



CIRCULAR

Reference: 2021 Annual statutory return
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Circular 12 of 2022: Annual Statutory Return for 31 December 2021

The Council for Medical Schemes (CMS) has published the [2021 Annual Statutory Return](#) document with the relevant pull-throughs. This publication will guide and assist medical schemes in preparing their financial data in the correct format for submitting their annual statutory returns and annual financial statements for the year ending 31 December 2021.

Kindly note that the 2021 Annual Statutory Return online system for submitting the financial data will only be available in March 2022. The word document is only published for preparation purposes.

The following represents a list of the main changes made:

Part 1.3 Board of Trustees

This part no longer requires details on the number of meetings attended.

Part 1.3.2 Training attended

This part no longer requires completion.

Part 1.4 Report of the Board of Trustees

Questions 13 and 15 have been rephrased to clear any ambiguities in the meaning thereof.

Part 4.8 Trade and other payables

The reason box on administration fees has been updated with references to parts 4.16.2.1 and 4.16.2.2

Part 4.15(a) Broker service fees

The reason box has been updated with the new maximum amount payable to brokers.

Part 4.16.1 Administration expenses

New lines have been added to facilitate the changes required in [Circular 77 of 2019](#) and make separate provisions for the depreciation of IFRS 16 assets.

Part 4.16.2.1 Fee paid in respect of accredited administration services

This part has been amended to reflect the accredited services stipulated in [Circular 77 of 2019](#).

Part 4.16.2.2 Fee paid to an accredited administrator in respect of other administration services

This is a new part that has been added in line with the reporting requirements of [Circular 77 of 2019](#).

Part 4.23 Net income/(expense) per benefit option

The estimated claims recoveries on risk transfer arrangements are now required to be split per contract (similar to the reporting requirements regarding the capitation fees).

Part 10.2 Solvency ratio

Annualised contributions: To accommodate COVID-19 relief measures provided by schemes, such as contribution holidays, the automatic pull-through from part 6.1 has been disabled.

Part 11 Uploads

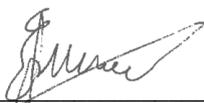
Additional line items have been created to facilitate the upload of supporting documentation, such as Board of Trustee resolutions and investment documentation relating to the classification of instruments contrary to the Annexure B guidelines.

IFRS 17 addendums

[Circular 6 of 2021](#) notified schemes that CMS would include an IFRS 17 statement of financial position and statement of comprehensive income as an optional addendum to the annual statutory returns for 2021 and 2022.

After engagement with stakeholders, it was noted that there is currently no uniformly agreed-upon format for the statement of financial position and statement of comprehensive income. Further technical work is still ongoing in this regard. As such, CMS will no longer request this submission for the 2021 annual statutory return.

Yours sincerely,



Ms Elizabeth Figueiredo
Acting General Manager: Financial Supervision
Council for Medical Schemes