



30 May 2024

Dear Member,

## PLATINUM HEALTH 25<sup>TH</sup> ANNUAL GENERAL MEETING

You are invited to attend the Platinum Health Medical Scheme's 25<sup>th</sup> Annual General Meeting, at the King's Palace Hotel, Rustenburg, on Friday, 21 June 2024 at 12:00.

The following documents are attached:

- 2024 AGM agenda
- The Statement of Financial Position as of 31 December 2023
- The Statement of Comprehensive Income for the year ended 31 December 2023
- The minutes of the 24<sup>th</sup> Annual General Meeting that took place on 30 June 2023
- The Board of Trustees' Report
- A proxy form.

Please inform Carrie-ann Rudman if you will be attending by no later than Friday, 14<sup>th</sup> June 2024, by contacting her at 083 401 4086 to make sure that the venue and catering are arranged.

If you would like to select another member to vote on your behalf, please e-mail the completed and signed proxy forms to [Carrie-ann.Rudman@platinumhealth.co.za](mailto:Carrie-ann.Rudman@platinumhealth.co.za) for our records.

Yours sincerely,

P.W. Mboniso  
PRINCIPAL OFFICER



## PLATINUM HEALTH MEDICAL SCHEME

NOTICE IS HEREBY GIVEN THAT THE 25<sup>TH</sup> ANNUAL GENERAL MEETING OF THE  
PLATINUM HEALTH MEDICAL SCHEME WILL BE HELD ON  
21<sup>ST</sup> JUNE 2024 AT 12:00 AT THE KING'S PALACE HOTEL, RUSTENBURG

## AGENDA

1. Notice of Meeting
2. Minutes of the Annual General Meeting held on 30 June 2023
3. Board of Trustees Report for the year ended 2023
4. Ratification of Board of Trustees
5. Annual Financial Statements for the year ended 2023
6. Appointment of Auditors
7. Any other business of which due notice has been given

*Notice for any notions to be placed before the Annual General Meeting must reach the office of the Principal Officer ([welcome.mboniso@platinumhealth.co.za](mailto:welcome.mboniso@platinumhealth.co.za)) no later than Friday 14<sup>th</sup> June 2024.*

Completed and signed proxy forms to be forwarded to Carrie-ann Rudman: [Carrie-ann.Rudman@platinumhealth.co.za](mailto:Carrie-ann.Rudman@platinumhealth.co.za)

**PLATINUM HEALTH MEDICAL SCHEME  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2023**

	<i>Note</i>	<b>2023</b>	Restated 2022	<i>Restated 1 January</i>
		<b>R'000</b>	R'000	2022
				<b>R'000</b>
<b>Assets</b>				
<b>Non-current assets</b>		<b>531,239</b>	493,631	470,917
Property, plant and equipment	2	14,276	14,526	12,980
Right of use asset	2	44,272	42,134	50,328
Investments held at fair value through profit or loss	6	472,691	436,971	407,609
<b>Current assets</b>		<b>698,032</b>	582,645	499,250
Pharmaceutical inventories	4	7,317	5,726	8,528
Trade and other receivables	5	54,252	50,578	56,383
Taxation receivable		-	-	123
Cash and cash equivalents	7	636,463	526,341	434,216
<b>Total assets</b>		<b>1,229,271</b>	1,076,276	970,167
<b>Equity and liabilities</b>				
<b>Equity</b>				
Retained loss		(1,684)	(1,722)	(923)
<b>Non-current liabilities</b>		<b>914,446</b>	805,088	721,665
Liability for future members	3.1	834,828	735,040	646,723
Long-term liabilities	8	79,618	70,048	74,942
<b>Current liabilities</b>		<b>316,509</b>	272,910	249,425
Insurance contract liabilities	3.1	88,757	101,324	92,279
Liability for future members	3.1	10,863	-	-
Trade and other payables	9	200,019	154,492	140,301
Leave accruals	10	16,870	17,094	16,845
<b>Total equity and liabilities</b>		<b>1,229,271</b>	1,076,276	970,167

**PLATINUM HEALTH MEDICAL SCHEME**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	<i>Note</i>	<b>2023</b> <b>R'000</b>	Restated 2022 R'000
<b>Insurance revenue</b>	11	<b>2,038,479</b>	1,820,644
<b>Insurance service expense</b>		<b>(2,111,667)</b>	(1,889,060)
Claims incurred	11	(1,831,365)	(1,679,230)
Attributable expenses incurred	11	(143,560)	(109,668)
Accredited managed healthcare services (no risk transfer)	11,12	(20,481)	(17,768)
Third party claims recoveries	11	1,903	711
Changes that relate to past service – adjustment to the liability for incurred claims	11	(7,492)	5,212
Amounts attributable to future members	3	(110,651)	(88,317)
<b>Net expense from risk transfer</b>	11	<b>(3,162)</b>	(3,552)
Amounts recovered from risk transfer arrangements		10,755	9,999
Allocation of premiums paid		(13,917)	(13,551)
<b>Insurance service result</b>		<b>(76,350)</b>	(71,968)
Investment income	18	77,184	55,843
Net gains on financial assets	7	165	-
Fair value adjustment on employee benefits		4,465	-
Income from use of own facilities by external parties	14	160,544	173,035
Sundry income		3,717	1,543
<b>Net healthcare result</b>		<b>169,725</b>	158,453
<b>Other expenditure</b>		<b>(169,687)</b>	(158,325)
Cost incurred in provision of own facilities to external parties	14	(162,138)	(148,767)
Sundry expenses		(7)	(1)
Net gains losses on financial assets			(3,645)
Asset management fees	17	(2,871)	(2,680)
Finance costs	15	(4,671)	(3,232)
<b>Net surplus for the year</b>		<b>38</b>	128
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive income for the year</b>		<b>38</b>	128



**PLATINUM  
HEALTH**

**MINUTES OF THE 24<sup>TH</sup> PLATINUM HEALTH MEDICAL SCHEME ANNUAL GENERAL MEETING  
HELD ON 30 JUNE 2023 AT 12:00  
AT THE KING'S PALACE HOTEL, RUSTENBURG**

<b><u>Present</u></b>	Mr Colin Smith	Chairperson, PHMS Board of Trustees
	Mr Welcome Mboniso	Principal Officer, Platinum Health
	Members	80
	Proxies	1
<b><u>Apologies:</u></b>	None	
<b><u>Scribe:</u></b>	AB Heyns	

**1. NOTICE OF MEETING AND WELCOME**

**1.1** Mr Welcome Mboniso, the Principal Officer of the Scheme, opened proceedings at 12:00 and welcomed all present.

Mr Mboniso requested the Chairperson of the Platinum Health Medical Scheme Board of Trustees, Mr Colin Smith to preside over the meeting. Mr Smith officially opened this Special General Meeting of the Platinum Health Medical Scheme.

The Chairperson confirmed that due notice of the meeting and agenda had been circulated prior to members by post and email, and that notices had also been published in all the Scheme's official publications.

The Principal Officer confirmed that a quorum as specified in the rules of the Scheme was present, one proxy had been registered, and the gathering could proceed as an official meeting of the Scheme.

**2. APPROVAL OF MINUTES OF THE 23<sup>RD</sup> ANNUAL GENERAL MEETING HELD ON 03 JUNE 2022**

**2.1** The minutes of the previous AGM meeting, held on 3 June 2022, were approved with the following amendments.

Item 4.1.ii: 'An investment loss of R 22 million was incurred in 2020. Since then, the Scheme's average return on investments increased by 16% resulting in cash equivalents **plus investments held at fair value through profit or loss** exceeding R 800 million for the year.'

Item 6: **The elected trustees are:**

- i. Constituency 1: Mr Boitshoko Phidelis Molefe, Anglo American,
- ii. Constituency 2: Mr Danny Molao Noko, Siyanda Bakgatla Platinum Limited Operations,

- iii. Constituency 3: Mr Sipho Patluza Mkhonto, Anglo American Platinum Tumela and Dishaba,
- iv. Constituency 4: Mr Percy Malamula, Royal Bafokeng Platinum,
- v. Constituency 5: Mr Philemon Maimela, Modikwa Platinum,
- vi. Constituency 6: Ms Moribula Margaret Malatji, Other,
- vii. Constituency 7: Mr Jairos Thabo Hlangweni Northam Platinum.'

Proposed: Philip Coetzer

Seconded: Dan le Roux

### **3. APPROVAL OF MINUTES OF THE SPECIAL GENERAL MEETING HELD ON 5 AUGUST 2022**

- 3.1** The minutes of the special General Meeting, which was held on 5 August 2022 to approve the appointment of Deloitte as auditors to the Scheme, will be ratified at the next AGM.

### **4. BOARD OF TRUSTEES REPORT**

- 4.1** Mr Tiiseko, the newly appointed CFO, guided discussion on the Board of Trustees report for the financial year 2022.

- a. The Scheme has had a good year and achieved solvency of 40.24%. The Scheme is well funded and has sufficient funds to meet its obligations.
- b. Although some non-compliance matters, relating to investments held in participating employers and the collection of contribution income within three working days from month end, have been reported, the Scheme has received CMS exemption on these matters.
- c. Both KPMG and the Scheme's risk management department have identified no adverse findings in relation to risk.
- d. Operational statistics, which reflect all the Scheme's options, shows that membership has grown to approximately 58 000, while beneficiaries are shy of 105 000 for the year. Plat Comprehensive remains the largest option in terms of membership, which is served by the Scheme's own facilities and staff.
- e. The Scheme remains able to fund all its healthcare expenditure through contribution income, and the average age remains significantly below the average industry age at 30.
- f. Membership has grown significantly in 2022. The growth in membership means that there has been an increase in the dependent and beneficiary ratio, particularly in the Plat Freedom option. This is a positive reflection on the benefit offering of the Scheme.
- g. In relation to healthcare expenditure, PHMS continues to contain expenditure compared to its industry peers. The major expenditure include hospitalisation, which reduced in 2022 following the spike that occurred in the COVID-19 pandemic. Specialist costs similarly declined post-COVID-19. The average hospitalisation expenditure at hospitals outside of the Scheme's own facilities remained stable, despite the growth in membership.
- h. Expenditure on pharmaceuticals have been well contained through the increased use of generic medicines and successful price negotiations. Specialist costs for 2022 has not been possible to track because this information has not yet been received from the CMS.
- i. Non-healthcare expenditure increased due to an increase in administration costs, driven by additional specialist resources appointed to respond to the increase in membership that has to be serviced.
- j. Some areas of special interest include the child immunisation drive which took place in 2022, having started in 2021. In this regard, the Scheme spent R 4 million on child immunisation. The Scheme also

opened two new facilities in Brits and Steelpoort to service members in the region.

- k. The Scheme also launched a fraud, waste and abuse monitoring programme, with the aim to reduce abuse of Scheme benefits. In this regard, three medical practitioners who have been found guilty of unethical business practices have been identified and prosecuted.
- l. Regarding the financial position of the Scheme, the investment portfolio administered by Allan Gray has grown to R 437 million which is administered by Allan Gray, while cash and cash equivalents amounted to R 526 million. The performance of the markets throughout 2022 has meant that the Scheme's total assets exceeded R 1 billion in 2022, and this performance has been maintained throughout 2023.
- m. The Scheme is well funded to cover its obligations. Trade and other payables and long-term liabilities are also being managed. Due to the Scheme's extensive leases reaching end of term, long-term liabilities have reduced.
- n. Gross contribution income grew because of the increase in membership.
- o. Increased healthcare expenditure was reported, but claims costs are generally confined to hospitalisation, specialist healthcare services and medication, all of which are being well managed. Successes in the pharmacy and nursing space also continue to contribute to the Scheme's profitability.
- p. Net healthcare results just shy of R 24 million compared to a deficit of R 54 million in 2022 were positive.
- q. Interest and dividend income combined with market-to-market movements increased significantly by approximately R 20 million in 2022. Own facilities continue to generate profit, contributing to the net surplus of R 97.2 million.

## 5. ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 2022

### 5.1 Resolution:

The AGM proposed approval of the group financial statements for the year 2022.

Proposed: Dan le Roux

Seconded: Kwena Mmeti

## 6. RATIFICATION OF BOARD OF TRUSTEES

- 6.1 a. It was noted that members serving on the Board of Trustees are appointed for a period of four years. To ensure continuity and retain institutional memory, the appointment of trustees is staggered.
- b. The terms of office of four trustees will come to an end, and new nominees have been identified through a process of nomination and election.
- c. The outgoing trustees, and the new trustees who will replace them, are:
  - Mr Boitshoko Molefe, Constituency 1, to be replaced by Mr Gabriel Gabonewe Mmusi,
  - Mr Phillemon Maimela, to be replaced by Ms Hilda Tolo Maroga,
  - Mr Percy Malamula, to be replaced by Mr Bafana Lekoro,
  - Mr Darren McDonald, to be replaced by Ms Retha Baxter.

### Resolution:

The AGM ratified the appointment of the four new trustees listed above, which would be registered with the CMS in compliance with the Medical Schemes Act.

Proposed: Kutlwano Raborife  
Seconded: Violet Mocwagole

**7. APPOINTMENT OF AUDITORS**

**7.1 Resolution:**

The AGM noted and approved the re-appointment of Deloitte as external auditors to the Scheme for the 2023 financial year.

Proposed: Stephen Bullock  
Seconded: Retha Baxter

**8. ANY OTHER BUSINESS**

**8.1** It was noted that no other business had been tabled for discussion in the AGM.

**9. CLOSURE**

**9.1** Mr Smith thanked all members of the Scheme for their attendance and participation, and formally closed the meeting.



## PLATINUM HEALTH MEDICAL SCHEME

Registration Number: 29/4/2/1583

### REPORT OF THE BOARD OF TRUSTEES

The Board of Trustees hereby presents its report for the year ended 31 December 2023.

#### 1. MANAGEMENT

##### 1.1 Board of Trustees in office during the year under review

<b>Name</b>	<b>Designation</b>
<b>Employer Trustees</b>	
Mr C Smith*	Northam Platinum Mine
Dr K Naidoo	Anglo American Platinum
Mr S Bullock	Anglo American Platinum
Mr W McCarthy	Anglo American Platinum (term ended 31 December 2023)
Ms MM Baxter	Modikwa Platinum Mine
Mr P Coetzer	Impala Bafokeng Platinum
Mr I Osman	Siyanda Bakgatla Platinum Mine
<b>Member Trustees</b>	
Mr J Hlangweni	Northam Platinum Mine
Mr GG Mmusi	Anglo American Platinum Process Division (appointed 30 June 2023)
Mr BC Lekoro	Impala Bafokeng Platinum (appointed 30 June 2023)
Ms HT Maroga	Modikwa Platinum Mine (appointed 30 June 2023)
Mr S Mkhonto	Anglo American Platinum Amandelbult
Mr M Malatji	Anglo American Platinum Other
Mr B Molefe	Anglo American Platinum Process Division (term ended 30 June 2023)
Mr P Malamula	Impala Bafokeng Platinum (term ended 30 June 2023)
Mr DM Noko	Siyanda Bakgatla Platinum Mine
Mr P Maimela	Modikwa Platinum Mine (term ended 30 June 2023)

\* Chairperson of the Board of Trustees

**PLATINUM HEALTH MEDICAL SCHEME  
REPORT OF THE BOARD OF TRUSTEES (Continued)**

**1. MANAGEMENT (Continued)**

**1.2 Trustee meeting attendance**

The following schedule sets out Board of Trustee meeting attendances for periods between 21 February 2023 to 22 November 2023.

	<i>Trustee Meetings</i>		<i>Audit and Risk Committee Meetings</i>		<i>Other Meetings</i>	
	<b>A</b>	<b>B</b>	<b>A</b>	<b>B</b>	<b>A</b>	<b>B</b>
<b>Employer Trustees</b>						
Mr C Smith	10	10			5	5
Ms MM Baxter	10	5				
Dr K Naidoo	10	8	5	5	3	3
Mr S Bullock	10	9				
Mr W McCarthy	10	9			3	3
Mr P Coetzer	10	6			4	4
Mr I Osman	10	8	5	4	3	2
<b>Member Trustees</b>						
Mr J Hlangweni	10	10			3	3
Mr G Mmusi	5	5				
Mr S Mkhonto	10	10			6	6
Ms HT Maroga	5	4				
Mr M Malatji	10	10			3	3
Mr B Molefe	5	5			4	
Mr P Malamula	5	5	5	4	2	2
Mr D Noko	10	10	5	5	4	4
Mr P Maimela	5	5			2	2
Mr BC Lekoro	5	5				

**A** - Total possible number of meetings could have attended

**B** - Actual number of meetings attended

Other Committees consist of the following:

Dispute committee

Investment committee

Remuneration committee

Product committee

Communication committee

Medical Ex-gratia committee

**PLATINUM HEALTH MEDICAL SCHEME  
REPORT OF THE BOARD OF TRUSTEES (Continued)**

**1. MANAGEMENT (Continued)**

**1.3 Principal Officer**

Mr P W Mboniso  
Platinum Health Medical Scheme  
3 Kgwebo Street  
Rustenburg  
0299

Private Bag X82081  
Rustenburg  
0300

**1.4 Registered Office**

Platinum Health Medical Scheme  
3 Kgwebo Street  
Mabe Park  
Rustenburg  
0299

Private Bag X82081  
Rustenburg  
0300

**1.5 Fund Administrator**

Platinum Health Medical Scheme  
3 Kgwebo Street  
Mabe Park  
Rustenburg  
0299

Private Bag X82081  
Rustenburg  
0300

**1.6 Independent Auditors**

Deloitte  
5 Magwa Crescent  
Waterfall City  
Waterfall  
Gauteng  
2090

Private Bag X6  
Gallo Manor  
2052

**1.7 Investment Managers**

Allan Gray Life Limited  
1 Silo Square  
V & A Waterfront  
Cape Town  
8001  
FSP 6663

**1.8 Independent Investment Advisor**

Mr C Buchanan (resigned 9 November 2023)  
31 Bantry Square  
Bantry Road  
Bryanston  
PO Box 130664  
Bryanston  
2022

**1.9 General Information**

Domicile:	Registered Office 3 Kgwebo Street Mabe Park Rustenburg 0300
Legal form:	Medical Aid Scheme
Country of incorporation:	South Africa
Nature of the entity:	Non-profit organisation
Principal activities:	Provides medical aid cover to members of the Scheme

**PLATINUM HEALTH MEDICAL SCHEME  
REPORT OF THE BOARD OF TRUSTEES (Continued)**

**1.10 Investment in subsidiary**

RA Gilbert Proprietary Limited:	100% (Acquired 1 June 2020)
Directors:	Mr C Smith, Mr W McCarthy, Mr T Tsiki and Mr R Gounden.
Principal activities:	Rental of equipment to the Scheme and acting as procurement agent of pharmaceuticals to the Scheme.

**2. DESCRIPTION OF THE MEDICAL SCHEME**

**2.1 Terms of registration**

The Platinum Health Medical Scheme is a non-profit restricted Medical Scheme registered in terms of the Medical Schemes Act 131 of 1998 (the Act), as amended.

No guarantees have been received from third parties, in favour of Platinum Health Medical Scheme.

**2.2 Healthcare options within the Platinum Health Medical Scheme**

The Scheme offers three options:

- PlatComprehensive
- PlatCap
- PlatFreedom

**2.3 Risk transfer arrangements**

The Scheme has entered into fixed fee contracts with a number of specialists in Rustenburg for the rendering of specialist health services to its members.

The services are based on negotiated fixed monthly payments to the specialist and an adjustment of fees is negotiated if there is a substantial increase in members (up more than 10% growth from date of signing the contract). The services rendered to members are billed at Platinum Health Medical Scheme rates and the difference between the services provided at the rates and the fixed amount paid is the risk transfer surplus or deficit.

There is some transfer of claims variability risk since the specialists receive a fixed fee rather than making variable claims to the Scheme. However, the level of claims variability is not significant relative to the size of the scheme and total claims incurred. The Scheme retains the risk of the specialists not being consulted and therefore retaining specific risks that would normally be transferred to these specialists. The risk transfer arrangements is therefore not considered as reinsurance for IFRS 17 purposes because it is insignificant.

**2.4 Own facilities**

The Scheme has entered into capitation fee contracts with a number of participating employer companies for the rendering of work-based health services to the employees and contractors of the employer groups. The services include occupational health care, rehabilitation and functional assessment, curative care and trauma emergency services. These services are rendered at the participating employer's premises at favourable conditions to the Scheme and are accounted for under own facility surplus (Note 14).

**PLATINUM HEALTH MEDICAL SCHEME  
REPORT OF THE BOARD OF TRUSTEES (Continued)**

**3. INVESTMENT POLICY OF THE FUND**

The trustees have invested the reserves in line with the Regulations of the Medical Schemes Act 131 of 1998, as amended. There has been no change in the policy during the year under review.

The Scheme's investment objectives are to maximise the return on its investments on a long-term basis at minimal risk. The Scheme's investments consist of a portfolio which is being managed by Allan Gray in a pooled portfolio. The investment in the Allan Gray Life Domestic Stable Portfolio consists of equity, bills, bonds and cash and deposits.

The investment strategy takes into consideration both constraints imposed by legislation and those imposed by the Board of Trustees.

Allan Gray is mandated to comply with all the requirements of the Medical Schemes Act regarding the Allan Gray Life Domestic Stable Portfolio.

**4. INSURANCE RISK MANAGEMENT**

The primary insurance activity carried out by the Scheme assumes the risk of loss from members and their dependants that are directly subject to the risk. This risk relates to the health of the Scheme members. As such the Scheme is exposed to the uncertainty surrounding the timing and severity of claims under the contract.

The Scheme manages its insurance risk through approval procedures for transactions that involve pricing guidelines, pre-authorisation and case management, service provider profiling, centralised management of risk transfer arrangements, and the monitoring of emergency issues.

The Scheme uses several methods to assess and monitor insurance risk exposures both for individual types of risks insured and overall risks. These methods include internal risk measurement models, sensitivity analyses, scenario analyses and stress testing. The theory of probability is applied to the pricing and provisioning for a portfolio of insurance contracts. The principal risk is that the frequency and severity of claims are greater than expected. A significant portion of health services are rendered through in-house service providers. Since the biometric identification is deployed the risk to the Scheme is significantly reduced.

Insurance events are, by their nature, random, and the actual number and size of events during any one year may vary from those estimated with established statistical techniques. The transition from IFRS 4 to IFRS 17 had a material change to the assumptions used to measure insurance assets and liabilities in the annual financial statements. The impact of the adoption of IFRS 17 is outlined in note 1.21.

**PLATINUM HEALTH MEDICAL SCHEME  
REPORT OF THE BOARD OF TRUSTEES (Continued)**

**5. REVIEW OF THE YEAR'S ACTIVITIES**

**2023**

**5.1. Operational Statistics**

	<b>All Options</b>	<b>PlatComp</b>	<b>PlatCap</b>	<b>PlatFree</b>
Number of members at year-end	<b>60 160</b>	<b>56 857</b>	<b>1 829</b>	<b>1 474</b>
Average number of members for the year*	<b>59 133</b>	<b>55 067</b>	<b>2 548</b>	<b>1 518</b>
Average administration and managed care cost incurred per beneficiary per month	<b>127</b>	<b>127</b>	<b>125</b>	<b>111</b>
Non-Healthcare expenses as a Percentage of gross contributions	<b>8%</b>	<b>8%</b>	<b>9%</b>	<b>7%</b>
Dependant ratio as at 31 December	<b>1:0.804</b>	<b>1:0.801</b>	<b>1:0.075</b>	<b>2:0.181</b>
Number of beneficiaries at year-end	<b>106 842</b>	<b>102 242</b>	<b>2 021</b>	<b>1 518</b>
Average number of beneficiaries during the accounting period	<b>106 870</b>	<b>99 292</b>	<b>2 784</b>	<b>4 794</b>
Net contributions per average beneficiary per month*	<b>R1,590</b>	<b>R1,587</b>	<b>R1,328</b>	<b>R1,809</b>
Insurance service expense per average beneficiary per month*	<b>R1,436</b>	<b>R1,476</b>	<b>R472</b>	<b>R1,161</b>
Non-Healthcare expenditure per average beneficiary per month*	<b>132</b>	<b>132</b>	<b>129</b>	<b>131</b>
Insurance service expenses as a percentage of gross contributions	<b>90%</b>	<b>93%</b>	<b>36%</b>	<b>64%</b>
Average age of beneficiaries at 31 December	<b>30.70</b>	<b>30.69</b>	<b>39.59</b>	<b>25.09</b>
Pensioners ratio at 31 December	<b>1.48%</b>	<b>1.59%</b>	<b>0.06%</b>	<b>0.02%</b>
Return on investments as a percentage of investments at 31 December	<b>6.98%</b>	<b>6.98%</b>	<b>6.98%</b>	<b>6.98%</b>

\* Averages are calculated using the sum of the 12 months' actual monthly membership divided by 12

**PLATINUM HEALTH MEDICAL SCHEME  
REPORT OF THE BOARD OF TRUSTEES (Continued)**

**5. REVIEW OF THE YEAR'S ACTIVITIES (Continued)**

	<b>2022</b>			
	<b>All Options</b>	<b>PlatComp</b>	<b>PlatCap</b>	<b>PlatFree</b>
<b>5.1 Operational Statistics (continued)</b>				
Number of members at year-end	57 995	53 762	2 660	1 533
Average number of members for the year *	56 036	51 621	2 914	1 501
Average administration and managed care costs incurred per beneficiary per month	R105	R105	R102	R95
Dependant ratio as at 31 December	1:0.804	1:0.801	1:0.075	1:2.181
Non-healthcare expenses as a percentage of gross contributions	7%	7%	8%	7%
Number of beneficiaries at year-end	104 571	96 836	2 859	4 876
Average number of beneficiaries during the accounting period	100 964	93 051	3 119	4 795
Net contributions per average beneficiary per month *	R1,503	R1,506	R1,248	R1,390
Insurance service expense per average beneficiary per month *	R1,377	R1,415	R638	R987
Non-healthcare expenditure per average beneficiary per month *	R108	R108	R105	R95
Insurance service expense as a percentage of gross contributions	92%	94%	51%	71%
Average age of beneficiaries at 31 December	30.64	30.61	40.04	24.68
Pensioners ratio at 31 December	1.44%	1.56%	0.06%	0.03%
Return on investments as a percentage of investments at 31 December	5.42%	5.42%	5.42%	5.42%

\* Averages are calculated using the sum of the 12 months' actual monthly membership divided by 12

**PLATINUM HEALTH MEDICAL SCHEME  
REPORT OF THE BOARD OF TRUSTEES (Continued)**

**5. REVIEW OF THE YEAR'S ACTIVITIES (Continued)**

**5.2 Results of operations**

The results of the Group are set out in the annual consolidated financial statements, and the trustees believe that no further clarification is required.

	<b>2023</b>	2022
	<b>R'000</b>	R'000
<b>5.3 Solvency margin</b>		
Insurance contract liability attributable to future members	<b>845,691</b>	735,040
Less: Cumulative unrealised net gains on re-measurement to fair value of financial instruments	<b>(972)</b>	(808)
Liability for future members per Regulation 29	<b>844,719</b>	734,232
Gross insurance income	<b>2,038,479</b>	1,820,644
Solvency margin	<b>41%</b>	40%

**Cumulative unrealised net gains on re-measurement to fair value of financial instruments**

Net cumulative unrealised gains opening balance	<b>(808)</b>	(4,453)
Add: Unrealised (gain) /loss on re-measurement to fair value of financial instruments	<b>(165)</b>	3,645
	<b>(972)</b>	(808)

**5.4 Liability for future members**

Movements in the member's funds have been replaced by liability for future members in accordance with IFRS 17. The liability for future members is disclosed under note 3.2. There have been no unusual movements that the trustees believe should be brought to the attention of the members of the Scheme.

**5.5 Liability for incurred claims (LIC)**

The basis of calculation of the LIC is disclosed in Note 1.5 (accounting policies) of the financial statements and this basis used in estimating the provision for outstanding claims in the previous financial year is the same as the current year, with the exception that in prior years data processed post year-end was used to adjust the outstanding claims reserves. Movements on the outstanding claims provision are set out in Note 3.1.

**6. ACTUARIAL VALUATION**

An actuarial valuation report accompanies the contribution, liability for incurred claims, liability for remaining coverage and benefit levels submitted to the Council for Medical Schemes.

**7. SUBSEQUENT EVENTS**

There are no significant events after the reporting date which requires disclosure or adjustment to the annual financial statements.



**PLATINUM HEALTH MEDICAL SCHEME  
REPORT OF THE BOARD OF TRUSTEES (Continued)**

**8. TRUSTEES' REMUNERATION AND EXPENSES**

Trustees are not remunerated for their services, other than disbursements for attending conferences and training. An attendance and cell phone allowance are paid to those trustees who opted for this allowance. The disbursements and allowances for the year are R734,152 (2022: R696,913).

**9. FIDELITY COVER**

The Scheme has fidelity cover in place and the premiums are fully paid up and in place until 30 June 2024. The Health Professionals employed by the Scheme, Trustees elected, and Independent Committee Members are covered for any claims with regard to services rendered by them.

**10. NON-COMPLIANCE WITH MEDICAL SCHEMES ACT 131 of 1998**

The following areas of non-compliance of the Medical Schemes Act 131, 1998 were identified during the year:

**(1) Investments in employer and administrator companies**

*Nature and cause of non-compliance*

In terms of the Medical Schemes Act and specifically Section 35 (8)(a) it is a requirement that a medical scheme shall not invest any of its assets in the business of or grant loans to an employer who participates in the Medical Scheme, or any administrator or any arrangement associated with the Medical Scheme. As per the explanatory Note 8 to Annexure B in terms of the Medical Schemes Act, compliance is tested on a look-through principle. Therefore, if the Scheme has invested in a pooled fund/collective investment Scheme which has invested some of their assets in the Scheme's employer group, the Scheme is non-compliant to the requirements of section 35(8).

The following investments are held indirectly in employer companies at year-end through the Allan Gray pooled funds:

	<b>2023</b>	<b>2022</b>
	<b>R'000</b>	<b>R'000</b>
• Northam Platinum Limited	<b>4,499</b>	8,223
• Impala Platinum Holdings Limited	<b>440</b>	-

*Possible impact of non-compliance*

The contravention of the Act will have an insignificant impact on the Scheme as the amounts invested in employer companies and administrator companies are immaterial and the Scheme has no influence over the investment decision. The Council for Medical Schemes have not imposed any penalties on these contraventions.

*Corrective course of action adopted to ensure compliance, including the timing of the corrective action*

Compliance with the Medical Scheme Act should always be considered when investments are made by the Scheme or by the portfolio managers. If not in compliance, the Registrar should be informed immediately. The Scheme has no direct or indirect influence over the Allan Gray investment strategies as the pooled funds.

**PLATINUM HEALTH MEDICAL SCHEME  
REPORT OF THE BOARD OF TRUSTEES (Continued)**

**10. NON-COMPLIANCE WITH MEDICAL SCHEMES ACT 131 of 1998 (Continued)**

Funds are invested to optimise return on investment for the entire portfolio. A letter confirming the exemption from investing in employer group and medical scheme administrators through asset managers where such investment choices are not influenced by the Scheme was received from the Council for Medical Schemes for a period of 3 years, commencing 1 December 2022.

**(2) 3 Day rule – contributions not received within 3 days of becoming payable**

*Nature and cause of non-compliance*

In terms of the Medical Schemes Act and specifically Section 26 (7), contributions should be received in accordance with the rules of the Scheme. The rules indicate that contributions payable should be received no later than the third day of each month. As at 31 December 2023, there were contribution debtors outstanding for more than 30 days to the amount of R1,759,140 (2022: R1,120,508). This amount represents about 1% of the total contributions received during the year, but the delay in receipt is in contravention of Section 26(7) of the Medical Schemes Act.

*Possible impact of non-compliance*

The contravention of the Act may result in the Council for Medical Schemes imposing penalties for the non-compliance.

*Corrective course of action adopted to ensure compliance, including the timing of the corrective action*

The Scheme continually strives to have all membership changes updated before the following contribution run. Due to the nature of the membership movement, and the communication process between the employer's administrators on the one hand and the Scheme on the other, this is not always possible.

**11. RELATED PARTY TRANSACTIONS**

Refer to related party disclosure in Note 22 of the financial statements.

**12. INVESTMENTS IN AND LOANS TO PARTICIPATING EMPLOYERS OF MEMBERS OF THE MEDICAL SCHEME**

The Medical Scheme holds no direct investments in or loans to participating employers of Medical Scheme members, other than the pooled investment through Allan Gray (refer to 10.1 above).

**PLATINUM HEALTH MEDICAL SCHEME  
REPORT OF THE BOARD OF TRUSTEES (Continued)**

**13. AUDIT AND RISK COMMITTEE**

An Audit and Risk Committee was established in accordance with the provisions of the Medical Schemes Act 131 of 1998. The Board of Trustees mandates the Committee by means of written terms of reference as to its membership, authority, and duties. The Committee consists of five members of which three are independent members.

The majority of the members, including the chairperson, are independent of the Scheme. The Committee met on 16 February 2023, 27 March 2023, 06 April 2023, 23 August 2023 and 15 November 2023.

The Chief Executive Officer, Principal Officer, Chief Financial Officer of the Medical Scheme and the internal and external auditors attend the Committee meetings and have unrestricted access to the chairperson of the Committee.

In accordance with the provisions of the Act, the primary responsibility of the Committee is to assist the Board of Trustees in carrying out its duties relating to the Scheme's accounting policies, internal control systems and financial reporting practices. The internal and external auditors formally report to the Committee on critical findings arising from the audit activities.

The principal activities of the Audit and Risk Committee which are formulated in the Audit and Risk Committee Charter are:

- Review of the effectiveness of internal controls and the financial functions
- Monitoring of governance and risk management processes
- Review of effectiveness of internal and external audits
- Recommendation of appointment of external auditors and fees
- Recommendation of appointment of internal auditors and fees
- Evaluation of external and internal audit reports
- Recommending approval of Financial Statements

The Audit Committee comprises of the following:

		Meetings Attended
Mr I Catt	(Independent)	5 of 5
Mr D Cathrall	(Independent)	5 of 5
Mr I Osman	(Trustee)	4 of 5
Dr L Konar	(Independent Chairperson) (appointed 04 July 2023)	2 of 2
Mr D Noko	(Trustee)	5 of 5

**PLATINUM HEALTH MEDICAL SCHEME  
REPORT OF THE BOARD OF TRUSTEES (Continued)**

**14. INVESTMENT COMMITTEE**

An Investment Committee was established and is mandated by the Board of Trustees by means of written terms of reference as to its membership, authority and duties. This Committee consists of four members of which two must be members of the Board of Trustees. One of the members is an independent advisor.

The Committee met on 27 March 2023, 28 August 2023 and 15 November 2023.

The Chief Executive Officer, the Principal Officer and the Chief Financial Officer of the Medical Scheme attend the Investment Committee meetings and have unrestricted access to the chairperson of the committee.

The primary responsibility of the Investment Committee is to assist the Board of Trustees in carrying out its duties relating to the investment policy of the Scheme.

The mandate of the committee is to ensure that:

- the Scheme remains liquid;
- investments are placed at minimum risk and at the best possible rate of return;
- investments made are in compliance with the regulations of the Act; and
- a risk assessment is performed with feedback to the Board of Trustees with recommendations on the risks identified.

The Investment Committee comprises of the following:

		Meetings Attended
Mr I Osman	(Chairperson Trustee)	2 of 3
Mr C Buchanan	(Independent Advisor) (resigned 9 November 2023)	3 of 3
Mr C Smith	(Trustee)	3 of 3
Mr J Hlangweni	(Trustee)	3 of 3

**PLATINUM HEALTH MEDICAL SCHEME  
REPORT OF THE BOARD OF TRUSTEES (Continued)**

**15. REMUNERATION COMMITTEE**

A Remuneration Committee was established and is mandated by the Board of Trustees by means of written terms of reference as to its membership, authority and duties. The Remuneration Committee should consist of at least three members of which at least two must be members of the Board of Trustees based on the Rules of the Scheme and should have comprehensive Human Resources or Finance background. Proficiency in remuneration and benefits will be a pre-requisite.

The Committee met on 23 March 2023 and 31 October 2023.

The Chief Executive Officer, Chief Finance Officer and the Chief People Officer attend the Remuneration Committee meetings.

The Committee's terms of reference, and as such its primary responsibility, is to advise the Board of Trustees on remuneration guidelines, policies and strategies with respect to remuneration, incentives and other related benefits.

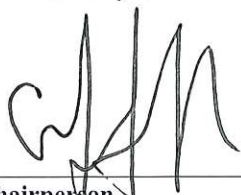
The Remuneration Committee comprises of the following:

		Meetings Attended
Mr C Smith	(Trustee)	2 of 2
Mr D Noko	(Trustee)	2 of 2
Ms Z Jasper	(Independent) (appointed April 2023)	1 of 1
Dr M Bussin	(Independent Chairperson)	2 of 2
Dr L Konar	(Independent) (resigned March 2023)	2 of 2
Mr K Mothibi	(Independent)	2 of 2

**16. GOING CONCERN**

The Board of Trustees are satisfied that the Scheme has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Scheme continues to adopt the going concern basis in preparing the annual financial statements.

The Board of Trustees are of the opinion that the annual financial statements fairly present the financial position of the Scheme as at 31 December 2023, and the results of its operations and cash flow information for the year then ended.



**Chairperson  
Mr C Smith**

22 April 2024  
Johannesburg

**PLATINUM HEALTH MEDICAL SCHEME  
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 Platinum Health Medical Scheme. The annual financial statements presented on pages 22 to 94 have been prepared in accordance with International Financial Reporting Standards (IFRS) and the Medical Schemes Act 131 of 1998, as amended, of South Africa, and include amounts based on judgement and estimates made by management.

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

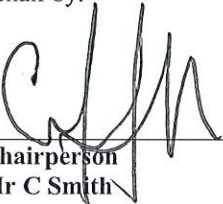
The Trustees are responsible for ensuring that accounting records are kept. The accounting records disclose with reasonable accuracy the financial position of the Scheme which enables the Trustees to ensure that the annual financial statements comply with the relevant legislation.


Platinum Health Medical Scheme operated in a well-established control environment, which is well documented and regularly reviewed. This incorporates risk management and internal control procedures, which are designed to provide reasonable, but not absolute, assurance that the assets are safeguarded and the risks facing the business are being controlled.

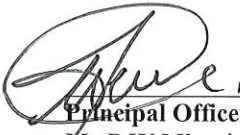
The going concern basis has been adopted in preparing the annual financial statements. The Trustees have no reason to believe that the Scheme will not be a going concern in the foreseeable future, based on forecasts and available cash resources. These annual financial statements support the viability of the Scheme.

The independent auditor is responsible for reporting on the fair presentation of the financial statements.

The annual financial statements were approved by the Board of Trustees on 22 April 2024 and are signed on its behalf by:

  
\_\_\_\_\_  
Chairperson  
Mr C Smith

  
\_\_\_\_\_  
Trustee  
Mr D Noko

  
\_\_\_\_\_  
Principal Officer  
Mr P W Mboniso

**PLATINUM HEALTH MEDICAL SCHEME  
STATEMENT OF CORPORATE GOVERNANCE BY THE BOARD OF TRUSTEES**

The Platinum Health Medical Scheme is committed to the principles and practice of fairness, openness, integrity and accountability in all dealings with its stakeholders. The Member-elected Trustees are proposed and elected by the members of the Scheme and the Employer-appointed trustees are appointed by the employer groups.


**BOARD OF TRUSTEES**


The Trustees meet regularly and monitor the performance of the Scheme. They address a range of key issues and ensure that discussion of items of policy, strategy, risk and performance is critical, informed and constructive.

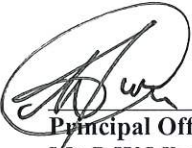
**INTERNAL CONTROLS**

The Scheme is self-administered and maintains internal controls and systems designed to provide reasonable assurance as to the integrity and reliability of the annual financial statements 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.

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

  
\_\_\_\_\_  
**Chairperson**  
**Mr C Smith**

  
\_\_\_\_\_  
**Trustee**  
**Mr D Noko**

  
\_\_\_\_\_  
**Principal Officer**  
**Mr P W Mboniso**

22 April 2024  
Johannesburg



**PLATINUM HEALTH MEDICAL SCHEME**

**ANNUAL GENERAL MEETING  
21 JUNE 2024 AT 12:00  
KING'S PALACE, RUSTENBURG**

**PROXY FORM**

I, \_\_\_\_\_

Being a member of Platinum Health Medical Scheme hereby appoints:

\_\_\_\_\_

or failing, that person, the Chairman of the meeting, to act as my proxy to vote on my behalf at the Annual General Meeting of the Scheme to be held on 21 June 2024.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2024.

Signature of Member \_\_\_\_\_ Membership Number 

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Signature of Appointed Proxy \_\_\_\_\_ Membership Number 

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*Please note that the proxy must be signed by the member and the person appointed as the proxy.*