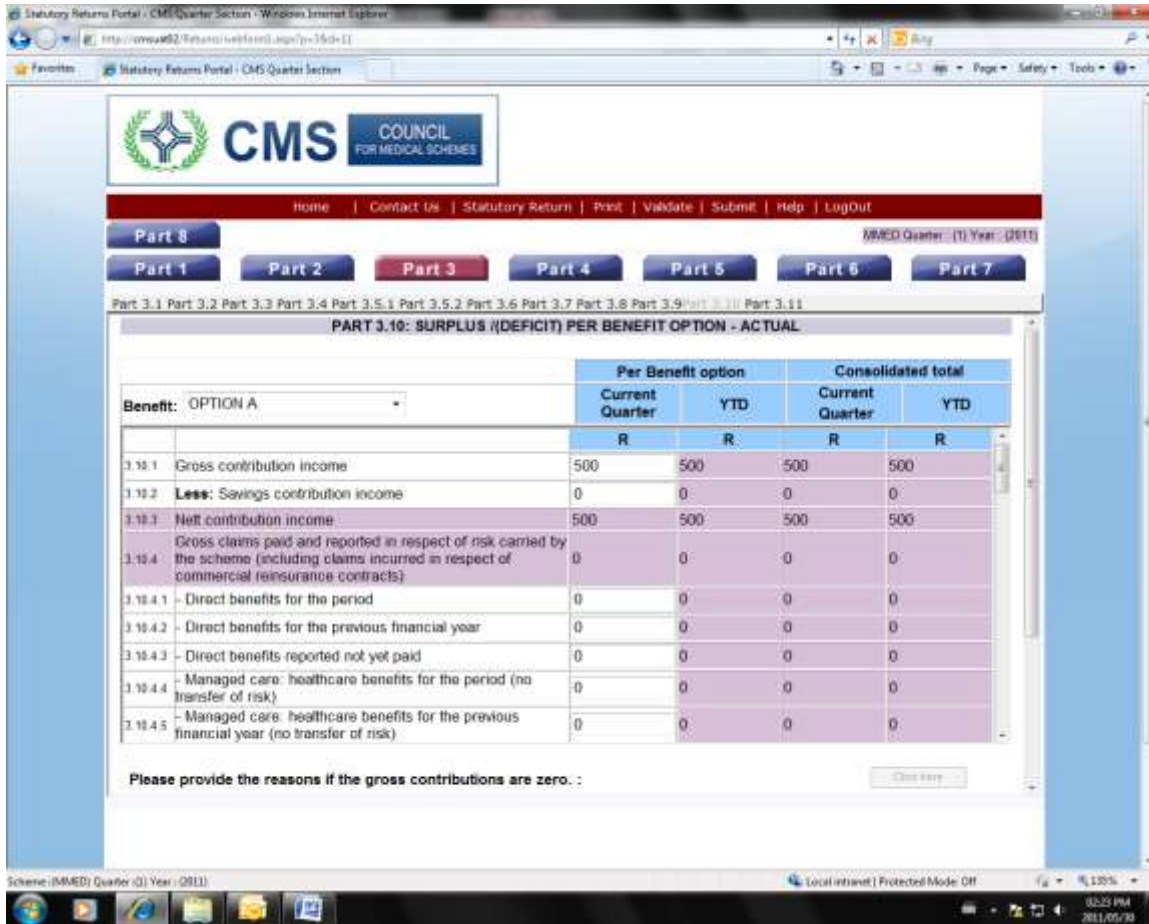
- Managed care fee (the total amount per party must be provided as the details would have been provided in 3.4).
- Outstanding balances due by the scheme in respect of the above transactions
- Outstanding balances due to the scheme in respect of the above transactions

Subsidiaries, Joint Ventures, and Associates

- Any transactions
- Outstanding balances due by the scheme
- Outstanding balances due to the scheme



Part 3.10 Surplus/ (Deficit) per Benefit Option



The option names as per part 1.2 automatically pull thru to part 3.10.

Where a line starts with the word 'Less', the scheme should place a minus in front of the figure.

The operating results of each benefit option under a medical scheme are to be separately disclosed, and the accounting records are to be maintained in such a way that the operating results for each benefit option can be determined.

It should be noted that the consolidated column (the sum of the individual option results) in part 3.10 should agree line by line to the individual amounts in the income statement.

Important to note that the option results are after taking into account Net impaired losses: trade and other receivables; hence other impaired losses as well as investment income does not form part of the option results.



The other column provided should be used to capture any transactions in this financial year, which relates to options that were discontinued at the beginning of the financial year, for which the scheme incurred some expenses or received some income.

The members and beneficiaries per option (3.10.37 and 3.10.38) at the end of the quarter pulls through from the members and beneficiaries captured in part 2.1 per option.

Broker service fees consist of broker fee payments (in terms of Regulation 28 of the Act) as well as distributions costs paid by the scheme. Distribution costs are mostly incurred under a co-administration or other agreement. The scheme should ensure that an accurate split between broker fees and distribution costs are made in this part. Where broker fees exceed R74.84 pampm and/or is greater than 3.42% on gross contributions, the scheme should provide reasons.

Distribution costs do not include marketing and advertising expenses unless those expenses are paid to brokers. Marketing and advertising costs paid to parties other than brokers are included in part 3.6.22 and part 3.6.3 respectively.

Consideration should be given to related party relationships and transactions relating to brokers fees and distribution costs. These transactions should take account of the requirements of IAS 24.

Reasons should be provided by the scheme if the year to date gross contributions is zero.

Where outstanding claims over/under provision are more than 10%, scheme is required to provide reasons.

It should be noted that lines 3.10.27, 3.10.30, 3.10.32 allows scheme to provide a description and amount and should be broken down into individual amounts and not lumped together in one line. For e.g. other income 3.10.30 can now be broken down into various types of other income and descriptions provided.

Where the scheme receives a grant from a sponsor, an employer, third party fund administrator, etc., whether to comply with Regulation 29 of the Regulations to the Act, namely, minimum accumulated funds to be maintained by the scheme, or for any other reason, the grant is shown separately under "Other income" in part 3.10.30. Hence, any such grants do not form part of the scheme's net healthcare results.



Part 3.11 Surplus/ (Deficit) per Benefit Option – Budget

SUMNO	Benefit : OPTION A	Year To Date	January	February	March
		R	R	R	R
3.11.1	Gross contribution income	0	0	0	0
3.11.2	Less: Savings contribution income	0	0	0	0
3.11.3	Net contribution income	0	0	0	0
3.11.4	Relevant healthcare expenditure	0	0	0	0
3.11.4.1	Net claims incurred in respect of risk carried by the scheme (including claims incurred in respect of commercial reinsurance contracts)	0	0	0	0
3.11.4.2	Premiums/ fees paid (Capitation fees)	0	0	0	0
3.11.5	Net income/(expense) on commercial reinsurance contracts	0	0	0	0
3.11.6	Less: Managed care: management services	0	0	0	0
3.11.7	Less: Broker service fees	0	0	0	0
3.11.7.1	- Broker fees	0	0	0	0
3.11.7.2	- Other distribution costs paid to brokers	0	0	0	0
3.11.8	Less: Administration expenses	0	0	0	0
3.11.9	Less: Net impairment losses: Trade and other receivables	0	0	0	0

The option names per part 1.2 automatically pull thru to part 3.11.

Where a line starts with the word 'Less', the scheme should place a minus in front of the figure.

The operating results of each benefit option under a medical scheme are to be separately disclosed, and the accounting records are to be maintained in such a way that the operating results for each benefit option can be determined.

It should be noted that the assumptions that are to be incorporated into the budget must be completed in Part 8.1, before this part is completed.

Consolidated: Part 3.11.21.1 for January pulls automatically through from Part 7.1.5. of the Annual Return i.e. the closing Accumulated funds balance. From February to December, the balance at the end of the previous month will pull through as an opening balance for the next month. For example, 3.11.21.1 (as



previously reported) for February pulls through from 3.11.24 (balance at the end of the year) for January.

It is important for schemes to pay attention to this part 3.11; when completing the budget consideration should be given to factors that could affect transactions for example change in membership; seasonality of claims etc. (Schemes should not simply divide their income or expenses by 12).

Unlock functionality has been enabled and will be active as follows:

Q1 – Part can be fully completed, unlocking not enabled.

Q2 – Part can be unlocked but only budget amounts from July to December can be amended.

Q3 – Part can be unlocked but only budget amounts from October to December can be amended.

Q4 – Unlocking not enabled.

Should the scheme unlock in Q2 or Q3, the scheme would be required to provide a reason for unlocking.

PART 4 INCOME STATEMENT

Part 4.1 Income Statement

	Year To Date	Current Quarter
	R	R
4.1.1 Gross contribution income	500	500
4.1.2 Less: Savings contribution income	0	0
4.1.3 Net contribution income	500	500
4.1.4 Relevant healthcare expenditure	(11,499,980)	(11,499,980)
4.1.5 Gross healthcare result	532,990,100	(11,499,480)
4.1.6 Net income/(expense) on commercial reinsurance contracts	150,000	150,000
4.1.7 Less: Managed care: management services	(15,254,563)	(15,254,563)
4.1.8 Less: Broker service fees	(870,000,000)	(870,000,000)
4.1.9 Less: Administration expenses	(800,000,000)	(800,000,000)
4.1.10 Less: Net impairment losses: Trade and other receivables	0	0
4.1.11 Net healthcare result	(1,296,604,043)	(1,296,604,043)
4.1.12 Less: Net impairment losses: Other	0	0
4.1.13 Other investment income	0	0
4.1.14 Other realised and unrealised gains/(losses)	(7,000,000)	(7,000,000)
4.1.15 Less: Other income	0	0

The figures captured in 3.10 pull automatically through to this part – 4.1.1 to 4.1.21.

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The total amount for the current quarter should at all times agree with the amounts captured in part 3 of the return, for the individual items.

Should the projected annual gross contribution income in 4.1.22 not equal one of the following:

- Line 4.1.1 year to date divided by number of months year to date x 12,
 - Line 4.1.1 year to date plus remaining months budget as per 3.11.1, or
 - Line 4.1.1 year to date plus previous year remaining months per 4.2.1,
- the scheme should provide more information on how it was calculated.

Part 4.2 Income Statement - Prior Year's Actual

	YTD per the 2011 annual return		Total	Jan	Feb	Mar
	R	R				
4.2.1 Gross contribution income	16,619,189,351	16,619,189,351	1,361,573,258	1,365,481,863	1,371,005,594	
4.2.2 Less: Savings contribution income	(3,615,556,368)	(3,615,556,368)	(296,214,500)	(297,064,829)	(296,286,534)	
4.2.3 Net contribution income	13,003,632,985	13,003,632,985	1,065,358,758	1,068,417,034	1,074,739,060	
4.2.4 Less: Relevant healthcare expenditure	(11,296,455,565)	(11,296,455,565)	(790,751,890)	(804,822,778)	(451,858,223)	
4.2.5 Gross healthcare result	1,707,177,420	1,707,177,420	274,606,868	503,594,255	620,880,837	
4.2.6 Net income/(expense) on commercial insurance contracts	19,527	19,527	1,600	1,604	1,611	
4.2.7 Less: Managed care management services	(419,763,072)	(419,763,072)	(34,390,256)	(34,488,978)	(34,628,495)	
4.2.8 Less: Broker service fee	(404,569,667)	(404,569,667)	(33,145,480)	(33,240,643)	(33,375,110)	
4.2.8.1 - Broker fees	(404,562,667)	(404,562,667)	(33,144,920)	(33,240,088)	(33,374,533)	
4.2.8.2 - Other distribution costs paid to brokers	(7,000)	(7,000)	(573)	(575)	(577)	
4.2.9 Less: Administration expenses	(1,979,036,322)	(1,979,036,322)	(162,138,049)	(162,603,400)	(163,261,266)	
4.2.10 Less: Net impairment losses, Trade and other receivables	(16,327,046)	(16,327,046)	(1,337,639)	(1,341,478)	(1,346,905)	
4.2.11 Net healthcare result	(1,112,498,160)	(1,112,498,160)	43,597,031	271,921,270	388,270,673	
4.2.12 Less: Net impairment losses Other (specify)	(4,000)	(4,000)	0	0	(1,000)	

The actual income statement figures per month from 4.2.1 to 4.2.10 will pull through from the Annual Return Part 6.2 of the previous year. The rest of the lines will still need to be manually completed.

The YTD column pulls automatically through from Part 6.1 of the Annual Statutory Return. The total column, which is an add sum of the figures captured



in each of the twelve months, must validate to the YTD column in respect of lines 4.2.12 to 4.2.20.

Part 5.1 Accumulated Funds

PART 5.1: ACCUMULATED FUNDS			
	Previous quarter	Current quarter	Year to date
	R	R	R
5.1.1 Balance at the beginning of the period	0	3,130,581,232	3,130,581,232
5.1.1.1 As previously reported	0	3,130,581,232	3,130,581,232
5.1.1.2 Prior period adjustment	0	0	0
5.1.2 Surplus / (deficit) for the period	0	542,528,210	542,528,210
5.1.3 Transfer to/(from) accumulated funds	0	0	0
5.1.3.1 Due to amalgamation	0	0	0
5.1.3.2 Due to re-measurement and property, plant and equipment	0	0	0
5.1.3.3 Other Transfers	0	0	0
5.1.4 Other (specify)	0	0	0
5.1.5 Balance at the end of the period	0	3,673,109,442	3,673,109,442

Please provide the reasons for any prior year adjustment:

The opening balance, as previously reported at the beginning of the previous period (7.1.5), pulls automatically through from the previous period’s return i.e. for Quarter 1; this will pull through from the Annual Statutory Return, whereas for Quarter 2 – 4, the closing balance for the previous quarter will pull through automatically.

Therefore, the scheme should restate the prior period’s figures (where applicable) on the return. The scheme should please use 5.1.1.2 only for any restatements and provide reasons.

The closing balance of the previous quarter (5.1.5) pulls automatically thru to the opening balance of the current quarter (as previously reported- 5.1.1.1). Hence, the current quarter’s figure will automatically incorporate any restatements of prior quarter’s balances.



The surplus/ (deficit) for the period in part 5.1.2 automatically pulls thru from part 4.1.21, for both the current and previous financial quarter.

The scheme should provide the exact nature of any amounts included in part 5.1.4. The scheme should also only complete this part, if the return does not cater specifically for that kind of transaction elsewhere in part 5.1.

PART 6 BALANCE SHEET

Part 6.1			
6.1.1	Total assets	0	6,926,644,917
FUNDS AND LIABILITIES			
6.2	Members' funds	0	1,826,960,524
6.2.1	Accumulated funds	0	1,826,976,770
6.2.1.2	Revaluation reserve - investments	0	12
6.2.1.3	Revaluation reserve - property, plant and equipment	0	15
	Reserves set aside for specific purposes (specify)	0	1,256
6.2.1.5	Other reserves (specify)	0	456
6.2.1.6	Minority interest	0	15
6.2.2	Non-current liabilities	0	562,086
6.2.2.1	Borrowings	0	200
	Other non-current liabilities (specify)	0	591,886
6.2.3	Current liabilities	0	824,705,980
6.2.3.1	Savings plan liability	0	0
6.2.4	Total funds and liabilities	0	2,652,278,590

Please indicate when did the scheme obtain approval from Council to directly or indirectly borrow money, as

Some of the balance sheet balances for the current quarter pulls automatically thru from the individual parts, completed in part 3 and part 5 of the return.

Details of land and buildings should be provided in the description line provided for in part 6.1.1.1; all the scheme's land and buildings should not be aggregated and disclosed as a single line in part 6.1.1.1.



Details of other non-current assets should be provided in the description line provided for in part 6.1.1.4; all the scheme's non-current assets should not be aggregated and disclosed as a single line in part 6.1.1.4.

All of the previous quarter's figures pull automatically thru from the data in part 6 of the previous quarter's return.

The savings plan liability (6.2.3.1) will pull through from Part 7.2.

Cash and cash equivalents will include all cash disclosed in Part 3.1 together with cash in Part 7.1.

Where the scheme has any borrowings, details of when approval was obtained by the scheme from Council to directly or indirectly borrow money must be provided, as is required by section 35(6)(c) of the Medical Schemes Act.

The scheme should ensure that the total assets in part 6.1.3 agrees with the total funds and liabilities in part 6.2.4.

PART 7 SAVINGS

Circular 38 of 2011 and its clarifying circular issued in February 2012 require that schemes savings plan assets and liabilities be separately held from scheme assets and liabilities.

Part 7.1 Savings plan investments



The screenshot shows a web browser window with the URL 'http://www.cms.gov/...'. The page title is 'Statutory Returns Portal - CMS Quarter Section'. The browser's address bar shows 'http://www.cms.gov/...'. The page has a navigation menu with buttons for Part 1 through Part 9. The current page is Part 7.1, titled 'SAVINGS PLAN INVESTMENTS'. The table below shows the following data:

Description		Current Quarter R
7.1.1	Call accounts	400,000,000
7.1.2	Current accounts	200,000,000
7.1.3	Fixed deposits	300,000,000
7.1.4	Other (specify)	2,500,000
7.1.5	Total Investments at the end of the period	902,500,000

This part is only to be completed to the extent that savings plan investments have been separately invested from scheme investments. The scheme should provide the exact nature of any amounts included in line 7.1.4. The scheme should only complete this line if the return does not cater specifically for that kind of balance elsewhere in part 7.1.

Part 7.2 Savings plan liability

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The screenshot shows the 'Statutory Returns Portal' for the 'CMS Quarter Section'. The browser address bar shows 'http://www.mmed2>ReturnsWebForm.aspx?pr=7&id=2'. The page has a navigation menu with buttons for Part 1 through Part 9, with Part 7 highlighted. The main content area is titled 'Part 7.2 SAVINGS PLAN LIABILITY' and contains a table with the following data:

	Total R
7.2.1 Balance on savings plan liability at the beginning of the year (credit balance)	1,222,301,612
7.2.2 Prior year adjustment	15,000
7.2.3 Less: Advances on savings plan accounts	(50,000)
7.2.4 Balance on savings plan liability at the beginning of the year (net balance)	1,222,266,612
7.2.5 Savings plan account contributions received or receivable	1,548,880,292
7.2.5.1 - For the current year	1,548,830,192
7.2.5.2 - Received in advance	50,000
7.2.5.3 - Allocated to settle prior year advances	100

Below the table, there are two text prompts with 'Click here' buttons:

- Please provide reasons for any prior year adjustments: [Click here](#)
- What procedures are in place to follow-up on members that need to be refunded: [Click here](#)

Where a line starts with the word 'Less', the scheme should place a minus in front of the figure.

The savings plan liability at the beginning of the year 7.2.1 as well as the opening advances on the savings plan account 7.2.3 is pulled through from the annual return closing savings plan liability (4.5.16 in the previous year's annual return) and advances on the savings plan account (4.5.15 in the previous year's annual return).

Any prior year adjustments must be recorded in 7.2.2 and scheme should indicate reasons for the adjustment.

The savings contributions for the current year in part 7.2.5.1 pulls automatically through from part 3.10.2.

Administration expenses in part 7.2.11 pulls automatically through from part 3.6.40 (administration expenses recoverable from savings plan accounts).



The scheme should provide the exact nature of any amounts included in line 7.2.13. The scheme should only complete this part if the return does not cater specifically for that kind of transaction elsewhere in part 7.2.

It is very important to split the debit balances included in the savings plan liability from the credit balances. These debit balances at year-end should be disclosed in part 7.2.15.

The scheme is required to split the credit savings balance at quarter-end between current members and resigned members. The scheme should further perform an ageing of the credit savings balances of resigned members between the balances younger than 6 months and the balances older than 6 months. Where amounts are disclosed under 7.2.17.2.2 (older than 6 months) the scheme is required to indicate what procedures are in place to follow-up on members that need to be refunded.

Resigned members in the ageing should include members resigned from the scheme as well as members resigned from an option with savings to an option without savings within the scheme.

Savings plan contributions are credited on the accrual basis and withdrawals on the cash basis, i.e. no provision is made for outstanding claims at the end of the accounting period.

PART 8 ASSUMPTIONS

Part 8.1 General assumptions used in the budget

The scheme should provide the basis i.e. general assumptions, of the budget. Where any item increases and /or decreases by more than 10%, the scheme should provide reasons.

The details of the underlying assumptions of the budget should be provided per option, as well as on a consolidated level. All these fields are capture fields. Details of any other assumptions that do not appear on the list should be provided in 8.1.5.6.



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PART 8.1: GENERAL ASSUMPTIONS USED IN BUDGET

	Consolidated		Per benefit option
	%		OPTION A
8.1.1 Contribution increase	0		0
8.1.2 Claims increase	6		6
8.1.3 Managed care: health expenses (capitation fee)	5		5
8.1.4 Membership growth	5		0
8.1.5 Non-health expenditure			
8.1.5.1 Administration fees	5		5
8.1.5.2 Other administration costs	5		5
8.1.5.3 Managed care: management services	5		5
8.1.5.4 Broker fees	5		5
8.1.5.5 Investment return	7		11
8.1.5.6 Other (specify)	0		0
8.1.6 Reserve building	0		0

Part 8.1: Please indicate the reasons for any decreases and/or increases greater than 10%. [Click here](#)

Scheme: (MMED) Quarter (Q) Year: (2012) Local intranet | Protected Mode: Off 12:23 PM 2012/05/24



PART 9 MINIMUM ACCUMULATED FUNDS TO BE MAINTAINED IN TERMS OF REGULATION 29

Part 9.1 Cumulative Nett Gain on Re-measurement of Properties and Investments

The screenshot shows a web browser window displaying the 'Statutory Returns Portal - CMS Quarter Section'. The main content area is titled 'PART 9.1 CUMULATIVE NETT GAIN ON RE-MEASUREMENT OF PROPERTIES AND INVESTMENTS'. It contains a table with the following data:

	Year to Date
	R
9.1.1 Balance at beginning of period	263,970,569
9.1.2 Net gains/(losses) on revaluation of investments and property, plant and equipment included in the income statement	7,975,802
9.1.3 Impairment losses and reversal of impairment losses on revaluation of investments and property, plant and equipment included in the income statement	0
9.1.4 Realisation of cumulative gains or losses recognised in the income statement on disposal of investments	0
9.1.5 Realisation of assets upon amalgamation during the year	0
9.1.6 Other (specify)	(2,791,457)
9.1.7 Cumulative net gain on revaluation of investments and property, plant and equipment included in the income statement	269,154,914

Below the table, there is a section for 'PART 9.2: SOLVENCY RATIO' with a column for 'R'.

Part 9.1 is only applicable to those kind of investments, where it is the scheme’s accounting policy to take any unrealised gains/(losses) on the re-measurement of investments to the income statement (accumulated funds); as all other unrealised gains will be accommodated in the revaluation reserves in part 6.2.1.2 and part 6.2.1.3.

This balance at the beginning of the year (9.1.1) pulls automatically through from the scheme’s previous year’s annual return (10.1.9).

Part 9.1 continues to extract all the Net unrealised gains/ (losses) included in the current quarter’s income statement.



The unrealised gains/ (losses) on revaluation of investments and property, plant and equipment included in the income statement in part 9.1.2 pulls automatically thru from part 3.7.4 (unrealised gains/ (losses) on revaluation of investment property), and part 3.7.5 (net gains/ (losses) on revaluation of investments carried at fair value through the income statement) as well as part 5.1.3.2 (due to re-measurement of investments and property, plant and equipment).

Hence part 9.1.2 summarise the total gross unrealised gains/ (losses) in the current quarter's accumulated funds.

However, to ensure that only the net unrealised gains/ (losses) are deducted from the solvency ratio, the scheme should capture any permanent impairment losses and reversal of impairment losses on revaluation of investments and property, plant and equipment included in the income statement in part 9.1.3. This amount should be captured as a negative amount, to ensure that it is deducted from the gross unrealised gains.

Furthermore, the scheme should deduct all realised portions of any unrealised gains/(losses), which were previously included in the accumulated funds (income statement), in part 9.1.4; this will ensure that only the net unrealised gain/(loss) is deducted from the solvency calculation.

In the event that a scheme amalgamated during the year, the scheme should ensure the accurate completion of this part up to the date of amalgamation. The realised amount upon amalgamation should be excluded in line 9.1.5.

A detailed description of any transaction included in part 9.1.6 should be provided; as this will have a direct impact on the solvency calculation of the scheme at year-end.

Part 9.2 Solvency Ratio



The screenshot shows the 'PART 9.2: SOLVENCY RATIO' section of the CMS Quarterly Statutory Return 2012. The table below represents the data shown in the screenshot.

	R
9.2.1 Total members' funds per balance sheet	3,673,109,442
9.2.2 Less: Unrealised non-distributable reserve	0
9.2.3 Less: Funds set aside for specific purposes	0
9.2.4 Less: Cumulative net gains on revaluation of investments and property, plant and equipment included in the income statement	(288,154,914)
9.2.5 Less: Specific assets encumbered for third party liabilities	0
9.2.6 Add: Sub-ordinated loan as approved by the Council	0
9.2.7 Total net assets	3,403,954,528
	R
9.2.8 TOTAL NETT ASSETS	3,403,954,528
9.2.9 ANNUALISED GROSS CONTRIBUTIONS	20,256,923,541
9.2.10 SOLVENCY RATIO	16.8%

Please indicate the reasons for not meeting the 25% statutory solvency:

Accumulated funds in terms of Regulation 29

Accumulated funds represent the Net asset value of the scheme excluding funds set-aside for specific purposes, unrealised non-distributable reserves and encumbered assets. Therefore, the total members' funds in 9.2.1 pull automatically thru from part 6.2.1 of the return.

Unrealised non-distributable reserves

Both the revaluation reserve for investments (part 6.2.1.2) as well as the revaluation reserve for property, plant and equipment (part 6.2.1.3) should be deducted from the total members' funds for solvency purposes; to ensure that unrealised non-distributable reserves are excluded.

Therefore, part 9.2.2 automatically pulls thru from part 6.2.1.2 (revaluation reserve for investments) plus part 6.2.1.3 (revaluation reserve for property, plant and equipment).



Funds set aside for specific purposes

All funds set aside for future claims, whatever they are called, should be included in accumulated funds. This has the effect of looking at the nature of the fund, rather than the name.

However, funds “set aside for specific *non-claims* purposes” should be excluded from accumulated funds.

It is therefore recommended that schemes classify their reserves properly keeping in mind the Regulation 29 prescriptions.

Part 9.2.3 pulls automatically thru from part 6.2.1.4 (reserves set aside for specific purposes).

Cumulative net gains on revaluation of investments and property, plant and equipment included in the income statement

Part 9.2.4 automatically pulls thru from part 9.1.7; should part 9.1.7 be an unrealised gain. Where part 9.1 resulted in a net cumulative unrealised loss, it is ignored and not pulled thru to part 9.2; as net unrealised losses are not added to accumulated fund to calculate solvency.

However, in some instances it was noted that a scheme’s accounting policy states that for some investments the unrealised gains/ (losses) on the re-measurement of that investment are taken to the income statement (i.e. investment property), and for its other investments the unrealised gain/ (loss) on the re-measurement of that investment to fair value are taken to a revaluation reserve (i.e. available for sale investments).

Therefore, to ensure that only the net unrealised gains are deducted from solvency, the formula in part 9.2.4 also looks whether the scheme had any revaluation reserves in part 9.2.2. Where a scheme had a revaluation reserve (hence an unrealised gain) in the balance sheet, as well as an unrealised loss in part 9.1.7, the formula in part 9.2.4 will add back the unrealised loss in part 9.1.7, limited to the revaluation reserve amount in part 9.2.2. This will ensure that only unrealised gains are deducted from the solvency ratio, and that no unrealised losses are added to the solvency ratio.

Important to note that, where a scheme had a revaluation reserve in part 9.2.2 as well as a cumulative net unrealised gain in part 9.1.7 the full unrealised gain will pull thru to part 9.2.4.



Encumbered assets

Section 35(4) of the Act states: "A medical scheme shall not be deemed to hold an asset for the purposes of this Act to the extent that such asset is encumbered". In addition, section 35(6)(c) states that a medical scheme shall not directly or indirectly borrow money without the prior approval of the Council or subject to such directives as the Council may issue.

Therefore, where a specific asset is encumbered in respect of obligations between other persons (third party liability), there is a risk of loss to the scheme. For example, a cession of share certificates or insurance policy as collateral for a third party loan. In such a case, the liability will be in the third party's books. Such encumbered assets should be deducted from the accumulated funds. Should other variants of encumbrances present themselves to medical schemes, the underlying principles, including risk of loss and location of liability, should be considered.

The final effect should not be an iniquitous position for the scheme.

However, where an encumbered asset is in respect of a liability that is in the scheme's balance sheet, the encumbered assets should not be deducted from accumulated funds. This would be the case, for instance, in a finance lease or instalment sale agreement where computer equipment has been purchased. If the encumbered assets were to be deducted, the net effect would be a net liability, which is tantamount to double accounting.

Subordinated loans

The scheme should only add a subordinated loan in part 9.2.6 if Council has approved the subordinated loan, and gave approval that the specific loan can be treated as equity.

Annualised gross contributions

It should be noted that the gross quarterly contributions includes the quarterly contributions to members' savings accounts. Hence, the annualised gross contributions in part 9.2.9 pulls automatically thru from part 4.1.22 of the return.

Where a scheme did not meet the required minimum solvency level of 25%, as set out in Regulation 29, they should complete the reason box at the bottom of part 9.2; indicating the reasons for not meeting the 25% solvency level; period of non compliance and indicate if business plan was submitted to the Office.

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Part 9

9.2.1	Total members' funds per balance sheet	3,673,109,442
9.2.2	Less: Unrealised non-distributable reserve	0
9.2.3	Less: Funds set aside for specific purposes	0
9.2.4	Less: Cumulative net gains on revaluation of investments and property, plant and equipment included in the income statement	(269,154,914)
9.2.5	Less: Specific assets encumbered for third party liabilities	0
9.2.6	Add: Sub-ordinated loan as approved by the Council	0
9.2.7	Total net assets	3,403,954,528
		R
9.2.8	TOTAL NETT ASSETS	3,403,954,528
9.2.9	ANNUALISED GROSS CONTRIBUTIONS	20,256,925,541
9.2.10	SOLVENCY RATIO	16.8%

Please indicate the reasons for not meeting the 25% statutory solvency

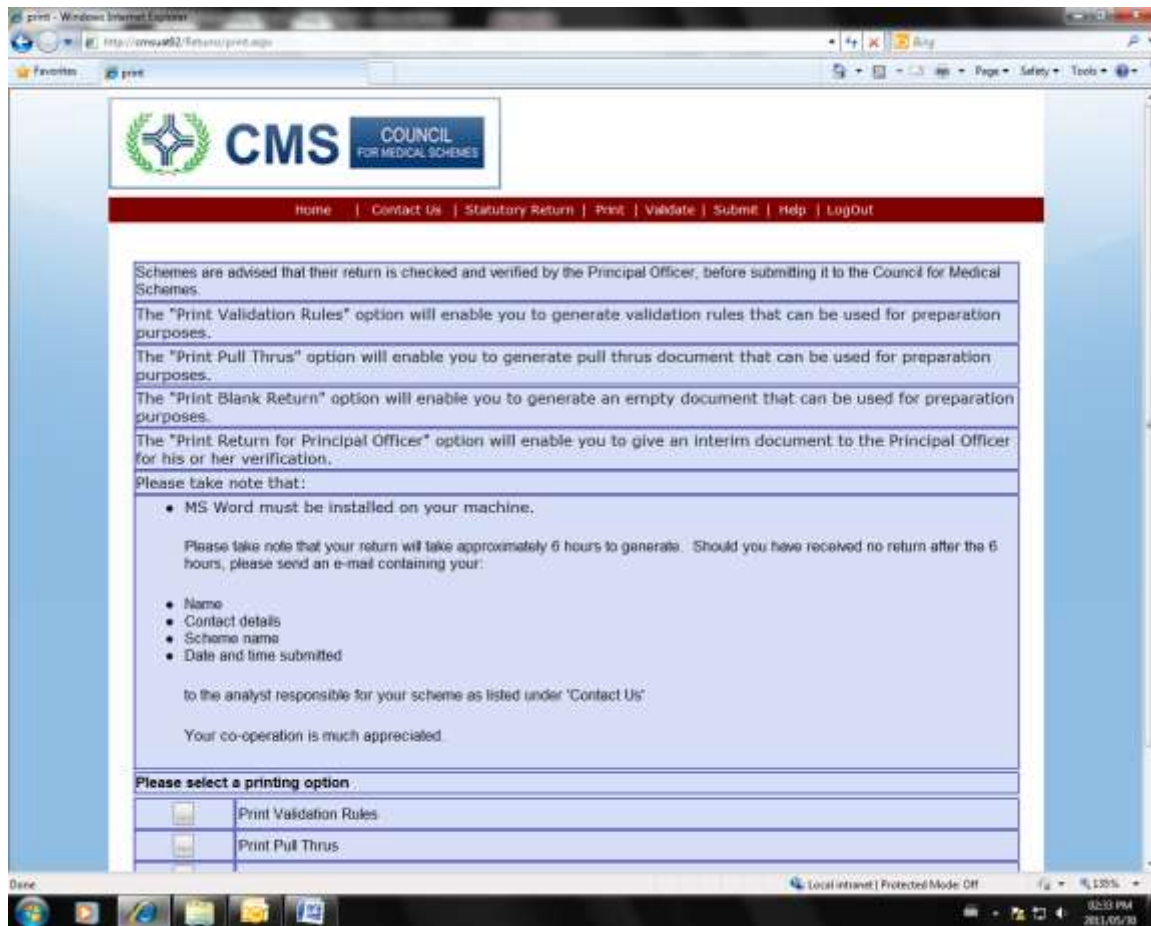
How many days was the solvency less than 25%?

When was/will the business plan be submitted to the Council for Medical Schemes (in terms of section 36 (11) and Regulation 29(4))?

Scheme (IMED) Quarter (Q1) Year (2012) Local intranet | Protected Mode: Off 06:49 AM 28/2/2012

PRINT REQUEST FOR RETURN

To access the print options available, the user should click on the “print” option available on the task bar. The following screen will appear:



This page explains in detail the different print options available to the user as well as the procedures to be followed.

Hence, the user has the following print options:

- Print validation rules: A list of all the validation rules applicable to that specific year's statutory return will be e-mailed to the user.
- Print pull thrus: A list of all the pull thrus applicable for that specific quarter's statutory return will be e-mailed to the user.
- Print a blank return: A blank word document for that specific quarter's statutory return will be e-mailed to the user.
- Print return for principal officer: A draft word document, which contains all the information currently captured on the return, will be e-mailed to the user.

It should be noted that all print requests are sent to the Office's generators, which are processed on a first come first serve basis. Hence, all requests are

HELP FILE – QUARTERLY STATUTORY RETURN 2012



queued at the generators to be processed. Please note that it takes approximately 30 minutes for a quarterly statutory return word document to be generated.

Therefore, should you be third in the queue, you will only receive your word document (whether it is a final or draft copy) in an hour and a half's time.

Also important to note that print requests will be e-mailed to the user as well as to the Principal Officer, Chairperson and Trustee signature. The data captured in part 1.1 of the return will be used to obtain the e-mail addresses of the relevant people.

VALIDATION OF RETURN

To validate a return, please click on the 'validate' option on the task bar. The following screen will appear:



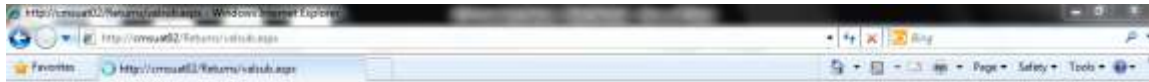
This page explains in detail the validation process. It should be noted that all validation requests are sent to the Office's generators, which are processed on a first come first serve basis. Hence, all requests are queued at the generators to be processed. Please note that it takes approximately 10 minutes to validate a

HELP FILE – QUARTERLY STATUTORY RETURN 2012

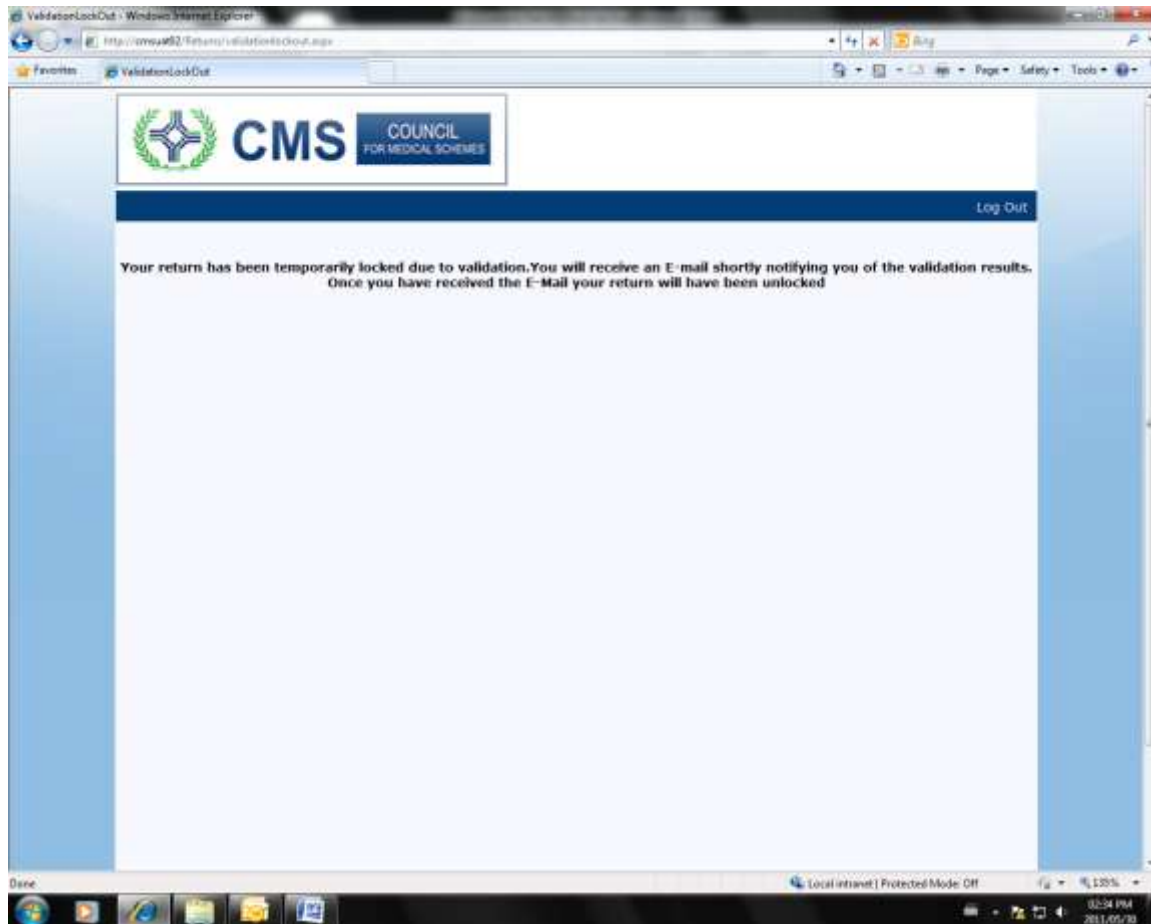


quarterly statutory return. Therefore, should you be fifth in the queue, you will only receive your validation results via e-mail in 50 minutes' time. (User should also note that it depends on SMTP traffic (speed of the internet) and number of users requesting prints and validations)

After clicking on the validate button the following screen appears, which only explains the validation process further. The user should click on OK.



It should be noted that the user will not be able to access the online statutory return, whilst the return is in the queue to be validated. The following screen will appear, if the user tries to access the online statutory return, whilst the return is busy validating.



SUBMISSION OF RETURN

When the return has been completed in its entirety, the board of trustees have approved the draft word document and all validation rules have successfully passed, the user can submit the return, which will ensure that a final word document is e-mailed to the scheme.

The user should use the 'submit' option on the task bar, to submit the return. The following screen will appear:

HELP FILE – QUARTERLY STATUTORY RETURN 2012



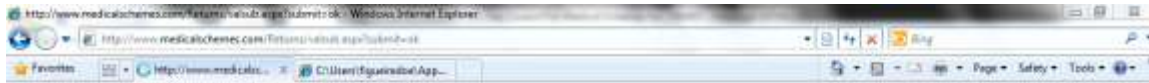
The user should click on "[click here](#)" the following screen will appear:

HELP FILE – QUARTERLY STATUTORY RETURN 2012



The user should now click on the 'Validate' button; and the following screen will appear:

HELP FILE – QUARTERLY STATUTORY RETURN 2012



The user should now only click on the OK button.

Important to note that when the return has been submitted it will automatically be sent to the validation generators, to ensure that the final return has successfully validated. If all the validation rules passed successfully, the system will automatically send the return to the word document generator, where it will be queued for processing of the final word document.

Again, as stated under the print function, all print requests are sent to the Office's generators, which are processed on a first come first serve basis. Hence, all requests are queued at the generators to be processed. Please note that it takes approximately 30 minutes for a quarterly statutory return word document to be generated. Therefore, should you be third in the queue, you will only receive your word document (whether it is a final or draft copy) in an hour and a half's time.

It should also be noted that after the return has been submitted, it will be locked and the user will not be able to make any further adjustments to the return. Hence, before the user does a final submission of the return, he or she should

HELP FILE – QUARTERLY STATUTORY RETURN 2012



ensure that the board of trustees are in agreement that no further changes are required to the online statutory return.

HELP FUNCTION

This document will be available from the 'Help' function on the task bar.

LOG OUT FUNCTION

As soon as the user presses the "Log out" button on the task bar, it will go back to the login screen:

