



90th ANNUAL GENERAL MEETING

WITBANK COALFIELDS MEDICAL AID SCHEME

DATE :

3 June 2025

VENUE :

Online or at the WCMAS Offices

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CELEBRATING *90 years*

The Witbank Coalfields Medical Aid Scheme proudly marks its 90th anniversary — a distinguished milestone that reflects nine decades of unwavering dedication to the health and well-being of our members. Since our establishment in 1935, the Scheme has remained guided by its founding principles of integrity, reliability, and member-focused care. As we reflect on this legacy, we extend our sincere appreciation to all our members, past and present, whose trust and loyalty have been the foundation of our success. As we look ahead, we do so with renewed commitment to our enduring mission: delivering sustainable, quality healthcare cover — because *our members are our passion*.



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Notice of the 90th Annual General Meeting

Dear Member

NOTICE TO MEMBERS OF THE WITBANK COALFIELDS MEDICAL AID SCHEME (WCMAS) ANNUAL GENERAL MEETING TO BE HELD ON 3 JUNE 2025

In terms of Rule 26.1.2 of the WCMAS Scheme Rules the notice convening the Annual General Meeting, containing the Agenda, Annual Financial Statements, Auditors Report and Board of Trustees Report, must be sent to members at least 21 days before the date of the meeting.

Adhering to the above, notice is hereby given that the 90th annual general meeting of members of the Witbank Coalfields Medical Aid Scheme, will be held in the boardroom of the Scheme, WCMAS Building, cnr OR Tambo Road & Susanna Street, Emalahleni, on Tuesday, 3 June 2025 at 14h00 or via the virtual meeting room. Please bring your member card and proof of identity for validation.

If you would like to attend in person, please reserve your space by emailing agm@wcmas.co.za. Members who would prefer to attend the AGM virtually can register by emailing agm@wcmas.co.za. The online meeting credentials will be sent to you after registration.

The detailed agenda for the meeting and the Summarised Annual Report for 2024 are contained herein. Notices of motions to be placed before the Annual General Meeting must reach the Principal Officer no later than seven days prior to the date of the meeting. Members who wish to place matters on the agenda must provide full details of the issues to be raised, the reasons for this and the desired actions and outcomes related to the motion. This is to ensure that Members receiving notification of these agenda items can make an informed decision on the matter put before them. Notices of motions that are not consistent with the Scheme Rules or the Medical Schemes Act will not be accepted. Matters sought to be placed on the agenda must reach the Principal Officer by no later than 16h30 on Friday, 23 May 2025 via email to agm@wcmas.co.za

This notice also serves as a call for nominations in respect of the 2025 Witbank Coalfields Medical Aid Scheme Trustee elections. The Board of Trustees hereby invites nominations for candidates (nominees) from amongst the Principal Members of the Scheme, to stand for election to serve on the WCMAS Board. Nominees must be fit and proper to stand for election and to serve on the Board. Fit and proper refers to the eligibility of a person to hold an important position of trust in an entity such as a medical scheme in terms of the Medical Schemes Act and the Scheme Rules. The duties of Trustees are described in the Scheme Rules and in the Medical Schemes Act 131 of 1998, as amended (Act).

Members wishing to submit a nomination are to use the nomination form, which can be found on www.wcmas.co.za. Nominations, together with an abridged CV and copy of the ID, must be clearly marked. Nominations submitted without the signature of the nominee and/or the required documentation attached will not be considered.

Nominations of candidates to stand election to serve on the Board of Trustees must reach the Scheme by no later than Friday, 23 May 2025 via email to nominations@wcmas.co.za.

We wish to thank you, our members, for your loyal support and look forward to your participation in the upcoming AGM.

BY ORDER OF THE BOARD OF TRUSTEES

16 April 2025



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Agenda for the 90th Annual General Meeting

1. Notice of meeting
2. Welcome
3. Minutes: Confirmation of the minutes of the 89th annual general meeting held on 28 August 2024.
4. Presentation of the Annual Report for 2024
5. Approval of trustee remuneration
6. Auditor's remuneration for 2024
7. Appointment of auditors for 2025 in terms of Rule 25
8. Election of Trustees
9. General
 - 9.1 NHI update



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WITBANK COALFIELDS MEDICAL AID SCHEME

MINUTES OF THE EIGHTY-NINETH ANNUAL GENERAL MEETING HELD IN THE BOARDROOM OF THE SCHEME, CNR OR TAMBO ROAD AND SUSANNA STREET, WITBANK AND VIRTUALLY VIA MICROSOFT TEAMS, ON WEDNESDAY, 28 AUGUST 2024 AT 14H00.

PRESENT: -

R Mnguni	Member/Chairperson
M Mazibuko	Member/Trustee
L Modise	Member/Trustee
M Masechaba	Member/Trustee
K Msimeki	Member/Trustee
N Pitjeng	Member/Trustee
L Gumede	Member/Trustee
S Lupuwana	Member/Trustee
S Kekana	Member/Trustee
A Moulder	Member
B Fisher	Member
M Wenum	Member
D Kruger	Member
B Mahungela	Member
S Qobolo	Member
F Kruger	Member
J Mathebula	Member
Z Mabena	Member
N Botha	Member
D De Jager	Member
B Snell	Member
P Mahlangu	Member
L Matuludi	Member
S Morerwa	Member
B Themba	Member
JC De Carvalho	Member

Members attending virtually via Microsoft Teams:

O Maritz	Member
N Ngomane	Member
J Madau	Member
L Mkhabela	Member
C Mabanga	Member
N Ndebele	Member
T Mohale	Member
R Prinsloo	Member/Trustee
TM Masiike	Member
A Nienaber	Member
M Segoa	Member



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IN ATTENDANCE: -

M Anthony	Member/Principal Officer
M Perestrelo	Chief Financial Officer
A Scheffer	Member/IT Officer
C Van der Walt	Member/Scheme Secretary
S Eicker	PWC (External Audit)
C Maslo	Vice-Chairperson
N Mninzelwa	Council for Medical Schemes (Regulator)
R Pillay	Nexia SAB&T (Internal Audit)

APOLOGIES : -

J Perkes	Chairperson – Remuneration Committee
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1. NOTICE OF THE MEETING

The notice convening the Annual General Meeting, containing the Agenda, Annual Financial Statements, Auditors Report and Board of Trustee Report, was sent to members 21 days before the date of the meeting in terms of Rule 26.1.2 of the WCMAS Scheme Rules. After a quorum of at least 30 members were present, the Chairperson declared the meeting open at 14H02.

2. WELCOME

The Chairperson welcomed all members and invitees in attendance. The Chairperson confirmed that the agenda of the meeting is as contained in the notice convening the annual general meeting. There were no requests from members to change the agenda.

3. MINUTES

The minutes of the Eighty-Eighth Annual General Meeting of the Scheme held on Tuesday, 27 June 2023 in the boardroom of the Scheme, Cnr OR Tambo Road and Susanna Street, Witbank, as well as virtually via Microsoft Teams had been circulated, was taken as read and were confirmed as correct by the meeting.

4. ANNUAL REPORT

Corporate Governance Overview and Statutory Manager update

The Chairperson provided an overview of the Corporate Governance structure of the Scheme and an update on the Statutory Manager. The Scheme is owned by the members and the Board of Trustees are charged with governing the Scheme on their behalf. 50% of Trustees are elected by members and 50% are appointed by employer groups. Dedicated Committees were created to support the Board in overseeing the Scheme. Committee members have specialized skills in the relevant Committee's focus area.

The Committee's in place during the year were:

- Audit and Governance Committee
- Clinical Governance and Ex Gratia Committee
- Disputes Committee
- Investment Committee
- Nominations and Advisory Committee
- Remuneration Committee

The Chairperson thanked the Committee members for their valuable contribution and input during the year.



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The Board remains responsible for the overall functioning and effective management of the Scheme.

Ms. Mereese Anthony was appointed as the Principal Officer (PO) of the Scheme in 2023. The PO has been with the Scheme since 2019 and the Acting PO since 2020. She is a full-time employee of the Scheme and is accountable to the Board of Trustees. The Delegation of Authority framework sets out the matters to be decided on by the PO versus those to be decided on by the Board of Trustees. The PO led the Scheme during the challenging time of COVID-19 and the uncertainties around the legal dispute with the former PO.

Due to a dispute involving the previous PO, steps were taken to remove her from the position. She was subsequently suspended, dismissed, and all necessary legal action was taken. A criminal case has been opened against her, and the South African Police Service is handling the matter accordingly.

The Scheme follows the policies and procedures outlined by the principles of good corporate governance, specifically guided by the King Code. An independent auditor has been appointed, and various Committees have been formed, such as the Nominations and Advisory Committee. The performance of Scheme Officers was evaluated against key performance indicators and a Clinical Governance and Ex-gratia Committee was created to assist the Board in overseeing clinical risk management and assessing ex-gratia requests. Additionally, measures have been implemented to ensure that Trustees receive proper induction and training on good corporate governance practices. A whistleblower hotline and an awareness campaign have been established to address any suspected fraudulent activities members may observe. Staff has also undergone ethics and fraud awareness training.

The Scheme fulfilled all the Statutory Manager's requirements to ensure the Scheme's compliance and integrity. The Scheme is currently in the process with the Council of Medical Schemes to be officially removed from Statutory Management with the court date set for September 2024.

The Chairperson expressed his sincere condolences to the family of Mr Johan Snyman, a Trustee, who recently passed away.

Operational and strategic overview

The PO provided an overview of the Scheme's benefit options and membership in 2023. The Scheme is a non-profit, restricted membership, self-administrated medical aid scheme governed by the Medical Schemes Act and regulated by the Council for Medical Schemes. The largest option of the Scheme is the Comprehensive option which provides a day-to-day benefit of 25% of a member's contribution in a medical savings account. The Ntsika option is the second largest option and is designed for low-income earners. The option is managed by Universal Care providing primary, secondary and hospital benefits. The Midmas option also provides a day-to-day benefit with 25% of a member's contribution allocated to a medical savings account. The Scheme experienced a 2.3% growth in membership in 2023. The average beneficiary age is 29.5 years old compared to the industry average of 39.9. The pensioner ratio for 2023 was 5.1% while the industry average is 9.3%. The beneficiary growth over 5 years is 8.5%.



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The distribution between the benefit options has remained relatively stable with Comprehensive being the preferred option with 69% of overall membership.

Financial results overview

Ms. Perestrelo Javed, the Chief Financial Officer (CFO), provided an overview of the financial results. With the International Accounting Standards Body requiring that a new framework for insurance contracts be implemented in the drafting of the financial statements, a few changes can be noted in the financial statements for 2023. The reason for the new accounting standard was to standardize the financial statements within the insurance industry and to promote comparability between insurance companies. The Scheme pays for medical claims in exchange for a monthly contribution and therefore falls under the framework of IFRS17. The new framework had to be applied from 1 January 2023.

Under IFRS 17, medical schemes are now classified as mutual entities owned and operated for the benefit of their members. As a result, these funds are now recognized as liabilities to be paid to members in future years. All amounts owed by or to members, such as claims payable and contributions receivable, are grouped under the insurance liability for current members line item. Included in the liability is a provision for claims incurred but not yet received. Accounting for a risk adjustment for non-financial risks has resulted in an extra R2 million being added to the provision amount. The Statement of financial position shows a significant liability owed to future members. This amount was previously referred to as accumulated funds or profits.

Changes in terminology can be noticed in the income statement. Contribution income is now referred to as insurance revenue and claims are now categorized within insurance service expenses. Insurance service expenses include claims and managed care expenses, and certain administration costs as well.

The profit for the year reflects a nil amount due to the mutualization entry in the insurance service expense line meaning that if the expenses are more than the received contributions, it is passed through the insurance service expenses line and offset against the amounts payable to future members. Before mutualization, a deficit of R1.8 million for 2023 and a deficit of R13 million for 2022 was reported.

The claims ratio was 105.2%, therefore claims exceeded contributions received by 5.2%. The directly attributable expense ratio was 5.8% of contributions. Investments returned a net return of 9.2% after fees. The solvency ratio was 78.3% when unrealized gains on investments are not taken into account as per the Act. When market value adjustments on investments are taken into account, the solvency ratio is 91.8%. A member enquired about the reason for the solvency ratio decrease in the last few years. The CFO explained that a substantial decrease was seen between 2022 and 2023 due to the net deficit of R13 million. When the Scheme realizes investment returns that are lower than the contribution increase, a downward trend on the solvency ratio will also be experienced.

When budgeting to break even and strategically utilizing reserves, the goal is not to build the reserve ratio but to gradually taper it down over time to a risk-based capital level acceptable to the Scheme. This approach helps to avoid imposing excessive contribution increases on members.

5. REMUNERATION OF TRUSTEES AND COMMITTEE MEMBERS

The proposed remuneration for Trustees and Committee members was recommended by the Remuneration Committee of the Scheme for approval by members and had been circulated to the members with the annual general meeting notice. The proposed increases were approved as follows:



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	Fee per meeting	
	Member	Chair
Board of Trustee	R2 330	R3 500
Audit & Governance Committee	R5 790	R8 710
Nominations & Advisory Committee	R3 690	R5 810
Remunerations Committee	R3 860	R5 810
Other Committees	R4 000	R5 360

6. **AUDITOR'S REMUNERATION**

The proposed audit remuneration was recommended by the Audit & Governance Committee of the Scheme. The audit fee for 2023 was R1.6 million. When excluding the first-time implementation fee for IFRS17 of R450k, the audit fee for 2023 was R1.1 million. The audit fee was approved by members at the meeting. A member raised a query on whether the fees were in line with the market. The CFO advised that the Committee had done a benchmarking exercise and found that the base fee was in line and that the R450k additional fee was a once off inclusion for the implementation of IFRS17.

7. **APPOINTMENT OF AUDITORS FOR 2024 IN TERMS OF RULE 25**

PWC has been the Scheme auditors for 10 years. To ensure the Scheme continues to apply the principles of good corporate governance the Scheme has embarked on a Request for proposal for External Audit Services for 2024. Three proposals were received. Middel & Partners are a medium-sized audit firm who have audited three other medical schemes and have received approval from the Council for Medical Schemes for those audits. Their proposed audit fee for 2024 is R1,1 million. The Audit and Governance Committee have recommended the appointment of Middel & Partners. A member requested reassurance that due diligence has been thoroughly conducted when selecting an auditor and the Board needs to instill confidence by demonstrating that Middel & Partners have been properly vetted. The Chairperson assured members that a proper vetting process was conducted. The firm is a level 2 BBEE contributor and accredited by the CMS. In future these details on proposals will be included in the AGM presentation. The appointment of Middel & Partners was approved by the members at the meeting.

8. **ELECTION OF TRUSTEES**

The Chairperson explained the voting process for the members attending in person and for members online. The members in person received a ballot paper to vote for three trustees or to choose to abstain from voting. After casting their votes, members can place their ballot in a ballot box. Online voting will take place through a poll in the Teams chat where members can also vote for three trustees or abstain from voting. Mr Rodney Pillay from Nexia SAB&T is the election scrutineer and will provide the results at the end of the meeting.

There were three vacancies on the Board of Trustees. Nominations were received from members for the following members to stand for election:

Mr Comfort Mabanga
 Mr Letlotlo Modise
 Mr Tebogo Mohale
 Ms. Nomthandazo Ndebele
 Mr Riaan Prinsloo

Their abridged CVs had been presented to the members. Voting started at 15:00 and all voting was concluded by 15:06. The results were handed to the Chairperson by Mr Pillay. The following trustees had been elected for a two-year term:

Mr Comfort Mabanga
 Mr Letlotlo Modise
 Ms. Nomthandazo Ndebele

The Chairperson thanked Mr Prinsloo for the four years he served on the Board of Trustees.



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9. **DISCUSSION UNDER GENERAL**

9.1 **NHI**

The PO provided feedback on the implementation of the National Health Insurance Bill. Planning still needs to be done before the Bill can be implemented. Section 33 of the Bill affects the Scheme and members stating that medical schemes can only provide cover for services not provided by NHI. It is still unclear what the services are that a medical scheme can cover. There is currently legislation against the Bill from BHF and other schemes. The implementation of NHI is expected to take a considerable amount of time. Members will be kept updated with communications on the development of NHI.

9.2 **GROWTH STRATEGY OF THE SCHEME**


A member enquired what the Scheme growth strategy is taking NHI into account and the decline in membership due to the move to green energy. The PO stated that market research was conducted around the life span of coal with the results indicating that coal will still be used for another 30 to 40 years. The decision was made to still restrict the Scheme to the coal industry. Should the need arise, the Scheme will amend the eligibility requirements to move to renewable energy.

It is believed that NHI will not impact the Scheme in the near future. The Chairperson added that although there is a concern around the impact of the upcoming Section 189 retrenchments on the permanent workforce, there is an ongoing study conducted by the PO and management to evaluate the situation over the next 12 months. This includes examining the effects of fixed-term contracts and contractors potentially replacing permanent workers. While progress is being made, the Board is cautious about growing the Scheme too quickly, as it could negatively affect investments, solvency ratio, and overall stability. Although the work environment is unpredictable, the strategy is developing positively.

9.3 **COST PERTAINING TO THE DISPUTE AGAINST THE FORMER PO**

A member enquired what the costs were relating to the dispute against the former PO and what costs were recovered. The PO stated that R200k from the expenses the former PO incurred on the credit card was recovered. The total cost for legal fees over 2 years were R6.9 million. The criminal charges are currently being handled by the SAPS. There are no further legal fees expected on the matter.

As there was no further business to discuss, the Chairperson thanked the members for their presence and participation and declared the meeting as concluded at 15H38.



CHAIRPERSON
 (Certified as correct, to be approved at the 2025 AGM)

15/11/2024
DATE



Witbank Coalfields Medical Aid Scheme

SUMMARISED ANNUAL REPORT

2024



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PERFORMANCE SNAPSHOT

MEMBERSHIP TRENDS

- Principal members: **9,913** (2023: 9,538) ↑
- Total beneficiaries: **26,135** (2023: 25,085) ↑
- Average beneficiary age: **29.5** (2023: 29.5)
- Dependants per principal member: **1.6**
- Pensioner ratio: **5.1%** (2023: 5.1%)
- Chronic profile: **17.5%** (2023: 17.8%) ↓

VALUE CREATED FOR MEMBERS

- Claims paid: **R651million** (2023: R677million)
- Hospital authorisations: **5,450** (2023: 5,397)
- Non-healthcare expenses as a percentage of contributions: **5.6%** (2023: 6.2%)
- Managed care savings: **R28million** (2023: R20million)

ENSURING SUSTAINABILITY

- Insurance liability for future members: **R725million** (2023: R621million)
- Solvency ratio: **79.4%** (2023: 78.3%)
- Total investment portfolio excl cash: **R972million** (2023: R890million)
- Investment income: **R108million** (2023: R92million)
- Aggregate gross investment return: **10.1%** (2023: 9.5%)



REPORT OF THE BOARD OF TRUSTEES

The Board of Trustees hereby presents its report for the year ended 31 December 2024.

1. ABOUT WCMAS

The Witbank Coalfields Medical Aid Scheme (WCMAS) is a non-profit, restricted membership, self-administered medical scheme governed by the Medical Schemes Act of South Africa, as amended, and regulated by the Council for Medical Schemes. For 90 years, WCMAS has been dedicated to serving its members, affiliated employer groups, and the broader coal mining industry, providing tailored healthcare solutions that prioritize both comprehensive coverage and affordability.

As a specialist scheme catering to a niche market, WCMAS is managed by a Board of Trustees representing key stakeholders and members. The Scheme is designed to address the diverse healthcare needs of coal mining employees across various employment levels, offering exceptional value beyond what is typically available through open medical schemes.

WCMAS distinguishes itself through:

- Tailored healthcare solutions designed for the unique demands of the coal mining sector.
- Personalized service from a dedicated regional team with in-depth industry knowledge.
- Robust financial reserves, ensuring long-term stability and trusted healthcare protection for members.

With a strong foundation in both financial sustainability and service excellence, WCMAS remains a leading medical scheme for the coal mining industry, delivering reliable, high-quality healthcare coverage to its members.

2. OPERATIONAL AND BUSINESS REVIEW

As a not-for-profit entity with strong financial reserves, the Scheme budgeted to break even, projecting a marginal surplus of R1.2 million after investment income for the 2024 financial year. However, the actual financial outcome significantly exceeded expectations, with a net surplus of R103 million. This surplus has been allocated to the liability for future members in the statement of profit or loss, reinforcing the Scheme's long-term sustainability and financial stability.



WITBANK COALFIELDS MEDICAL AID SCHEME
ANNUAL REPORT 2024


2.1 OPERATIONAL STATISTICS PER BENEFIT OPTION

2024		Comprehensive	Midmas	Ntsika	Scheme
Average number of members during the accounting period		6,608	1065	2,240	9,913
Number of members at 31 December		6,605	1187	2,138	9,930
Average number of beneficiaries during the accounting period		17,384	2,968	5,783	26,135
Number of beneficiaries at 31 December		17,359	3,308	5,464	26,131
Average family size at 31 December		2.6	2.8	2.6	2.6
Average beneficiary age as at 31 December		31.1	25.2	27.0	29.5
Pensioner ratio at 31 December	%	7.3	0.4	0.7	5.1
Insurance revenue per average beneficiary per month (pabpm)	R	2,159	1,303	1,172	1,843
Insurance service expenses pabpm	R	2,052	1,306	1,026	1,740
Relevant healthcare expenditure incurred pabpm	R	1,985	1,182	936	1,662
Directly attributable insurance service expenses pabpm	R	111	104	90	105
Insurance service expenses as a percentage of insurance revenue	%	95.1	100.2	87.5	94.4
Relevant healthcare expenditure ratio	%	92.0	90.7	79.9	90.2
Average members' funds per member as at 31 December*	R		72,971		
Return on investments as a percentage of investments*	%		10.1		
2023		Comprehensive	Midmas	Ntsika	Scheme
Average number of members during the accounting period		6,630	639	2,269	9,538
Number of members at 31 December		6,652	686	2,257	9,595
Average number of beneficiaries during the accounting period		17,457	1,804	5,823	25,085
Number of beneficiaries at 31 December		17,544	1,911	5,861	25,316
Average family size at 31 December		2.6	2.8	2.6	2.6
Average beneficiary age as at 31 December		30.9	25.3	26.4	29.5
Pensioner ratio at 31 December	%	7.2	0.3	0.5	5.1
Insurance revenue per average beneficiary per month (pabpm)	R	2,024	1,273	1,093	1,754
Insurance service expenses pabpm	R	2,252	1,295	1,168	1,931
Relevant healthcare expenditure incurred pabpm	R	2,178	1,180	1,047	1,844
Directly attributable insurance service expenses pabpm	R	102	92	105	102
Insurance service expenses as a percentage of insurance revenue	%	111.3	101.7	106.8	110.1
Relevant healthcare expenditure ratio	%	107.6	92.7	95.8	105.1
Average members' funds per member as at 31 December*	R		64,746		
Return on investments as a percentage of investments*	%		9.5		

*Average accumulated funds per member and return on investments are only calculated for the total Scheme and not per option.


2.2 BENEFIT OPTIONS

The Scheme's benefit options remained largely unchanged for the 2024 financial year, ensuring stability and continued value for members. WCMAS offers a range of tailored healthcare solutions designed to meet the diverse needs of its member base.




COMPREHENSIVE

The Comprehensive Option provides extensive medical coverage, offering members peace of mind with competitive subsidization for continuation members who retire on this plan. The day-to-day component is primarily funded through a Medical Savings Account (MSA), which accumulates at 25% of contributions, allowing members flexibility in managing their out-of-hospital expenses.



MIDMAS

The Midmas Option provides middle-range hospital benefits along with a discretionary Medical Savings Account (MSA) for day-to-day medical expenses, also allocated at 25% of contributions. This option offers a balance between affordability and comprehensive coverage, making it a suitable choice for members seeking flexible healthcare solutions.



NTSIKA

The Ntsika Option is designed to provide affordable, primary care-focused healthcare for lower-income employees. Members have access to private healthcare facilities within the Ntsika network, which is managed by Universal Care. Day-to-day healthcare expenses are funded through insured benefits, ensuring accessibility and cost-effectiveness. Contributions are income-based, offering one of the most affordable private healthcare solutions in the market for this segment.

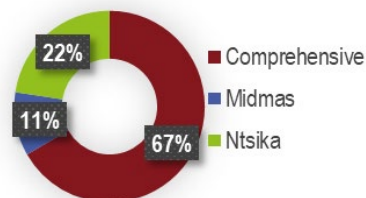
With its diverse benefit options, WCMAS continues to deliver cost-effective and high-quality medical cover, ensuring members receive the best possible healthcare solutions tailored to their needs.

2.3 MEMBERSHIP

The Scheme experienced positive organic growth of 3.5% during the year, with the addition of 335 new members. At the close of the financial year, the average age of beneficiaries remained at 29.5 years (2023: 29.5), which is significantly lower than the industry average of 34.0 years. Similarly, the pensioner ratio remained stable at 5.1% of total beneficiaries (2023: 5.1%), well below the industry average of 9.4%.

This continued growth and sustained favourable risk profile underscore the exceptional value that WCMAS provides to its members, reinforcing its competitive advantage within the medical scheme industry.

The distribution of membership across benefit options has remained relatively stable, with the Comprehensive Option maintaining its position as the most preferred choice, representing 67% of total membership (2023: 69%).



2.4 INSURANCE REVENUE

For the 2024 financial year, the Scheme budgeted for an annual contribution increase of 6.3%. However, the actual contribution increase per beneficiary was 5.1%, reflecting a lower-than-anticipated adjustment. This variance was primarily driven by a shift in membership demographics, with a higher proportion of child dependants, which resulted in a lower average contribution per beneficiary.

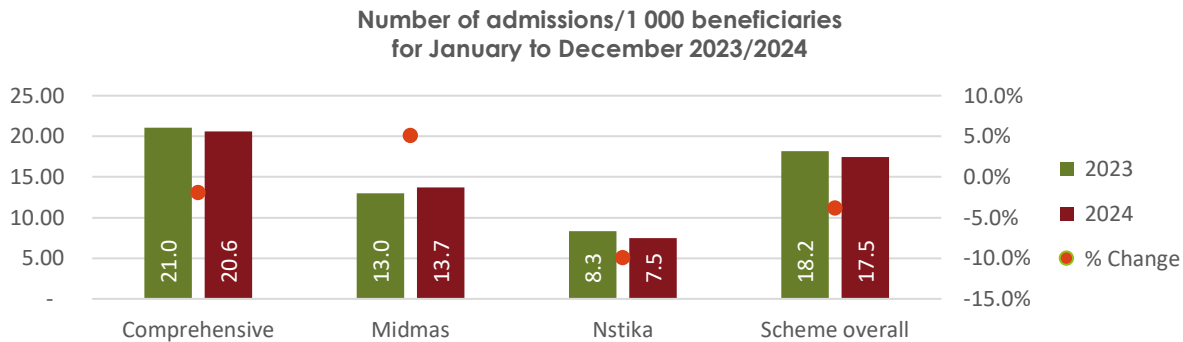
2.5 INSURANCE SERVICE EXPENSES

Medical inflation typically outpaces consumer inflation by 1 to 3 percentage points per annum. In anticipation of this trend, the Scheme budgeted for a 7.2% increase in claims expenditure for 2024. However, the actual claims incurred per beneficiary saw a notable decrease of 9.9%, reflecting a more favourable claims experience than projected.

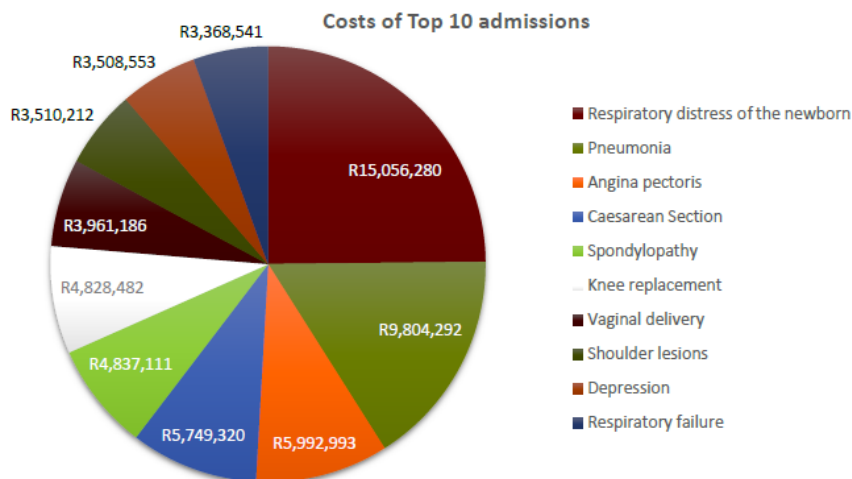
2.5.1 Hospitalization

Hospital admission costs are the most substantial and variable of the scheme's insurance service expenses. These costs include inpatient care, surgical procedures, intensive care, and extended hospital stays for medical conditions, all of which can significantly impact the Scheme's financial results. Factors such as the frequency of admissions, the severity of medical conditions, and advancements in medical technology influence overall expenditure.

The rate of hospital admissions declined by 3.9% year-on-year, contributing to the overall reduction in claims expenditure. This positive trend is illustrated in the graph below:



The overall cost per hospital admission increased by 6.3% compared to the previous year, remaining below the budgeted estimate of 7.2%. The top ten admission types by cost accounted for 26.7% of the total authorized hospital expenses for the year (2023: 27.1%), reflecting a consistent trend in hospital admission cost drivers:





The Scheme experienced a decrease in the number of high-cost claims during the year. A high-cost claim is defined as claims cost exceeding R350,000 for a single beneficiary within a benefit year. The total value of high-cost claims decreased by R22.4 million, now representing 41% of total claims, compared to 45% in 2023. This reduction was driven by:

- A 2.5% decrease in the number of high-cost cases.
- A 15.3% reduction in the average cost per case.

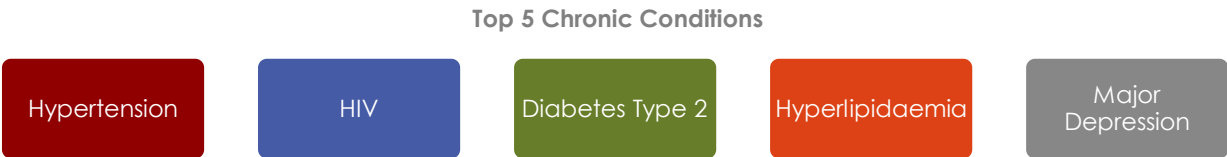
These positive trends have contributed to lower overall claims expenditure in hospital.

2.5.2 Chronic Conditions

Chronic condition expenses represent a significant portion of overall healthcare costs and directly impact financial sustainability. These ongoing medical expenses, associated with conditions such as diabetes, hypertension, and heart disease, require continuous treatment, medication, and management, leading to substantial long-term financial commitments.

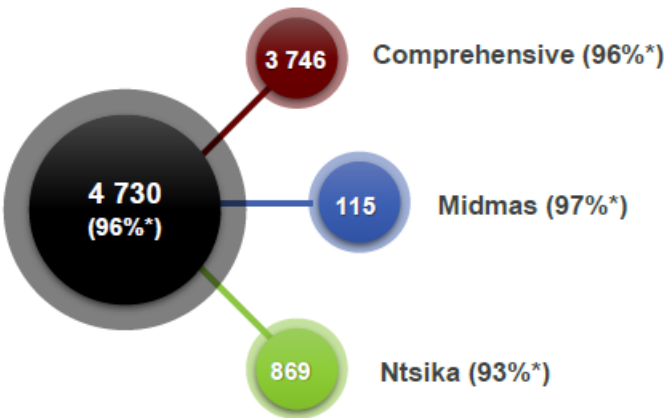
The Scheme's chronic medicine costs increased by 5.8%, which was significantly lower than the budgeted estimate of 7%. This controlled increase reflects effective cost management strategies and stable utilization trends.

The top five chronic conditions by cost remained unchanged from the previous year, highlighting consistent treatment patterns and member healthcare needs.



In 2024, the Scheme continued to implement disease management programmes designed to enhance health outcomes for members living with chronic conditions, including HIV, Hypertension, Hyperlipidaemia, and Type 2 Diabetes. To further support members, the Scheme introduced a Mental Wellbeing Programme on 1 January 2025, aimed at managing mental health conditions such as Major Depression. These initiatives contribute to the Scheme's clinical risk management strategy by addressing prevalent chronic conditions and promoting proactive healthcare interventions.

During the year, 17.5% of beneficiaries were diagnosed with a chronic condition (2023: 17.8%). A total of 4,730 beneficiaries (2023: 4,547) were enrolled in a disease management programme, with 96% (2023: 95%) having received counselling from the programme as part of their care plan. These programmes play a vital role in improving member health outcomes while supporting the financial sustainability of the Scheme.



2.6 ADMINISTRATION AND OPERATIVE EXPENSES

The Scheme operates on a self-administered model, with certain administrative and risk management functions outsourced to third-party experts to optimize efficiency and expertise. To ensure maximum value for members, the Board actively monitors administrative and operational expenses through a rigorous review of itemized costs against the approved budget. This oversight ensures cost-effectiveness and alignment with the Scheme's financial sustainability objectives.

Administration expenses that are directly attributable to insurance contracts are classified under insurance service expenses. During the reporting period, these expenses decreased by 1.4% year-on-year and accounted for 5.6% (2023: 6.2%) of contributions received. On a per-beneficiary-per-month basis, administration expenses declined by 5.4%, from R139.24 in 2023 to R131.75 in 2024. The most recent industry benchmark, based on the 2022 financial year, reflects an industry average of R174.04 per beneficiary per month, highlighting the Scheme's continued efficiency in managing administrative costs.

		2024	2023
	Note	R	R
Attributable expenses incurred	14	33,054,340	30,761,112
Administration fees and operative expenses	16	8,261,191	11,150,277
		41,317,555	41,913,413

2.7 INVESTMENT PERFORMANCE

The Scheme's strong accumulated reserves generated sufficient investment income to fully offset administrative and operative expenses, ensuring that 100% of members' contributions were directed toward healthcare expenses. This prudent financial management approach enhances the Scheme's long-term sustainability while maximizing value for members.

Over the three-year period ending 31 December 2024, the Scheme's asset managers achieved a net return of 8.8% (2023: 9.2%), exceeding the target of 8.2% (2023: 9.1%). Additionally, funds allocated to the money market delivered a 9.2% return, outperforming the STEFI composite benchmark of 8.5%.

The Scheme's investment strategy remains centred on achieving a CPI+3% return over a rolling three-year period while prioritizing capital preservation. Following a comprehensive review, the Investment Committee has reaffirmed that the current asset managers and the CPI+3% target continue to be appropriate in supporting the Scheme's long-term financial stability and sustainable member benefits.

3. SOLVENCY AND FINANCIAL STABILITY

In accordance with Regulation 29(2) of the Medical Schemes Act 131 of 1998, as amended, the Scheme is required to maintain accumulated funds, excluding unrealised investment reserves, at a minimum solvency level of 25%. The solvency ratio for 2024 and 2023 is presented below:

		2024	2023
	Note	R	R
Insurance contracts liability for future members (members' funds)	9	724,598,316	621,234,299
Less: Cumulative net unrealised non-distributable investment reserves		(134,640,554)	(90,784,755)
Accumulated funds per regulation 29		589,957,762	530,449,544
Gross contributions (including savings contributions)	13	743,416,468	677,047,537
Solvency ratio		79.4%	78.3%



The Scheme significantly exceeds the regulatory solvency requirement, with a solvency ratio of 79.4% in 2024 (2023: 78.3%), reinforcing its strong financial position and ability to meet future member obligations. There were no unusual movements in members' funds that the Trustees believe should be brought to the attention of the members.

4. MEDICAL SAVINGS ACCOUNTS

The Scheme offers personal medical savings account options through the Comprehensive and Midmas benefit plans. These savings accounts are designed to help members cover day-to-day healthcare expenses that are not fully covered by the risk pool, providing greater financial flexibility in managing out-of-pocket medical costs.

Personal medical savings are administered on behalf of members in accordance with the Scheme Rules and the Medical Schemes Act, as amended. Unutilized savings amounts accumulate over time for the long-term benefit of the member, with interest applied using the effective interest rate method. In compliance with Regulation 10, the liability associated with members' savings accounts is classified as a current liability in the Scheme's financial statements. The Scheme also assumes some risk related to the forward allowance of savings account utilization, as outlined in the Scheme Rules. When a member transfers to another benefit option that does not include a personal medical savings account or moves to another medical scheme, any accumulated, unutilized savings balance is refunded or transferred in accordance with the Scheme's rules and regulatory requirements. This ensures that members retain the benefit of their personal medical savings contributions while maintaining financial integrity within the Scheme.

5. SCHEME MANAGEMENT AND THIRD-PARTY SERVICE PROVIDERS

MEMBER ELECTED TRUSTEES

Changes in 2024

Richard V Mnguni (Chairperson)

Siyanda Lupuwana

Comfort Mabanga

Elected 28 August 2024

Andile MB Mazibuko

Letlotlo BM Modise

Re-elected 28 August 2024

Nomthandazo SN Ndebele

Elected 28 August 2024

Riaan M Prinsloo

Term of office expired 28 August 2024

Johan L Snyman

Passed away 5 August 2024

EMPLOYER APPOINTED TRUSTEES

Caroline IA Maslo (Vice-Chairperson) Thungela

Lebogang S Gumede Glencore

Sarah L Kekana Glencore

Dion Le Roux Seriti Appointed 5 March 2025

Masechaba M Makgolane Thungela

Khawulani Msimaki Seriti Resigned 15 November 2024

Nomthandazo Pitjeng Seriti

NON-VOTING STAKEHOLDER REPRESENTATIVES INVITED TO OBSERVE BOARD MEETINGS:

S Matthews of the South African Colliery Managers' Association (SACMA)

EXECUTIVE MANAGEMENT

Mereese A Anthony Principal Officer

Monica DA Perestrelo Javed Chief Financial Officer



ACTUARIES

3One Consulting Actuaries
52 Grosvenor Road
Bryanston
Sandton

PRINCIPAL BANKERS

Nedbank Limited

ADMINISTRATION

WCMAS was self-administered for this financial year ending 31 December 2024. Select administration functions and network management for the Ntsika option:

Universal Healthcare Administrators (Pty) Ltd
Universal House
15 Tambach Road
Sunninghill Park
Sandton

MANAGED HEALTHCARE

Universal Care (Pty) Ltd
Universal House
15 Tambach Road
Sunninghill Park
Sandton

Medikredit Integrated Healthcare
Solutions (Pty) Ltd (formerly Performance
Health)
10 Kikuyu Road
Sunninghill
Sandton

ASSET MANAGERS AND CONSULTANTS

Aluwani Capital Partners
Aluwani House
24 Georgian Crescent East
Bryanston East
Johannesburg

Coronation Fund Managers
7th Floor
MontClare Place
Cnr Campground & Main Road
Claremont
Cape Town

NinetyOne Investment Managers
100 Grayston Drive
Sandown
Sandton

M&G Investments
Formerly Prudential Investment Managers
Loft Offices East
31 Tyrwhitt Avenue
Rosebank
Johannesburg

Willis Towers Watson
Illovo Edge
1 Harries Road
Illovo
Sandton

EXTERNAL AUDITOR

Middel & Partners Inc.
25 Sovereign Drive
Milestone Place
Block B, 1st Floor
Route 21 Corporate Park
Irene

INTERNAL AUDITOR

Nexia SAB&T Inc
119 Witch-Hazel Avenue
Highveld Technopark
Centurion

WCMAS REGISTERED OFFICE

WCMAS Building
corner Susanna Street and OR Tambo Road
Emalahleni

WCMAS POSTAL ADDRESS

PO Box 26
Emalahleni
1035

6. CORPORATE GOVERNANCE

6.1 COMMITMENT TO GOVERNANCE

The WCMAS Board of Trustees is committed to upholding the principles of fairness, responsibility, transparency, and accountability in all its interactions with stakeholders. The Board applies Principles and Code of Corporate Practices and Conduct outlined in the King Report on Governance, as applicable to medical schemes.

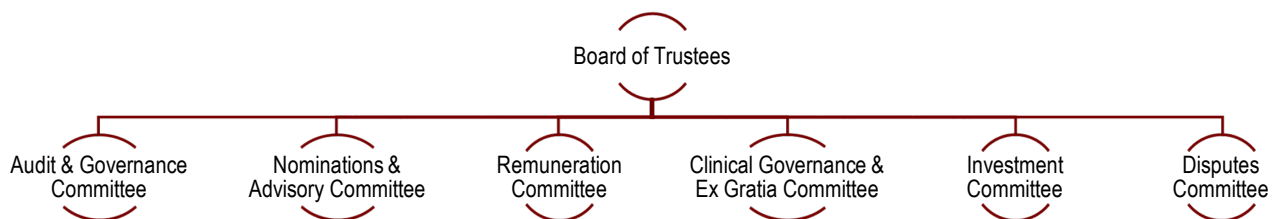
6.2 BOARD OF TRUSTEES

The Board of Trustees consists of at least ten members, with an equal split between representatives appointed by participating employer groups and those elected by members of the Scheme at the Annual General Meeting. Trustees serve a two-year term, with a maximum of three successive terms. The Nominations and Advisory Committee reviews all prospective trustees, and the Chairperson and Vice-Chairperson are elected by the Board.

The Board met regularly to monitor Scheme performance, ensuring informed and constructive discussions on policy, strategy, risk management, and service delivery. To enhance decision-making, the Board received actuarial, legal, and investment management advice from experienced professionals. Trustees have direct access to the Executive Management and may seek independent professional advice at the Scheme's expense when required.

6.3 COMMITTEES OF THE BOARD OF TRUSTEES

The Board has established several sub-committees to support its governance duties. These committees meet regularly and include both Trustees and non-trustee members selected for their expertise. Each committee operates under a written charter outlining its responsibilities and authority. The Principal Officer and Chief Financial Officer attend all meetings, and the Committee Chairperson reports to the Board after each session. Committee meeting minutes are circulated to the Board for review.



6.3.1 Audit and Governance Committee

Established in accordance with Section 36 of the Medical Schemes Act, this committee provides oversight of the Scheme's accounting policies, internal controls, and financial reporting. It consists of five members, two of whom are Trustees, while the Chairperson is an independent non-trustee member. The committee liaises with external auditors, internal auditors, and Scheme management to ensure financial integrity. The Committee comprises the following members during the year under review:

Johan A De Klerk	Chairperson Term of office expired 7 December 2024	Non-trustee member
Re-ana C Joseph	Vice-chairperson	Non-trustee member
Masechaba M Makgolane		Trustee member
Nomthandazo Ndebele	Appointed 22 November 2024	Trustee member
Andries Nienaber		Non-trustee member
R Prinsloo	Trustee term of office expired 28 August 2024	Trustee member
R Prinsloo	Appointed 22 November 2024	Non-trustee member
W Skhosana	Appointed 22 November 2024	Non-trustee member

During the year, the committee:

- Fulfilled its duties as required by the Medical Schemes Act and the Board's Terms of Reference.
- Confirmed the independence of the external auditors.
- Determined that there were no material breakdowns in internal controls.
- Reviewed the risk register and financial statements.
- Recommended the adoption of the Annual Financial Statements by the Board.

6.3.2 Nominations and Advisory Committee

This committee advises the Board on trustee nominations, diversity, skills assessments, and committee composition. It also evaluates the performance of committees, chairpersons, Trustees, and executive management. It operates under a written Terms of Reference and plays a key role in strengthening governance. The Committee comprises the following members during the year under review:

Jaqueline Perkes	Chairperson	Non-trustee member
Letlotlo BM Modise		Trustee member
Zandile Nkosi	Appointed 22 November 2024	Non-trustee member
Sunelle Viljoen		Non-trustee member

6.3.3 Remuneration Committee

The Remuneration Committee oversees all remuneration matters for Trustees and Scheme employees, ensuring that remuneration strategies align with the Scheme's objectives. The committee recommends appropriate compensation structures to the Board and AGM for approval. The Committee comprises the following members during the year under review:

Jaqueline Perkes	Chairperson	Non-trustee member
Siyanda Lupuwana		Trustee member
Thabo Masike		Non-trustee member
Letlotlo BM Modise		Trustee member
Sunelle Viljoen		Non-trustee member

6.3.4 Clinical Governance and Ex Gratia Committee

This committee provides strategic oversight of the Scheme's clinical risk and managed healthcare activities. It ensures that healthcare services are clinically appropriate, cost-effective, and aligned with best practices. Additionally, it evaluates ex gratia funding requests to ensure equitable support for members in exceptional circumstances. The Committee comprised of the following members during the year under review:

Dr. Caroline IA Maslo	Chairperson	Trustee member
Masechaba Makgolane		Trustee member
Dr. Thulisile R Ngwenya Makhado	Appointed 22 November 2024	Non-trustee member
Dr. Khawulani Msimeki		Trustee member
Andile MB Mazibuko		Trustee member

6.3.5 Investment Committee

The Investment Committee is responsible for managing the Scheme's investments in alignment with its long-term financial objectives. Its key mandate includes:

- Achieving CPI +3% annual returns (net of fees) over a three-year period.
- Preserving capital over a 12-month period.
- Investing in highly rated institutions while maintaining moderate risk exposure.
- Ensuring compliance with Medical Schemes Act regulations.



The Committee comprises the following members during the year under review:

Wilfred L Skosana	Chairperson	Non-trustee member
Re-ana C Joseph		Non-trustee member
Richard V Mnguni	Appointed 22 November 2024	Trustee member
Andries Nienaber		Non-trustee member
Henry M Pearson		Non-trustee member
R Prinsloo	Trustee term of office expired 28 August 2024	Trustee member

6.3.6 Disputes Committee

This committee consists of three independent members and convenes only when a formal dispute requires resolution. The disputes committee comprised of the following members during the year under review:

M Botha	Non-trustee member
F Kruger	Non-trustee member
E Wiese	Non-trustee member

6.4 TRUSTEES' AND COMMITTEE MEMBERS' REMUNERATION

Trustees and committee members are compensated based on their expertise, skill, and time commitment. The Remuneration Committee ensures that compensation structures remain fair and competitive, subject to approval at the Annual General Meeting. Some members choose to forgo remuneration due to existing employer arrangements. Full remuneration details are disclosed in Note 17 of the Annual Financial Statements.

6.5 EVALUATION OF THE BOARD OF TRUSTEES AND COMMITTEES

The Board undergoes annual self-assessments using a structured evaluation questionnaire. This assessment covers leadership, governance, compliance, skill diversity, and effectiveness. The Nominations and Advisory Committee reviews the results, providing recommendations to improve governance and performance.



6.6 BOARD AND COMMITTEE MEETINGS

The Board convened six times during the year, with committee meetings held regularly. Trustees are expected to attend meetings, prepare thoroughly, and contribute constructively. The table below outlines Trustee and committee meeting attendance:

	Board of Trustees	Audit and Governance Committee	Clinical Governance and Ex Gratia Committee	Investment Committee	Nominations and Advisory Committee	Remuneration Committee
Number of meetings	6	3	4	4	3	3
TRUSTEES						
Richard V Mnguni (Chairperson)	6					
Caroline IA Maslo (Vice-Chairperson)	6		4			
Lebogang S Gumede	2					
Sarah L Kekana	4					
Siyanda Lupuwana	3					2
Comfort Mabanga	1					
Masechaba M Makgolane	6	3	4			
Andile MB Mazibuko	6		3			
Letlotlo BM Modise	6				2	2
Khawulani Msimeki	6		3			
Nomthandazo SN Ndebele	1					
Nomthandazo Pitjeng	3					
Riaan M Prinsloo	3	2		3		
Johan L Snyman	2		1			
NON-TRUSTEE MEMBERS						
Johan A De Klerk		3				
Re-ana C Joseph		1		4		
Thabo Masike						3
Andries Nienaber		2		2		
Henry M Pearson				3		
Jaqueline Perkes					3	3
Wilfred L Skhosana				4		
Sunelle Viljoen					1	3

6.7 CMS INSPECTION UPDATE

In 2020, the Council for Medical Schemes (CMS) initiated an investigation into the Scheme's governance under Section 44(4)(a) of the Medical Schemes Act. As a result, CMS recommended the appointment of a Statutory Manager under Section 5A of the Financial Institutions (Protection of Funds) Act, 28 of 2001.



The Statutory Manager, Mr. Juanito Damons, was jointly appointed by the Scheme and CMS on 18 July 2022. He attended all Board of Trustees and Audit & Governance Committee meetings, holding additional ad hoc meetings with Scheme officials as needed.

The Scheme successfully implemented governance improvements by 31 July 2023, leading to the conclusion of the Statutory Manager's role. CMS submitted a court application for the removal of the Statutory Manager, and on 25 November 2024, the court terminated statutory management, signifying a return to normal governance.

7 RISK MANAGEMENT

The Board of Trustees understand the importance of sound risk management and remains committed to the principles of ethical leadership and strong corporate governance. These principles serve to protect the long-term sustainability of the Scheme and ensure its continued ability to provide value to its members. To this end, the Board conducts regular reviews of the risks facing the Scheme, actively managing those within its control.

In shaping the Scheme's strategic direction, several key risks have been identified:

7.1 MEMBER RETENTION

The Scheme is exposed to the risk of declining membership, particularly due to employer groups reducing their workforce in response to industry changes. To mitigate this risk, the Scheme maintains close engagement with employer groups through dedicated relationship managers and ongoing discussions with key stakeholders. The financial impact of membership fluctuations is carefully assessed during the Board's annual pricing reviews.

7.2 MEMBER RISK PROFILE

Sustained growth of a younger, healthier membership base is essential to balance the impact of an ageing population and maintain the competitive value of the Scheme's product offerings. The Board has implemented a responsible growth strategy that ensures strategic growth plans align with the Scheme's eligibility criteria, risk appetite, and risk-based capital tolerance.

7.3 REGULATORY CHANGE

Changes in healthcare regulations, including the potential implementation of a National Health Insurance (NHI) system, may impact the Scheme's ability to provide sustainable benefits to its members. The Board actively manages this risk through ongoing engagement with regulators and participation in industry advocacy forums, including the Board of Healthcare Funders.

7.4 RISING HEALTHCARE COSTS

Escalating healthcare costs, particularly in the absence of regulatory cost controls associated with prescribed minimum benefits (PMBs), pose a financial risk to the Scheme and exacerbate affordability constraints for members. Cost-containment initiatives, including clinical outcome monitoring, provider engagement, and ongoing research, are key strategies employed to mitigate this risk. The Scheme also monitors PMB-related claims and engages directly with providers where costs exceed expected thresholds.

7.5 SUSTAINABILITY OF BENEFIT OPTIONS

Setting contribution rates before actual claims experience is realized creates a pricing risk, particularly if contributions are underestimated. Additionally, increased healthcare demand from an ageing membership may drive costs beyond inflation and members' affordability limits. The Scheme mitigates this risk through rigorous risk management policies, including tariff negotiations, pre-authorization, case management, benefit limits, provider networks, and managed care initiatives. Annual pricing reviews and five-year financial projections are conducted to ensure long-term sustainability.



7.6 ECONOMIC CONDITIONS

Adverse economic conditions can affect members' ability to afford contributions or result in shifts to lower-cost benefit options that may not adequately meet their healthcare needs. To address this, the Scheme offers flexible benefit designs that cater to both healthcare needs and affordability, supported by provider networks and managed healthcare initiatives.

7.7 SERVICE DELIVERY FROM KEY SERVICE PROVIDERS

The Scheme relies on service providers for critical managed care functions. Any failure to meet performance expectations could negatively impact member experience, benefit accessibility, and health outcomes. To mitigate this, the Scheme maintains stringent service level agreements with key providers, monitors performance through regular reporting, and holds frequent management discussions to address service issues and operational concerns. Additionally, managed care providers report back to the Clinical Governance and Ex Gratia Committee to ensure accountability and alignment with Scheme objectives.

7.8 RISING BURDEN OF DISEASE

The increasing prevalence of chronic non-communicable diseases, including cancer and mental health conditions, presents a growing challenge. Rising disease burden, coupled with escalating healthcare costs, places additional affordability pressures on members. The Scheme proactively addresses this issue through member education, disease management programmes, and initiatives aimed at improving healthcare literacy and outcomes. Long-term risks, such as the lingering effects of COVID-19 and the health impacts of climate change, are closely monitored to ensure an effective response.

The Board of Trustees remains confident that the Scheme has robust controls in place to effectively manage these risks, ensuring its continued ability to serve its members with financial stability and high-quality healthcare benefits.

8 MEDICAL INSURANCE RISK MANAGEMENT

The primary insurance activity undertaken by the Scheme is the assumption of risk related to certain healthcare claims from members and their dependants. Given the inherent uncertainty surrounding the timing and severity of claims, the Scheme continuously evaluates and mitigates its exposure to insurance risk.

To effectively manage medical insurance risk, the Scheme employs a combination of benefit limits and sub-limits, structured approval procedures, pricing guidelines, pre-authorisation requirements, and case management protocols. Additionally, the Scheme engages in negotiations with major service providers and actively monitors emerging industry trends to ensure financial sustainability and member affordability.

The Scheme utilizes various analytical methods to assess and monitor both individual and aggregate risks, including internal risk measurement models, sensitivity analyses, scenario testing, and stress testing. These methodologies provide valuable insights into potential risk exposures and guide strategic decision-making.

The Scheme Rules, registered with the Council for Medical Schemes, define the benefits available under each plan option. The key benefit categories provided by the Scheme include:

- In-hospital benefits – covering costs incurred during hospital admissions.
- Chronic disease benefits – providing medication and consultations for chronic conditions across all plan options, supported by disease management programs that assist, educate, and support members.
- Day-to-day benefits – covering out-of-hospital medical expenses, such as general practitioner and dental visits, acute medication, and over-the-counter medicines, subject



- to benefit limits and Scheme tariffs; and
- Additional benefits – including preventative wellness benefits, external medical appliances, and access to disease management programs.

In accordance with the Scheme Rules, the Scheme reserves the right to adjust contract terms and conditions to ensure ongoing financial stability and alignment with regulatory requirements. To maintain sound financial governance, management information, including contribution income, expenditure, and claims ratios by option, is reviewed monthly.

9 ACTUARIAL REVIEW AND CONTRIBUTION ASSESSMENT

While an actuarial review of the Scheme is not a statutory requirement under the Medical Schemes Act, the Scheme proactively engages independent actuarial expertise to ensure sound financial and benefit planning. For the 2023 and 2024 benefit years, 3One Consulting Actuaries conducted a review of budgeted contributions and key assumptions used in the benefit design process. This assessment confirmed the appropriateness of the contribution increases, ensuring that they remain aligned with the Scheme's financial sustainability and member affordability objectives.

Additionally, the actuaries provided the valuation of the post-retirement employment benefit liability, supporting the Scheme's commitment to prudent financial management and long-term planning. This independent actuarial input strengthens the Scheme's ability to make data-driven decisions, manage risk effectively, and maintain financial stability while delivering comprehensive healthcare benefits to its members.

10 OUTSTANDING CLAIMS

The movement on the outstanding claims provision and the methodology used in its calculation are detailed in Note 2 of the Annual Financial Statements. The basis of calculation remains consistent with the prior year, and includes a non-financial risk adjustment, as required under IFRS 17. This adjustment enhances the accuracy of claim provisioning by incorporating non-financial risk factors, ensuring compliance with IFRS Accounting Standards as issued by the International Accounting Standards Board, while maintaining the Scheme's prudent approach to claims liability management.

There were no unusual movements in the outstanding claims provision that the Trustees believe require special attention from the Scheme's members. The provision continues to be monitored and evaluated to ensure adequate coverage of incurred but not yet reported claims, supporting the financial stability and claims-paying ability of the Scheme.

11 FIDELITY INSURANCE

The Scheme maintains fidelity insurance at a level deemed appropriate by the Board of Trustees. This insurance coverage serves as a safeguard against potential losses arising from fraud, theft, or dishonesty, ensuring the protection of the Scheme's assets and financial integrity. The Board regularly reviews the adequacy of this coverage to align with industry best practices and evolving risk exposures, reinforcing the Scheme's commitment to sound governance and financial security.

12 RELATED PARTY TRANSACTIONS

Details of related party transactions are disclosed in Note 19 of the Annual Financial Statements, in accordance with relevant reporting standards and governance requirements. This disclosure includes transactions with parties that have a significant influence over the Scheme. Additionally, Trustee remuneration is detailed in Note 17 of the Annual Financial Statements, providing full disclosure of compensation and allowances in line with the Scheme's governance framework.



The Board remains committed to transparent financial management and adherence to regulatory and ethical standards in all related party dealings.

13 SIGNIFICANT EVENTS

In 2019, the Scheme reported a significant event involving alleged fraudulent activities by a senior management member. These activities included misuse of Scheme property, unauthorised expenses, non-compliance with internal procurement policies, and theft of monetary assets. Following an independent forensic investigation, the Scheme took legal action and successfully recovered a portion of the misappropriated funds. A criminal complaint was also lodged to address the matter.

In 2020, the Council for Medical Schemes (CMS) initiated an investigation into the Scheme's governance under Section 44(4)(a) of the Medical Schemes Act. Based on the findings, CMS recommended the appointment of a Statutory Manager under Section 5A of the Financial Institutions (Protection of Funds) Act, 28 of 2001, to oversee governance improvements and ensure compliance with regulatory requirements.

Under an agreement between CMS, the Registrar, and the Board of Trustees, Mr. Juanito Damons was appointed as the Statutory Manager on 18 July 2022. His role included attending all Board of Trustees and Audit & Governance Committee meetings, as well as conducting ad hoc engagements with Scheme officials to monitor progress.

By 31 July 2023, the Scheme had successfully implemented the governance enhancements recommended by the Statutory Manager. As a result, CMS applied to the High Court to remove the Scheme from Statutory Management. On 25 November 2024, the court officially terminated statutory management, marking the Scheme's return to normal governance operations and reaffirming its commitment to strong governance, transparency, and regulatory compliance.

14 NON-COMPLIANCE MATTERS

The Scheme is committed to full compliance with the Medical Schemes Act and related regulations. All non-compliance matters identified have been disclosed in this report, regardless of materiality. The following instances of non-compliance were noted during the reporting period:

14.1 LATE RECEIPT OF CONTRIBUTIONS (SECTION 26(7))

Section 26(7) of the Act requires that all contributions be paid directly to a medical scheme within three days of becoming due. In 2024, not all billed contributions were received within this timeframe, which could impact cash flow and interest income. The Scheme actively follows up on outstanding contributions and applies its credit control policy to manage overdue payments effectively.

14.2 CLAIMS PAYMENT DELAYS (SECTION 59(2))

The Act mandates that claims be settled within 30 days of receipt. While the Scheme endeavours to process all claims within this period, occasional delays occur due to validity verification procedures. Claims exceeding the 30-day threshold are investigated by management, ensuring that all outstanding payments are addressed in a timely and compliant manner.

14.3 BENEFIT OPTION SELF-SUFFICIENCY (SECTION 33(2)(b))

Section 33(2)(b) of the Medical Schemes Act requires that each benefit option be financially self-supporting to maintain the financial integrity of the Scheme and prevent cross-subsidisation.

In 2024, the Midmas option recorded a minor insurance service deficit of R111,824 (refer to Note 18 of the Annual Financial Statements). While this deficit is not material, persistent deficits on



benefit options could potentially lead to cross-subsidisation from surplus-generating options, which may impact the overall financial soundness of the Scheme.

To ensure long-term sustainability and regulatory compliance, the Scheme is actively implementing strategic measures, including:

- Contribution adjustments to align pricing with claims experience,
- Benefit design reviews to optimize cost-effectiveness, and
- Ongoing assessments to monitor financial performance and adjust strategies proactively.

14.4 PROHIBITED INVESTMENTS (SECTION 35(8) (a, c & d))

Section 35(8) prohibits medical schemes from holding investments in:

- The business of any medical scheme administrator.
- The holding company of an administrator; or
- Any employer group associated with the Scheme.

As of 31 December 2024, the Scheme held underlying investments amounting to 0.6% in medical scheme administrators or their holding companies (Momentum Metropolitan Holdings, Discovery Holdings and Sanlam Limited) and 0.6% in employer groups (Glencore Plc and Exxaro Resources) of total net asset value. The Scheme has obtained an exemption from the Council for Medical Schemes (CMS) to retain these investments while ensuring compliance with broader regulatory requirements.

15 GOING CONCERN

The Annual Financial Statements have been prepared based on accounting policies applicable to a going concern, which assumes that the Scheme will continue its operations in the foreseeable future. This basis presumes that sufficient funds will be available to finance future operations, and that the realisation of assets and settlement of liabilities, contingent liabilities, and commitments will occur in the ordinary course of business.

The Board of Trustees conducts an annual assessment of the Scheme's business plan, key performance indicators, and strategic targets to ensure that all material risks are comprehensively addressed. This includes maintaining a regular review of the Scheme's risk register and management accounts, ensuring that contingency plans are in place to mitigate potential risks. In reviewing budgets and cash flow projections, along with additional financial data for 2025, the Board of Trustees has determined that the going concern assumption remains appropriate for the next twelve months from the date of approval of the Annual Financial Statements. This assessment underscores the Scheme's financial stability and ability to meet its obligations while continuing to provide sustainable healthcare benefits to its members.

16 EVENTS AFTER THE REPORTING PERIOD

On 20 January 2025, the United States President's Emergency Plan for AIDS Relief (PEPFAR) funding in South Africa was paused for 90 days pending a final decision on future funding. The termination of PEPFAR funding would have significant repercussions on the nation's HIV/AIDS response in the public health services sector and NGOs directly involved in HIV prevention and treatment. The impact on the Scheme, whose members are mostly claiming from the private sector already, is not considered significant enough to require a policy adjustment or a change in claims estimates.

The Board of Trustees confirms that there were no adjusting or non-adjusting events that occurred after the reporting period that would have a material impact on the Annual Financial Statements or require disclosure.

STATEMENT OF RESPONSIBILITY BY THE BOARD OF TRUSTEES

The Trustees are responsible for the preparation, integrity and fair presentation of the annual financial statements of Witbank Coalfields Medical Aid Scheme ("the Scheme"), comprising the statement of financial position at 31 December 2024 and the statements of comprehensive income, and cash flows for the year then ended, and the notes to the annual financial statements, which include a summary of significant accounting policies and other explanatory notes required in accordance IFRS Accounting Standards as issued by the International Accounting Standards Board, and the requirements of the Medical Schemes Act of South Africa No. 131 of 1998, as amended ("the Act").

The Trustees consider that, in preparing the annual financial statements, they have used the most appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Trustees are satisfied that the information contained in the annual financial statements fairly present the results of operations for the year and the financial position of the Scheme at year-end. The Trustees also prepared the other information included in the annual report and are responsible for both its accuracy and its consistency with the financial statements.

The Trustees are responsible for ensuring that accounting records are maintained. The accounting records disclose, with reasonable accuracy, the financial position of the Scheme which enables the Trustees to ensure that the annual financial statements comply with the relevant legislation.

Witbank Coalfields Medical Aid Scheme operates in a well-established control environment which is well documented. This incorporates risk management and internal control procedures which are designed to provide reasonable but not absolute assurance that assets are safeguarded and the risks facing the business are adequately mitigated.

The Trustees, with the support of the independent actuarial advisors, have assessed the ability of the Scheme to continue as a going concern and have no reason to believe, given its solvency position, that the Scheme will not be a going concern in the year ahead.

The Audit and Governance committee functioned effectively throughout the year.

The Scheme's external auditor is responsible for auditing the fair presentation of the financial statements in terms of International Reporting Standards on Auditing in accordance with the applicable financial reporting framework of the Scheme.

APPROVAL OF FINANCIAL STATEMENTS

The financial statements set out on pages 32 to 76, which have been prepared on the going concern basis, were approved and authorised for issue by the Board of Trustees and on 16 April 2025 and were signed on their behalf by:



RV Mnguni
Chairperson



CIA Maslo
Vice-chairperson



MA Anthony
Principal Officer

STATEMENT OF CORPORATE GOVERNANCE BY THE BOARD OF TRUSTEES

The Witbank Coalfields Medical Aid Scheme is committed to upholding the highest standards of fairness, responsibility, transparency, and accountability in its interactions with stakeholders. The Scheme strives to align its corporate governance framework with the principles set forth in the King IV Code of Corporate Governance, as guided by the Council for Medical Schemes.

To ensure compliance with corporate governance requirements, the Board of Trustees, sub-committees, and management have access to governance experts when necessary. This approach is considered sufficient to effectively oversee the affairs of the Scheme.

1. ETHICS

The medical schemes industry faces significant challenges, including fraudulent claims and abuse of member benefits by certain healthcare professionals and, in some cases, members. Such unethical practices compromise the financial sustainability of the industry and negatively impact all members. To counter these risks, the Scheme has implemented rigorous fraud prevention policies and detection mechanisms.

The Scheme adopts a zero-tolerance stance on fraud, waste, and abuse. Preventive measures include:

- Raising awareness about fraud and unethical practices.
- Implementing stringent abuse prevention tactics; and
- Utilizing data analytics to detect irregular billing and claiming patterns.

All investigations into suspected fraudulent activities are conducted confidentially, and the identities of whistleblowers are protected.

2. CORPORATE CITIZENSHIP

In accordance with the King IV Code, the Scheme recognizes its role as a responsible corporate citizen, acknowledging that it operates as an integral part of broader society. The Scheme and its Trustees are committed to ethical decision-making, ensuring responsible and sustainable operations.

2.1 Stakeholder engagement

The Scheme prioritizes meaningful engagement with stakeholders through:

- Regular communication with key stakeholder groups.
- Ensuring representation of major stakeholder groups on the Board of Trustees.
- Efficient resolution of stakeholder queries; and
- Prompt attention to and escalation of complaints where necessary.

2.2 Responsible business practices

The Scheme is dedicated to maintaining responsible business practices that safeguard its sustainability by:

- Employing skilled and adequately trained staff.
- Upholding high ethical standards, honesty, and integrity; and
- Evaluating the impact of decisions on all relevant stakeholders.

The Scheme enforces strict quality control measures, conducts performance evaluations, and monitors stakeholder feedback to continuously improve its operations.

2. BOARD OF TRUSTEES

The Board of Trustees serves as the Scheme's primary governing body, ensuring sound decision-making and strategic oversight. While the Board delegates specific functions to sub-committees and the Principal Officer, it retains ultimate responsibility for the effective operation of the Scheme.

The Board comprises individuals with the requisite expertise, experience, and diversity to govern the Scheme effectively. Trustees are nominated and elected by members and participating employers, operating under defined Terms of Reference. Regular meetings are held to monitor performance and address key strategic and policy matters.

The Board of Trustees believes that the delegation of authority framework contributes to the role clarity and the effective exercise of authority and responsibilities of the Board's duties. All the Trustees have access to the advice and services of the executive leadership and may seek independent professional advice at the expense of the Scheme.

To support governance efficiency, the following sub-committees assist the Board:

- Audit and Governance Committee.
- Clinical Governance and Ex Gratia Committee.
- Disputes Committee.
- Investment Committee.
- Nominations and Advisory Committee; and
- Remuneration Committee.

3.1 Performance evaluations

An annual performance review assesses the effectiveness of the Board, sub-committees, and executive leadership. The Nominations and Advisory Committee reviews these assessments, provides feedback, and recommends necessary improvements. The latest review confirmed that the Board and its committees are functioning effectively.

3.2 Remuneration

Trustees and committee members receive compensation for their contributions, provided they complete the necessary training as prescribed by the Council for Medical Schemes. The Scheme's remuneration policy aligns with the principles outlined in the King IV report.

Remuneration details, including per-meeting fees and travel cost reimbursements, are disclosed in the Annual Financial Statements (Note 17).

3. PRINCIPAL OFFICER

The Principal Officer's responsibilities are defined by a Service Level Agreement, in alignment with the Medical Schemes Act and the Scheme's Rules. The Principal Officer serves in an executive capacity and is fully dedicated to the Scheme. Adequate succession planning ensures continuity in leadership.

4. COMPLIANCE AND REGULATORY OVERSIGHT

The Scheme ensures full compliance with relevant medical aid regulations through:

- Ongoing reviews by the Council for Medical Schemes.
- Regular updates to policies in line with legislative changes; and
- Training for staff and Trustees on regulatory requirements.

5. RISK MANAGEMENT

The Scheme actively identifies, mitigates, and manages business risks to maintain financial and operational stability. Key risk management activities include:

- Continuous risk identification by management.
- Quarterly risk assessments by the Audit and Governance Committee.
- Implementation of risk-mitigation controls.
- Formal strategic planning processes.
- Annual policy and procedural reviews; and
- Periodic evaluation of committee Terms of Reference.

The Scheme maintains internal controls and systems designed to provide reasonable assurance as to the integrity and reliability of the financial information and to safeguard, verify and maintain accountability for its assets adequately. Such controls are based on established policies and procedures and are implemented by trained personnel with the appropriate segregation of duties.

The Scheme monitors the effectiveness of controls and resultant deficiencies (if any) by:

- Regular quality control reviews.
- Internal audits of control processes; and
- Frequent Audit and Governance Committee meetings to review audit outcomes.

No event or item has come to the attention of the Board of Trustees to indicate that there has been any material breakdown in the functioning of the key internal controls and systems during the year under review.

6. INFORMATION TECHNOLOGY, CYBERSECURITY AND DATA PROTECTION

The Scheme's IT infrastructure is managed internally under the oversight of Scheme Management. A reputable administration system is utilized to ensure regulatory compliance and operational efficiency. Stringent change management and cost control measures, including structured incident logging, have been implemented to maintain high service levels.

To protect sensitive member information, the Scheme:

- Implements robust cybersecurity measures.
- Conducts regular IT security audits; and
- Trains employees on data protection best practices.

7. INVESTMENT STRATEGY

The Scheme's investment strategy is designed to achieve long-term capital growth while maintaining low risk. The key objectives include:

- Achieving a return exceeding CPI +3.0% per annum (net of fees) over a rolling three-year period.
- Maintaining liquidity levels in accordance with regulatory requirements.
- Investing in highly rated financial institutions with moderate risk exposure.
- Ensuring compliance with legislative and regulatory investment guidelines; and
- Conducting periodic risk assessments with feedback to the Board.

8. MEMBER ENGAGEMENT AND SATISFACTION

The Scheme values member feedback and enhances engagement through:

- Regular surveys to assess satisfaction levels.
- A dedicated support team for prompt resolution of member concerns; and
- Transparent communication regarding benefits and changes.

9. FUTURE OUTLOOK AND STRATEGIC GOALS

Looking ahead, the Scheme aims to:

- Expand its member support services.
- Strengthen fraud prevention measures.
- Enhance digital services for greater efficiency; and
- Maintain financial stability while improving healthcare access.

This statement has been reviewed and approved by the Board of Trustees, as evidenced by the signatures of the authorized representatives:



RV Mnguni
Chairperson



CIA Maslo
Vice-chairperson



MA Anthony
Principal Officer



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Independent Auditor's Report

To the Members of The Witbank Coalfields Medical Aid Scheme.

Report on the Financial Statements

Unqualified Opinion

We have audited the financial statements of The Witbank Coalfields Medical Aid Scheme ("The Scheme") set out on pages 27 to 70, which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Witbank Coalfields Medical Aid Scheme as at 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Medical Schemes Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Standards). Our responsibilities under those standards are further described in the Auditors responsibilities for the Audit of the financial statements section of our report. We are independent of "The Scheme" in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountant's International Code of Ethics for Professional Accountants (Including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key Audit Matter	Audit Response
<p>Liability for incurred claims</p> <p>The Liability for incurred claims (LIC) provision consisting of:</p> <ul style="list-style-type: none"> - Best estimate liability of claims incurred but not reported R 45 308 105 (2023: R 45 863 488); - Risk adjustment R 1 961 679 (2023: R 2 065 387); and - Reported claims not yet paid R 1 042 525 (2023: R 34 920 430), <p>forms part of the insurance contract liability. The insurance contract liability is described in note 11 to the financial statements. The LIC includes the estimated cost of healthcare benefits that have been incurred by the members before the end of the financial year but that have not been reported to the Scheme by that date, as well as insurance accounts payable and the personal medical savings liability.</p> <p>Per IFRS 17, the Scheme measures the LIC provision as the fulfilment cash flows plus a risk adjustment at year-end. The estimate of the future cash flows in terms of the LIC provision is adjusted to reflect the compensation that the Scheme requires for bearing the uncertainty about the amount and timing of the cash flows arising from non-financial risk including claims risk, membership risk, and expense risk.</p> <p>The rules of the Scheme provide that claims may only be paid if the Scheme is notified of the claim and documentation is submitted within 4 months of the date of the healthcare service.</p> <p>At year-end, the cost of outstanding incurred claims is estimated by the Scheme's actuaries, using the Bornhuetter-Ferguson method (BFM) in the calculation of the Scheme's LIC provision. Considering the IFRS 17 requirements, the LIC estimate shows the LIC provision at various percentiles of the simulated LIC estimates, each allowing for a different assumed risk adjustment factor.</p>	<p>Our audit procedures for the Liability of incurred claims (LIC) provision included the following:</p> <p>We obtained an understanding of the inherent risk factors in relation to the complexity subjectivity and the change of the LIC provision estimate;</p> <p>We assessed the appropriateness and timely recognition of the related LIC provision against the requirements of IFRS 17 - Insurance contracts;</p> <p>We have gained a detailed understanding of the end-to-end claims and LIC estimation process and obtained an understanding of the relevant controls.</p> <p>We obtained the report of the Scheme's independent actuary of the LIC provision at year end and tested the appropriateness of the estimate performed as follows:</p> <ul style="list-style-type: none"> - Evaluated the competence, capabilities and objectivity of the Scheme's independent actuary; - Obtained an understanding of the method and models used in calculating the LIC provision estimate and assessed whether it is appropriate in terms of acceptable methodologies, industry standards, and that they meet the measurement objectives of IFRS 17; - Obtained an understanding of the significant assumptions used in the estimate and, challenged whether the assumptions are appropriate for the estimate of the LIC provision and the risk adjustment factors; - Obtained an understanding of the data utilised in the calculation of the estimate; - Assessed the estimate for indicators of possible management bias. <p>We obtained audit evidence from events occurring after the reporting period as a retrospective review of the LIC provision estimate that was set at year end:</p>

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<p>A LIC provision at the 50th percentile (2023 – 50th percentile) of the stipulated LIC estimates has been selected by the Scheme.</p> <p>We considered the Liability for incurred claims (Note 11) as a matter of most significance to the current year audit of the financial statements due to the following:</p> <ul style="list-style-type: none"> - the degree of estimation uncertainty and complexity of the fulfilment cash flows; - significant judgment in selecting the related risk adjustment for non-financial risk factors; and - the materiality of this liability. 	<ul style="list-style-type: none"> - We assessed the claims received subsequent to year-end for claims incurred relating to the 2024 financial year; - We inspected the records of claims assigned 'audit' status and evaluated whether the claims have been correctly included/excluded from the LIC provision. <p>Based on our assessment of the events and claims occurring after the reporting period as a retrospective review, we did not identify any matters that would require additional audit procedures to be performed.</p>
<p>Validity and accuracy of claims</p> <p>The significant expense for the Scheme relates to risk claims incurred. Risk claims incurred is a key driver in determining the sustainability of the Scheme.</p> <p>The payment of valid and accurate risk claims is dependent on the integrity of the Scheme's administration system, as well as the automated claim assessment control.</p> <p>Risk claims incurred was considered a key audit matter due to the significant risk related to the processing of valid claims during the year.</p>	<p>We obtained claims data for the entire period and performed analytical, substantive and control testing in order to verify the validity and accuracy of claims.</p>

Other Information

The Scheme's Trustees are responsible for the other information. The other information comprises the information included in the documents titled Report of the Board of Trustees, Statement of Responsibility by the Board of Trustees, and the Statement of Corporate Governance by the Board of Trustees. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of the Scheme's Trustees for the Financial Statements

The Scheme's Trustees are responsible for the preparation and fair presentation of the financial statements, in accordance with International Financial Reporting Standards Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Medical Schemes Act of South Africa, and for such internal control as the Scheme's Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Scheme's Trustees are responsible for assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Scheme's trustees either intend to liquidate the Scheme or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISA Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISA Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Scheme's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Scheme's Trustees.
- Conclude on the appropriateness of the Scheme's Trustees' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Scheme's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Scheme to cease to continue as a going concern.

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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Scheme's Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the matters communicated with the Scheme's Trustees, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Non-compliance with the Medical Schemes Act of South Africa

As required by the Council for Medical Schemes, we report the following material instances of non-compliance with the requirements of the Medical Schemes Act of South Africa as amended that have come to our attention during the course of our audit:

1. Non-compliance with section 35(8)(a), (b) and (c) of the Medical Schemes Act 131 of 1998, as amended, of South Africa:

Section 35(8) prohibits medical schemes from holding investments in:

- The business of any medical scheme administrator;
- The holding company of an administrator; or
- Any employer group associated with the Scheme.

As of 31 December 2024, the Scheme held underlying investments amounting to 0.6% in medical scheme administrators or their holding companies (Momentum Metropolitan Holdings, Discovery Holdings and Sanlam Limited) and 0.6% in employer groups (Glencore Plc and Exxaro Resources) of total net asset value. The Scheme has obtained an exemption from the Council of Medical Schemes to retain these investments while ensuring compliance with broader regulatory requirements.

2. Non-compliance with section 26(7) of the Medical Schemes Act 131 of 1998, as amended, of South Africa:

In terms of section 26(7) of the Medical Schemes Act 131 of 1998, all contributions shall be paid to a medical scheme not later than three days after payment thereof becomes due.

In 2024, not all billed contributions were received within this timeframe, which could impact cash flow and interest income. The Scheme actively follows up on outstanding contributions and applies its credit control policy to manage overdue payments effectively.

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3. Non-Compliance with section 59(2) of the Medical Schemes Act 131 of 1998, as amended, of South Africa:

In terms of section 59(2) of the Medical Schemes Act, accounts must be paid to the member or supplier of the services, any benefit owing to that member or supplier of services within 30 days after the day on which the claim in respect to the benefits was received by the Scheme.

While the Scheme endeavours to process all claims within this period, occasional delays occur due to validity verification procedures. Claims exceeding the 30-day threshold are investigated by management, ensuring that all outstanding payments are addressed in a timely and compliant manner.

4. Non-compliance with section 33(2)(b) of the Medical Schemes Act 131 of 1998, as amended of South Africa:

In terms of section 33(2)(b) of the Act, each benefit option shall be self-supporting in terms of membership and financial performance to maintain the financial integrity of the Scheme and prevent cross-subsidisation. At 31 December 2024 the Midmas option incurred a minor insurance service deficit of R 111 824 (refer to Note 18 of the Annual Financial Statements).

While this deficit is not material, persistent deficits on benefit options could potentially lead to cross-subsidisation from surplus-generating options, which may impact the overall financial soundness of the Scheme. To ensure long-term sustainability and regulatory compliance, the Scheme is actively implementing strategic measures, including:

- Contribution adjustments to align pricing with claims experience;
- Benefit design reviews to optimise cost-effectiveness; and
- Ongoing assessments to monitor financial performance and adjust strategies proactively.

Audit Tenure

As required by the Council for Medical Schemes' Circular 38 of 2018, Audit Tenure, we report that Middel and Partners has been the auditor of The Witbank Coalfields Medical Aid Scheme for the first time for the reporting date 31 December 2024.

The engagement partner, Mr Jacques Jean Marais, has been responsible for The Witbank Coalfields Medical Aid Scheme audit for the first time for the reporting date 31 December 2024.

Middel & Partners

Middel & Partners

Per: Jacques Jean Marais

Chartered Accountant (SA)

Registered Auditor

29 April 2025

Pretoria

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STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Note	2024	2023
ASSETS			
Non-current assets			
Equipment and other fixed assets	4	1,604,014	801,341
Investment properties	5	15,318,525	13,193,933
Investments at fair value through profit or loss	6	708,252,362	649,578,532
		725,174,901	663,573,806
Current assets			
Investments at fair value through profit or loss	6	248,232,823	227,339,903
Trade and other receivables	7	475,909	459,207
Cash and cash equivalents	8	99,403,561	70,184,080
		348,112,293	297,983,190
TOTAL ASSETS		1,073,287,195	961,556,996
LIABILITIES			
Non-current liabilities			
Insurance contracts liability for future members	9	724,598,316	621,234,299
Retirement benefit obligation	10	1,836,000	1,510,000
		726,434,316	622,744,299
Current liabilities			
Insurance contracts liability for current members	11	344,549,363	335,801,166
Trade and other payables	12	1,949,516	2,675,531
Retirement benefit obligation	10	354,000	336,000
		346,852,879	338,812,697
TOTAL LIABILITIES		1,073,287,195	961,556,996
TOTAL EQUITY		-	-
TOTAL EQUITY AND LIABILITIES		1,073,287,195	961,556,996



STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Note	2024	2023
Insurance revenue	13	578,069,267	527,865,620
Insurance service expenses	14	(545,833,093)	(581,343,801)
INSURANCE SERVICE RESULT		32,236,174	(53,478,181)
Investment income	15	108,423,205	91,542,440
Gain/(loss) on disposal of equipment		(30,360)	160,611
Sundry income		573,164	257,357
OTHER INCOME		108,966,009	91,960,408
Impairment losses on insurance receivables		(456,266)	(288,777)
Insurance finance expenses	12	(21,094,514)	(20,561,012)
Administration fees and operative expenses	16	(8,261,191)	(11,150,277)
Asset management fees		(4,573,689)	(4,888,717)
Costs incurred on rental property		(3,452,507)	(3,444,807)
OTHER EXPENSES		(37,838,166)	(40,333,590)
PROFIT FOR THE YEAR		103,364,017	(1,851,362)
Amounts attributable to future members		(103,364,017)	1,851,362
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		-	-



STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

	Note	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Contributions received		765,512,926	654,661,302
Other cash flows from/(to) members and providers		(1,668,280)	247,921
Cash receipts from members and providers		763,844,646	654,909,223
Cash paid to members and providers - Claims		(694,728,161)	(666,377,515)
Cash paid to providers and employees - Directly attributable expenses		(32,883,130)	(31,008,466)
Cash paid to providers and employees - Other operative expenditure		(9,368,468)	(10,898,837)
Cash paid to members - Personal medical savings refunds	12.3	(15,601,936)	(19,396,868)
Cash paid to providers, employees and members		(752,581,694)	(727,681,685)
Cash generated from/ (utilised in) operations		11,262,952	(72,772,463)
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES		11,262,952	(72,772,463)
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to equipment and other assets	4	(1,358,306)	(196,912)
Proceeds on disposals of equipment and other assets		53,594	160,611
Additions to investment properties	5	(2,760,641)	(10,589)
Proceeds on disposals of investments at fair value through profit or loss	6	15,000,000	78,000,000
Investment income received on investments at amortised cost	15	5,062,747	2,730,114
Investment manager fees paid		(538,200)	(510,600)
Receipts from sundry debtors		-	249,872
Rental income received		5,394,342	4,184,996
Cost incurred in provision of own facilities to external parties		(3,452,507)	(3,444,807)
Non-cash flow item: depreciation on investment property	5	555,501	527,400
NET CASH GENERATED FROM INVESTING ACTIVITIES		17,956,529	81,690,084
NET INCREASE IN CASH AND CASH EQUIVALENTS		29,219,481	8,917,621
Cash and cash equivalents at the beginning of the year	8	70,184,080	61,266,459
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	9	99,403,561	70,184,080

UNIT PROFITABILITY REPORT 2024

WITBANK COALFIELDS MEDICAL AID SCHEME

Comprehensive Ordinary members

	No of members	Risk contribution income (RCI)	Risk claims	Surplus/ (Deficit)	% RCI Used	Per member per month		
						Contributions	Risk claims	Surplus/ (Deficit)
2024								
Entrapade	2	163,525	16,674	146,850	10%	6,814	695	6,119
Glencore	1,035	70,632,375	48,863,640	21,768,734	69%	5,687	3,934	1,753
Mafube	147	10,205,974	6,552,025	3,653,950	64%	5,786	3,714	2,071
Mantella	26	1,758,274	2,138,211	(379,937)	122%	5,635	6,853	(1,218)
Msobo	43	3,180,685	2,481,792	698,892	78%	6,164	4,810	1,354
Seriti	1,671	122,992,274	88,142,734	34,849,540	72%	6,134	4,396	1,738
Staff	15	972,229	491,569	480,660	51%	5,401	2,731	2,670
Thungela	2,424	165,104,363	121,631,445	43,472,918	74%	5,676	4,181	1,495
Tshiamo	6	343,177	153,853	189,324	45%	4,766	2,137	2,630
Witbank Chamber	14	1,196,516	1,127,530	68,986	94%	7,122	6,711	411
	5,383	376,549,390	271,599,473	104,949,917	72%	5,829	4,205	1,625
2023								
Buffalo	42	394,387	264,059	130,327	67%	783	524	259
Entrapade	2	156,306	33,013	123,293	21%	6,513	1,376	5,137
Glencore	1,037	67,169,988	64,905,463	2,264,525	97%	5,398	5,216	182
Mafube	148	9,568,473	8,919,317	649,156	93%	5,388	5,022	366
Mantella	30	1,666,734	3,982,999	(2,316,265)	239%	4,630	11,064	(6,434)
Msobo	57	3,911,350	3,885,156	26,193	99%	5,718	5,680	38
Seriti	1,753	113,565,508	98,444,656	15,120,852	87%	5,399	4,680	719
Staff	16	930,541	697,035	233,506	75%	4,847	3,630	1,216
Thungela	2,345	154,343,157	134,091,894	20,251,263	87%	5,485	4,765	720
Usimbithi	14	983,837	748,829	235,007	76%	5,856	4,457	1,399
Witbank Chamber	15	1,145,340	1,702,275	(556,935)	149%	6,363	9,457	(3,094)
	5,459	353,835,619	317,674,696	36,160,923	90%	5,401	4,849	552

UNIT PROFITABILITY REPORT 2024

WITBANK COALFIELDS MEDICAL AID SCHEME

Comprehensive

Continuation members

	No of members	Risk contribution income (RCI)	Risk claims	Surplus/ (Deficit)	% RCI Used	Per member per month		
						Contributions	Risk claims	Surplus/ (Deficit)
2024								
Buffalo	2	167,004	133,247	33,757	80%	6,959	5,552	1,407
Glencore	208	11,648,742	33,725,099	(22,076,357)	290%	4,667	13,512	(8,845)
Mafube	4	264,423	422,129	(157,706)	160%	5,509	8,794	(3,286)
Mantella	1	83,502	135,910	(52,408)	163%	6,959	11,326	(4,367)
Msobo	50	3,113,595	4,704,196	(1,590,601)	151%	5,189	7,840	(2,651)
Seriti	272	17,012,361	32,423,585	(15,411,224)	191%	5,212	9,934	(4,722)
Staff	3	157,120	364,411	(207,291)	232%	4,364	10,123	(5,758)
Thungela	646	39,515,888	82,257,177	(42,741,289)	208%	5,098	10,611	(5,514)
Witbank Chamber	36	1,840,694	4,317,312	(2,476,618)	235%	4,261	9,994	(5,733)
	1,222	73,803,328	158,483,066	(84,679,738)	215%	5,033	10,808	(5,775)
2023								
Buffalo	2	97,088	214,535	(117,448)	221%	4,045	8,939	(4,894)
Glencore	215	11,568,808	29,470,342	(17,901,534)	255%	4,484	11,423	(6,939)
Mafube	2	155,340	113,573	41,767	73%	6,473	4,732	1,740
Mantella	1	77,670	78,697	(1,027)	101%	6,473	6,558	(86)
Msobo	51	2,650,723	5,379,054	(2,728,331)	203%	4,331	8,789	(4,458)
Seriti	267	16,074,788	40,447,243	(24,372,455)	252%	5,017	12,624	(7,607)
Staff	3	202,323	3,259,339	(3,057,016)	1611%	5,620	90,537	(84,917)
Thungela	654	37,350,523	81,310,455	(43,959,933)	218%	4,759	10,361	(5,601)
Usimbithi	1	77,670	54,735	22,935	70%	6,473	4,561	1,911
Witbank Chamber	39	1,849,457	4,501,712	(2,652,255)	243%	3,952	9,619	(5,667)
	1,235	70,104,389	164,829,686	(94,725,297)	235%	4,730	11,122	(6,392)

UNIT PROFITABILITY REPORT 2024

WITBANK COALFIELDS MEDICAL AID SCHEME

Comprehensive

All members

	No of members	Risk contribution income (RCI)	Risk claims	Surplus/ (Deficit)	% RCI Used	Per member per month		
						Contributions	Risk claims	Surplus/ (Deficit)
2024								
Buffalo	2	167,004	133,247	33,757	80%	6,959	5,552	1,407
Entrapade	2	163,525	16,674	146,850	10%	6,814	695	6,119
Glencore	1,252	78,738,796	94,375,805	(15,637,009)	120%	5,241	6,282	(1,041)
Mafube	151	10,470,397	6,974,154	3,496,243	67%	5,778	3,849	1,929
Mantella	27	1,841,776	2,274,121	(432,345)	123%	5,684	7,019	(1,334)
Msobo	93	6,294,280	7,185,988	(891,709)	114%	5,640	6,439	(799)
Seriti	1,943	140,004,635	120,566,320	19,438,316	86%	6,005	5,171	834
Staff	18	1,129,349	855,980	273,369	76%	5,228	3,963	1,266
Thungela	3,070	204,620,250	203,888,622	731,628	100%	5,554	5,534	20
Tshiamo	6	343,177	153,853	189,324	45%	4,766	2,137	2,630
Witbank Chamber	50	3,037,210	5,444,842	(2,407,632)	179%	5,062	9,075	(4,013)
	6,614	446,810,398	441,869,605	4,940,793	99%	5,630	5,567	62
2023								
Buffalo	44	491,475	478,594	12,881	97%	931	906	24
Entrapade	2	156,306	33,013	123,293	21%	6,513	1,376	5,137
Glencore	1,252	78,738,796	94,375,805	(15,637,009)	120%	5,241	6,282	(1,041)
Mafube	150	9,723,813	9,032,890	690,923	93%	5,402	5,018	384
Mantella	31	1,744,404	4,061,696	(2,317,292)	233%	4,689	10,919	(6,229)
Msobo	108	6,562,073	9,264,210	(2,702,137)	141%	5,063	7,148	(2,085)
Seriti	2,020	129,640,296	138,891,899	(9,251,603)	107%	5,348	5,730	(382)
Staff	19	1,132,864	3,956,374	(2,823,510)	349%	4,969	17,353	(12,384)
Thungela	2,999	191,693,680	215,402,349	(23,708,669)	112%	5,327	5,985	(659)
Usimbithi	15	1,061,507	803,564	257,943	76%	5,897	4,464	1,433
Witbank Chamber	54	2,994,797	6,203,987	(3,209,190)	207%	4,622	9,574	(4,952)
	6,694	423,940,011	482,504,381	(58,564,370)	114%	5,278	6,007	(729)

UNIT PROFITABILITY REPORT 2024

WITBANK COALFIELDS MEDICAL AID SCHEME

Midmas

Ordinary members

2024

	No of members	Risk contribution income (RCI)	Risk claims	Surplus/ (Deficit)	% RCI Used	Per member per month		
						Contributions	Risk claims	Surplus/ (Deficit)
Glencore	571	21,659,733	16,068,212	5,591,521	74%	3,161	2,345	816
Mafube	135	5,514,923	8,279,441	(2,764,517)	150%	3,404	5,111	(1,706)
Mantella	68	2,721,151	3,820,374	(1,099,223)	140%	3,335	4,682	(1,347)
Msobo	24	571,048	236,662	334,386	41%	1,983	822	1,161
Seriti	324	13,841,421	10,419,035	3,422,386	75%	3,560	2,680	880
Staff	3	63,305	7,259	56,047	11%	1,758	202	1,557
Tshiamo	39	1,183,226	434,844	748,382	37%	2,528	929	1,599
	1,164	45,554,808	39,265,826	6,288,982	86%	3,261	2,811	450

2023

Buffalo	12	388,662	386,741	1,921	100%	2,699	2,686	13
Glencore	321	13,504,408	10,876,673	2,627,735	81%	3,506	2,824	682
Mafube	106	4,335,982	3,252,694	1,083,288	75%	3,409	2,557	852
Mantella	67	2,612,149	4,835,977	(2,223,828)	185%	3,249	6,015	(2,766)
Msobo	12	556,746	325,018	231,728	58%	3,866	2,257	1,609
Seriti	151	5,002,169	3,526,206	1,475,963	70%	2,761	1,946	815
Staff	2	55,347	13,288	42,059	24%	2,306	554	1,752
Usimbithi	16	590,054	310,483	279,571	53%	3,073	1,617	1,456
	687	27,045,519	23,527,080	3,518,438	87%	3,281	2,854	427

UNIT PROFITABILITY REPORT 2024

WITBANK COALFIELDS MEDICAL AID SCHEME

Midmas

Continuation members

	No of members	Risk contribution income (RCI)	Risk claims	Surplus/ (Deficit)	% RCI Used	Per member per month		
						Contributions	Risk claims	Surplus/ (Deficit)
2024								
Glencore	7	249,840	393,309	(143,469)	157%	2,974	4,682	(1,708)
Mafube	1	55,503	13,173	42,330	24%	4,625	1,098	3,527
Seriti	8	253,617	552,396	(298,779)	218%	2,642	5,754	(3,112)
Thungela	8	268,188	127,008	141,180	47%	2,794	1,323	1,471
Witbank Chamber	1	25,740	13,768	11,972	53%	2,145	1,147	998
	25	852,888	1,099,653	(246,765)	129%	2,843	3,666	(823)
2023								
Glencore	4	106,057	30,228	75,830	29%	2,210	630	1,580
Mafube	2	63,733	23,549	40,184	37%	2,656	981	1,674
Seriti	3	142,724	231,353	(88,629)	162%	3,965	6,426	(2,462)
Thungela	4	177,574	191,246	(13,671)	108%	3,699	3,984	(285)
Witbank Chamber	1	25,333	30,341	(5,008)	120%	2,111	2,528	(417)
	14	515,422	506,717	8,705	98%	3,068	3,016	52

UNIT PROFITABILITY REPORT 2024

WITBANK COALFIELDS MEDICAL AID SCHEME

Midmas

All members

2024

	No of members	Risk contribution income (RCI)	Risk claims	Surplus/ (Deficit)	% RCI Used	Per member per month		
						Contributions	Risk claims	Surplus/ (Deficit)
Glencore	578	21,909,573	16,461,521	5,448,052	75%	3,159	2,373	785
Mafube	136	5,570,426	8,292,614	(2,722,188)	149%	3,413	5,081	(1,668)
Mantella	68	2,721,151	3,820,374	(1,099,223)	140%	3,335	4,682	(1,347)
Msobo	24	571,048	236,662	334,386	41%	1,983	822	1,161
Seriti	332	14,095,038	10,971,431	3,123,607	78%	3,538	2,754	784
Staff	3	63,305	7,259	56,047	11%	1,758	202	1,557
Thungela	8	268,188	127,008	141,180	47%	2,794	1,323	1,471
Tshiamo	39	1,183,226	434,844	748,382	37%	2,528	929	1,599
Witbank Chamber	1	25,740	13,768	11,972	53%	2,145	1,147	998
	1,189	46,407,696	40,365,479	6,042,217	87%	3,253	2,829	423

2023

Buffalo	12	388,662	386,741	1,921	100%	2,699	2,686	13
Glencore	325	13,610,466	10,906,901	2,703,565	80%	3,490	2,797	693
Mafube	108	4,399,715	3,276,243	1,123,472	74%	3,395	2,528	867
Mantella	67	2,612,149	4,835,977	(2,223,828)	185%	3,249	6,015	(2,766)
Msobo	12	556,746	325,018	231,728	58%	3,866	2,257	1,609
Seriti	154	5,144,893	3,757,559	1,387,334	73%	2,784	2,033	751
Staff	2	55,347	13,288	42,059	24%	2,306	554	1,752
Thungela	4	177,574	191,246	(13,671)	108%	3,699	3,984	(285)
Usimbithi	16	590,054	310,483	279,571	53%	3,073	1,617	1,456
Witbank Chamber	1	25,333	30,341	(5,008)	120%	2,111	2,528	(417)
	701	27,560,941	24,033,797	3,527,143	87%	3,276	2,857	419

UNIT PROFITABILITY REPORT 2024

WITBANK COALFIELDS MEDICAL AID SCHEME

Ntsika

Ordinary members

2024

	No of members	Risk contribution income (RCI)	Risk claims	Surplus/ (Deficit)	% RCI Used	Per member per month		
						Contributions	Risk claims	Surplus/ (Deficit)
Glencore	141	5,969,111	3,282,669	2,686,442	55%	3,528	1,940	1,588
Mafube	109	4,531,335	2,132,315	2,399,020	47%	3,464	1,630	1,834
Mantella	294	4,338,897	2,998,293	1,340,603	69%	1,230	850	380
Msobo	3	291,125	116,166	174,959	40%	8,087	3,227	4,860
Seriti	640	26,442,489	17,854,579	8,587,910	68%	3,443	2,325	1,118
Staff	17	515,455	428,998	86,457	83%	2,527	2,103	424
Thungela	772	35,990,754	29,677,326	6,313,428	82%	3,885	3,204	682
Tshiamo	88	1,236,080	1,063,204	172,876	86%	1,171	1,007	164
	2,064	79,315,246	57,553,551	21,761,695	73%	3,202	2,324	879

2023

Buffalo	5	121,977	247,977	(126,000)	203%	2,033	4,133	(2,100)
Entrapade	1	30,396	14,442	15,954	48%	2,533	1,204	1,330
Glencore	88	3,435,718	2,105,295	1,330,423	61%	3,254	1,994	1,260
Mafube	145	4,793,294	2,343,161	2,450,133	49%	2,755	1,347	1,408
Mantella	287	4,156,607	5,372,672	(1,216,065)	129%	1,207	1,560	(353)
Msobo	9	110,864	27,388	83,476	25%	1,027	254	773
Seriti	692	25,540,242	21,643,497	3,896,744	85%	3,076	2,606	469
Staff	16	438,364	180,669	257,695	41%	2,283	941	1,342
Thungela	910	34,537,081	32,804,079	1,733,002	95%	3,163	3,004	159
Usimbithi	54	1,698,564	1,128,923	569,641	66%	2,621	1,742	879
	2,207	74,863,107	65,868,102	8,995,004	88%	2,827	2,487	340

UNIT PROFITABILITY REPORT 2024

WITBANK COALFIELDS MEDICAL AID SCHEME

Ntsika

Continuation members

	No of members	Risk contribution income (RCI)	Risk claims	Surplus/ (Deficit)	% RCI Used	Per member per month		
						Contributions	Risk claims	Surplus/ (Deficit)
2024								
Buffalo	1	13,176	919,130	(905,954)	6976%	1,098	76,594	(75,496)
Glencore	11	272,235	915,643	(643,408)	336%	2,062	6,937	(4,874)
Mafube	1	13,176	9,879	3,297	75%	1,098	823	275
Seriti	14	331,944	512,730	(180,786)	154%	1,976	3,052	(1,076)
Thungela	48	1,363,076	1,830,310	(467,235)	134%	2,366	3,178	(811)
	75	1,993,607	4,187,692	(2,194,086)	210%	2,215	4,653	(2,438)
2023								
Buffalo	1	12,552	9,259	3,293	74%	1,046	772	274
Glencore	7	160,075	2,279,012	(2,118,937)	1424%	1,906	27,131	(25,225)
Mafube	1	70,544	11,260	59,284	16%	5,879	938	4,940
Seriti	8	215,056	127,245	87,811	59%	2,240	1,325	915
Thungela	38	1,056,283	1,468,516	(412,233)	139%	2,316	3,220	(904)
	55	1,514,510	3,895,292	(2,380,782)	257%	2,295	5,902	(3,607)

UNIT PROFITABILITY REPORT 2024

WITBANK COALFIELDS MEDICAL AID SCHEME

Ntsika

All members

	No of members	Risk contribution income (RCI)	Risk claims	Surplus/ (Deficit)	% RCI Used	Per member per month		
						Contributions	Risk claims	Surplus/ (Deficit)
2024								
Buffalo	1	13,176	919,130	(905,954)	6976%	1,098	76,594	(75,496)
Glencore	152	6,241,346	4,198,312	2,043,035	67%	3,422	2,302	1,120
Mafube	110	4,544,511	2,142,194	2,402,317	47%	3,443	1,623	1,820
Mantella	294	4,338,897	2,998,293	1,340,603	69%	1,230	850	380
Msobo	3	291,125	116,166	174,959	40%	8,087	3,227	4,860
Seriti	654	26,774,433	18,367,309	8,407,123	69%	3,412	2,340	1,071
Staff	17	515,455	428,998	86,457	83%	2,527	2,103	424
Thungela	820	37,353,830	31,507,637	5,846,193	84%	3,796	3,202	594
Tshiamo	88	1,236,080	1,063,204	172,876	86%	1,171	1,007	164
	2,139	81,308,852	61,741,243	19,567,609	76%	3,168	2,405	762
2023								
Buffalo	6	134,529	257,236	(122,707)	191%	1,868	3,573	(1,704)
Entrapade	1	30,396	14,442	15,954	48%	2,533	1,204	1,330
Glencore	95	3,595,793	4,384,307	(788,514)	122%	3,154	3,846	(692)
Mafube	146	4,863,838	2,354,421	2,509,417	48%	2,776	1,344	1,432
Mantella	287	4,156,607	5,372,672	(1,216,065)	129%	1,207	1,560	(353)
Msobo	9	110,864	27,388	83,476	25%	1,027	254	773
Seriti	700	25,755,298	21,770,742	3,984,556	85%	3,066	2,592	474
Staff	16	438,364	180,669	257,695	41%	2,283	941	1,342
Thungela	948	35,593,364	34,272,594	1,320,770	96%	3,129	3,013	116
Usimbithi	54	1,698,564	1,128,923	569,641	66%	2,621	1,742	879
	2,262	76,377,619	69,763,394	6,614,223	91%	2,814	2,570	244

UNIT PROFITABILITY REPORT 2024

WITBANK COALFIELDS MEDICAL AID SCHEME

All Benefit Options

Ordinary members

	No of members	Risk contribution income (RCI)	Risk claims	Surplus/ (Deficit)	% RCI Used	Per member per month		
						Contributions	Risk claims	Surplus/ (Deficit)
2024								
Entrapade	2	163,525	16,674	146,850	10%	6,814	695	6,119
Glencore	1,747	98,261,219	68,214,521	30,046,697	69%	4,687	3,254	1,433
Mafube	391	20,252,233	16,963,781	3,288,453	84%	4,316	3,615	701
Mantella	388	8,818,322	8,956,878	(138,556)	102%	1,894	1,924	(30)
Msobo	70	4,042,858	2,834,621	1,208,237	70%	4,813	3,375	1,438
Seriti	2,635	163,276,184	116,416,348	46,859,836	71%	5,164	3,682	1,482
Staff	35	1,550,989	927,825	623,164	60%	3,693	2,209	1,484
Thungela	3,196	201,095,117	151,308,771	49,786,345	75%	5,243	3,945	1,298
Tshiamo	133	2,762,483	1,651,901	1,110,582	60%	1,731	1,035	696
Witbank Chamber	14	1,196,516	1,127,530	68,986	94%	7,122	6,711	411
	8,611	501,419,444	368,418,850	133,000,594	73%	4,853	3,565	1,287
2023								
Buffalo	59	905,026	898,777	6,249	99%	1,278	1,269	9
Entrapade	3	186,702	47,455	139,247	25%	5,186	1,318	3,868
Glencore	1,446	84,110,115	77,887,431	6,222,683	93%	4,847	4,489	359
Mafube	399	18,697,749	14,515,172	4,182,577	78%	3,905	3,032	874
Mantella	384	8,435,490	14,191,648	(5,756,158)	168%	1,831	3,080	(1,249)
Msobo	78	4,578,960	4,237,562	341,397	93%	4,892	4,527	365
Seriti	2,596	144,107,919	123,614,359	20,493,560	86%	4,626	3,968	658
Staff	34	1,424,252	890,992	533,260	63%	3,491	2,184	1,307
Thungela	3,255	188,880,238	166,895,973	21,984,265	88%	4,836	4,273	563
Usimbithi	84	3,272,455	2,188,235	1,084,220	67%	3,246	2,171	1,076
Witbank Chamber	15	1,145,340	1,702,275	(556,935)	149%	6,363	9,457	(3,094)
	8,353	455,744,246	407,069,879	48,674,365	89%	4,547	4,061	486

UNIT PROFITABILITY REPORT 2024

WITBANK COALFIELDS MEDICAL AID SCHEME

All Benefit Options

Continuation members

	No of members	Risk contribution income (RCI)	Risk claims	Surplus/ (Deficit)	% RCI Used	Per member per month		
						Contributions	Risk claims	Surplus/ (Deficit)
2024								
Buffalo	3	180,180	1,052,376	(872,196)	584%	5,005	29,233	(24,228)
Glencore	226	12,170,817	35,034,050	(22,863,233)	288%	4,488	12,918	(8,430)
Mafube	6	333,102	445,182	(112,080)	134%	4,626	6,183	(1,557)
Mantella	1	83,502	135,910	(52,408)	163%	6,959	11,326	(4,367)
Msobo	50	3,113,595	4,704,196	(1,590,601)	151%	5,189	7,840	(2,651)
Seriti	294	17,597,922	33,488,712	(15,890,790)	190%	4,988	9,492	(4,504)
Staff	3	157,120	364,411	(207,291)	232%	4,364	10,123	(5,758)
Thungela	702	41,147,151	84,214,495	(43,067,344)	205%	4,885	9,997	(5,112)
Witbank Chamber	37	1,866,434	4,331,080	(2,464,646)	232%	4,204	9,755	(5,551)
	1,322	76,649,823	163,770,412	(87,120,589)	214%	4,832	10,323	(5,492)
2023								
Buffalo	3	109,640	223,794	(114,154)	204%	3,046	6,217	(3,171)
Glencore	226	11,834,940	31,779,582	(19,944,642)	269%	4,364	11,718	(7,354)
Mafube	5	289,617	148,382	141,235	51%	4,827	2,473	2,354
Mantella	1	77,670	78,697	(1,027)	101%	6,473	6,558	(86)
Msobo	51	2,650,723	5,379,054	(2,728,331)	203%	4,331	8,789	(4,458)
Seriti	278	16,432,568	40,805,841	(24,373,273)	248%	4,926	12,232	(7,306)
Staff	3	202,323	3,259,339	(3,057,016)	1611%	5,620	90,537	(84,917)
Thungela	696	38,584,380	82,970,217	(44,385,837)	215%	4,620	9,934	(5,314)
Usimbithi	1	77,670	54,735	22,935	70%	6,473	4,561	1,911
Witbank Chamber	40	1,874,790	4,532,053	(2,657,263)	242%	3,906	9,442	(5,536)
	1,304	72,134,321	169,231,694	(97,097,374)	235%	4,610	10,815	(6,205)

UNIT PROFITABILITY REPORT 2024

WITBANK COALFIELDS MEDICAL AID SCHEME

All Benefit Options

All members

	No of members	Risk contribution income (RCI)	Risk claims	Surplus/ (Deficit)	% RCI Used	Per member per month		
						Contributions	Risk claims	Surplus/ (Deficit)
2024								
Buffalo	3	180,180	1,052,376	(872,196)	584%	5,005	29,233	(24,228)
Entrapade	2	163,525	16,674	146,850	10%	6,814	695	6,119
Glencore	1,973	110,432,036	103,248,572	7,183,464	93%	4,664	4,361	303
Mafube	397	20,585,335	17,408,963	3,176,373	85%	4,321	3,654	667
Mantella	389	8,901,824	9,092,788	(190,965)	102%	1,907	1,948	(41)
Msobo	120	7,156,453	7,538,817	(382,364)	105%	4,970	5,235	(266)
Seriti	2,929	180,874,106	149,905,059	30,969,046	83%	5,146	4,265	881
Staff	38	1,708,109	1,292,236	415,872	76%	3,746	2,834	912
Thungela	3,898	242,242,268	235,523,266	6,719,002	97%	5,179	5,035	144
Tshiamo	133	2,762,483	1,651,901	1,110,582	60%	1,731	1,035	696
Witbank Chamber	51	3,062,950	5,458,610	(2,395,660)	178%	5,005	8,919	(3,914)
	9,933	578,069,267	532,189,262	45,880,005	92%	4,850	4,465	385
2023								
Buffalo	62	1,014,666	1,122,571	(107,905)	111%	1,364	1,509	(145)
Entrapade	3	186,702	47,455	139,247	25%	5,186	1,318	3,868
Glencore	1,672	95,945,055	109,667,013	(13,721,958)	114%	4,782	5,466	(684)
Mafube	404	18,987,366	14,663,554	4,323,812	77%	3,917	3,025	892
Mantella	385	8,513,160	14,270,345	(5,757,185)	168%	1,843	3,089	(1,246)
Msobo	129	7,229,683	9,616,616	(2,386,933)	133%	4,670	6,212	(1,542)
Seriti	2,874	160,540,487	164,420,200	(3,879,713)	102%	4,655	4,767	(112)
Staff	37	1,626,575	4,150,331	(2,523,756)	255%	3,663	9,348	(5,684)
Thungela	3,951	227,464,618	249,866,190	(22,401,572)	110%	4,798	5,270	(472)
Usimbithi	85	3,350,125	2,242,970	1,107,155	67%	3,284	2,199	1,085
Witbank Chamber	55	3,020,130	6,234,328	(3,214,198)	206%	4,576	9,446	(4,870)
	9,657	527,878,567	576,301,573	(48,423,009)	109%	4,555	4,973	(418)



PROPOSED TRUSTEE AND COMMITTEE REMUNERATION POLICY FOR APPROVAL BY THE MEMBERS AT THE ANNUAL GENERAL MEETING TO BE HELD ON 3 JUNE 2025.

Background information

This document establishes a policy for the compensation of Board and Committee members for the time, input, and responsibility that they bear as an official of the Scheme. The King IV report on corporate governance was considered in the preparation of this policy.

The role of a Trustee is akin to that of a non-executive director. This means that the role of the Trustee is primarily one of strategic oversight dealing with long term sustainability issues. The Trustee is therefore responsible for providing creative and informed contributions to the Board and to act as a constructive critic in looking at the objectives and plans devised by the Scheme's executive team. Trustees carry personal liability to the members for this oversight role.

Fees vary according to the expertise and responsibility required from the Trustee or Committee member. Fees for a Board or Committee Chair therefore carry a premium over an ordinary member's fee.

As a not profit entity, the Scheme needs to be economical in its approach to non-healthcare expenditure whilst ensuring the Scheme's good governance, sustainability, and quality.

Proposed Structure for 2025

	Fee per meeting approved at 2024 AGM		Proposed fee per meeting from after the 2025 AGM (4.4% increase)	
	Member	Chair	Member	Chair
Board of Trustees	R2 330	R3 500	R2 430	R3 650
Audit and Governance Committee	R5 790	R8 710	R6 040	R9 090
Nominations and Advisory Committee	R3 690	R5 810	R3 850	R6 070
Remuneration Committee	R3 860	R5 810	R4 030	R6 070
Other Committees	R4 000	R5 360	R4 180	R5 600

Terms and conditions applicable to meeting fees:

1. If approved, this policy becomes effective from the first meeting after the 2025 Annual General Meeting.
2. This policy is applicable to all Trustees and Committee members formally appointed by the Scheme.
3. Trustees and Committee members may waive these meeting fees if they have other internal arrangements with their employers. Trustees and Committee members who are employed by participating employer group must consult their employer's human resources department in determining whether they are required to waive such meeting fees. Trustees and Committee members must notify the Scheme Secretary of such waiver in writing after each AGM.
4. The per meeting fee structure will also apply as a daily fee for any special meetings called in accordance with the Scheme's rules and policies.
5. Trustees and Committee members may not charge a meeting fee for attending the Scheme's AGM.
6. Travel costs will be reimbursed at the SARS prescribed rates. This is only applicable to members who do not already qualify for travel allowances through their employer.

7. In accordance with the Scheme's policies in avoiding conflicts of interest, no other fees will be paid in respect of consulting or other services performed by Trustees.
8. To qualify for these fees committee members will be required to complete induction and governance training as defined by the Scheme.
9. Fees will not be paid for non-attendance.
10. Persistent late coming could, at the discretion of the meeting Chair, result in the non-payment or partial payment of the meeting fee.
11. The attendance, contribution and performance of the Trustees and Committee members shall be reviewed annually by the Nominations and Advisory Committee and formal feedback shall be given to the Board of Trustees ahead of the Scheme's AGM.