



**PROMOTING  
WELLNESS**

**PREVENTING  
ILLNESS**

**ANNUAL  
REPORT  
2022**



**Business Mauritius Provident Association**



## PROMOTE WELLNESS

by following a healthy lifestyle and joining wellness programmes.

## PREVENT ILLNESS

by taking care of your health and getting regular check-ups.

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## PRESIDENT'S MESSAGE

Dear Member

Allow me, first and foremost, to thank you for the trust you have placed in the Business Mauritius Provident Association (BMPA) over the past year.

Last year we reached an important stage in the life of the Association; our forty years of existence. I feel honoured today, as President of the BMPA, to be able to express our gratitude to all our members for standing by our side to complete this milestone. Your participation in our Health Promotion Day organised as part of our 40th Anniversary celebrations in May 2023 is a living proof of your unflinching support to the Association.

Despite the challenging economic and dynamic healthcare environment, we have delivered a strong performance for the financial year 2022/23. Our total assets amounted to around MUR 200.7m as of 30 June 2023, compared to MUR 191.7m from the previous financial year. We have also accumulated a surplus cash of MUR 10 million as at end-June 2023. These results reflect our efficient cost management, effective risk control and sound investment decisions.

We can only be proud of our achievements, but we are not complacent. We are well aware of the emerging challenges that we need to overcome while having our eyes riveted on the opportunities that lie before us. Our discussions with our members as well as professionals in the healthcare sector have shown us that there is a growing need to place particular emphasis on prevention by promoting a healthy lifestyle. We believe that these are the key drivers for improving the health outcomes and well-being of our members, as well as reducing the incidence and severity of chronic diseases.

That is why we have decided to make **"Promoting Wellness. Preventing Illness."** the main theme and direction of our Association for the coming years. We want to play an active role and support our members in embracing a healthy lifestyle and incorporating healthy habits in their daily lives.

“Our initiatives will improve the health and wellness of our members...”



... by promoting preventive health and lifestyle care among our members, we expect to see a positive impact on our scheme's performance.



We want to empower our members to take charge of their own health and wellness. To this end, we will be planning and designing a series of activities and initiatives, which will include counselling and education for members, that will help us achieve this goal.

We are also pleased to report that our digital communication strategy, which we shared with you in our last Annual Report, has started to yield positive results. We have successfully enhanced our communication and engagement with our members through various channels, such as emailing and social media. These have helped

us to inform, educate and inspire our members on preventive health and lifestyle care as well as our added services. We have seen a higher level of engagement from our members, who have shown more interest and participation in our activities and initiatives. As our visibility continues to grow, we have also been contacted by an increased number of companies wishing to enrol on the *MoSanté* health plan.

We are confident that our initiatives will not only improve the health and wellness of our members, but also create even more value for them in the long run. By promoting preventive health measures and lifestyle changes, we also expect to see a positive impact on our scheme's performance, as claims for high-risk diseases such as cardiovascular should reduce. The surplus generated can thus be re-invested to improve the member's journey on *MoSanté* or increase the level of coverage on the health plan.

We are excited about this new direction, and we hope that you will join us on this journey. We invite you to participate in our activities and initiatives, share your views and suggestions, and spread the word among your colleagues, friends, and family. Together, we can make a difference in our health and wellness.

On behalf of the BMPA's Managing Committee members, I would like to thank you for your continued trust and support. I would also like to thank our dedicated team, staff, partners and stakeholders for their dedication and contribution. We stay committed to providing you with a service of excellence in the coming years.

Sincerely

**Clément Cartier**  
President

## OVERVIEW



### About the BMPA

The Business Mauritius Provident Association (BMPA), a non-profit organisation was set up in 1982 to serve the local business community by providing affordable and flexible health covers to companies so that their employees can have access to private healthcare.

In this regard, the BMPA designed the *MoSanté* health plan which is available to all companies which are members of Business Mauritius.



### Lifetime Care

The BMPA's primary mission is to provide lifetime care to *MoSanté* members, from babies to seniors, and contribute to their peace of mind. The *MoSanté* health plan is constantly enhanced with unique and innovative product features to exceed the needs and expectations of members.



### Added Value

Over the past decade, the BMPA has been committed to reinvesting its profits in value-added services, while continuously supporting *MoSanté* members in improving their health and well-being as well as ensuring that they have the best possible access to quality health care.

Business Mauritius Provident Association (BMPA)  
c/o Business Mauritius, BM-MCCI Building,  
Rue du Savoir, Ebène CyberCity, Ebène - 72201  
466 3600 | [mosante@businessmauritius.org](mailto:mosante@businessmauritius.org)



## OFFERING THE BEST OF PREVENTIVE CARE

Health & Wellness Initiatives



# MANAGING COMMITTEE

**Mr Clément CARTIER**  
President  
Director  
Beach Destination Ltd

**Mr Haren HAWOLDAR**  
Treasurer  
Head of IP Services  
C-Care Darné

**Mr Ballakrishna APPADU**  
Vice President  
Educator  
Adventist College

**Mrs Sandhya MAKHAN**  
Secretary  
Adm. & HR Manager  
Villas Caroline Beach Hotel

**Mrs Myrna AREKION**  
Vice Treasurer  
Group Human Resources Manager  
Mauritius Oil Refineries Ltd

**Mrs Mary Jennifer Wang AH FAT**  
Member  
Director  
Pasteur Pharmaceuticals Ltd

**Mr Ange Dominique BAUDA**  
Member  
Senior HR/ Project Manager  
Southern Cross Tourist Company Ltd

**Mr Dhiruj RAMLUGGUN**  
Member  
Head of Social Capital  
Business Mauritius

**Mrs Naveena DHANOOPA**  
Member  
Industrial Relations Officer  
Business Mauritius

# GOVERNANCE

## Managing Committee

The BMPA is led by a Managing Committee which is collectively responsible for its long-term success, reputation and governance. The Managing Committee provides leadership and guidance towards the achievement of the Association's strategy and always acts in the best interest of its members and stakeholders. While showing great respect for its fiduciary responsibilities, the Managing Committee also assumes responsibility for all legal and regulatory requirements of the Association. The roles and responsibilities of the Managing Committee are set out in the Association's Charter.

The Managing Committee has approved the following key governance documents:



Board Charter



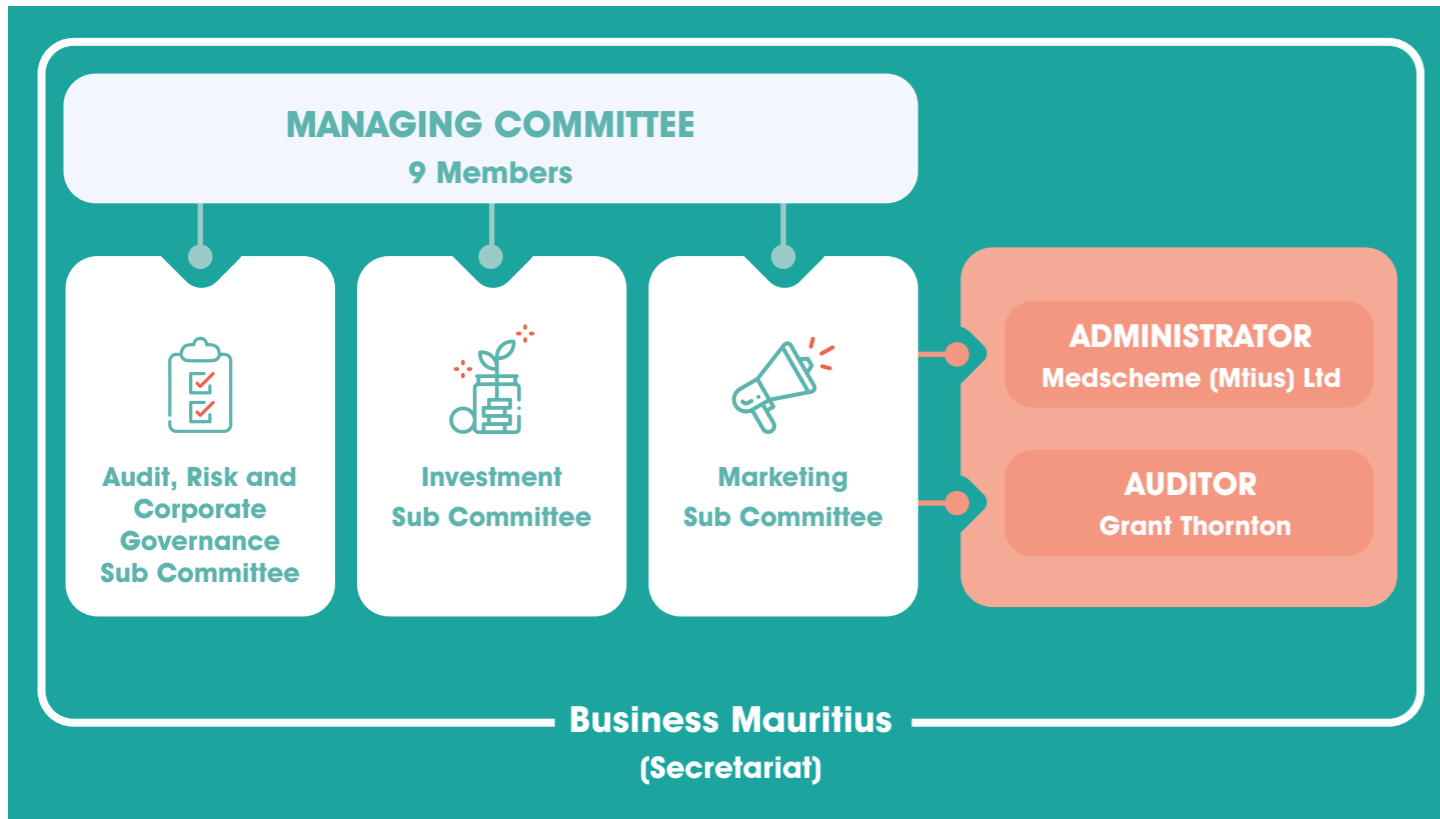
Sub Committees' Charters



Code of Conduct for Managing Committee Members

The Managing Committee retains ultimate responsibility for the Association, even when delegating certain functions to internal staff and external service providers. During the year 2022/23, 10 Managing Committee meetings and one special Managing Committee meeting were held. Sub Committees have been established to assist the Managing Committee in its roles and responsibilities and to enhance its efficacy.

## The Structure



Every four (4) years, a new Managing Committee is elected. The Managing Committee has established the following Sub Committees to assist in the discharge of its responsibilities:



Each Sub Committee has its own charter, approved by the Managing Committee, and reviewed as and when required.



### Audit, Risk and Corporate Governance Sub Committee

The Audit, Risk and Corporate Governance Sub Committee assists the Managing Committee in fulfilling its oversight responsibilities related to corporate accounting, financial reporting practices, quality and integrity of financial reports, compliance, internal control and business ethics.

The Sub Committee is chaired by **Mr Ange Dominique BAUDA** and the Sub Committee is composed of the following members:

**Mr Ballakrishna APPADU**  
Vice President

**Mrs Sandhya MAKHAN**  
Secretary

**Mr Dhiruj RAMLUGGUN**  
Member

**Mrs Naveena DHANOOPA**  
Member

The Audit, Risk and Corporate Governance Sub Committee met once during the year.



### Investment Sub Committee

The Investment Sub Committee lays down and reviews on a regular basis the investment strategy of the Association. The Sub Committee has the objective of selecting investments to achieve a reasonable rate of return, while taking associated risks into consideration. It also takes investment decisions and ensures that investments are reasonable and proper.

The Sub Committee is chaired by **Mrs Myrna AREKION** and composed of the following members:

**Mr Ballakrishna APPADU**  
Vice President

**Mr Dhiruj RAMLUGGUN**  
Member

**Mr Ange Dominique BAUDA**  
Member

The Investment Sub Committee met three (3) times during the year.



### Marketing Sub Committee

The Marketing Committee sets the vision for and manages the overall marketing strategy of the BMPA.

- Work with the Business Mauritius (Secretariat) to define the short-term, medium and long-term marketing needs.
- Contribute to and review the marketing plan to ensure progress towards annual and long-range goals.
- Collaborate closely with the Communication agency (SmartComs) to execute the set strategies.

The Sub Committee is chaired by **Mr Dhiruj RAMLUGGUN** and composed of the following members:

**Mr Clément CARTIER**  
President

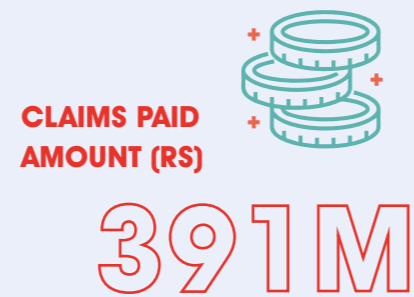
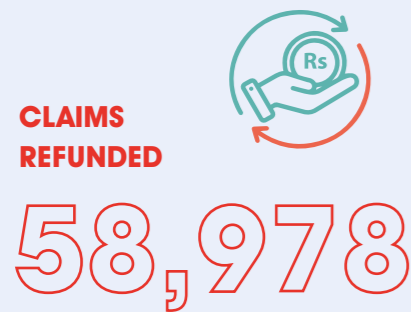
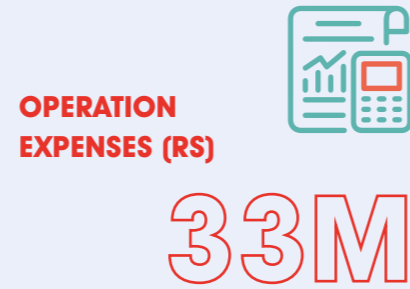
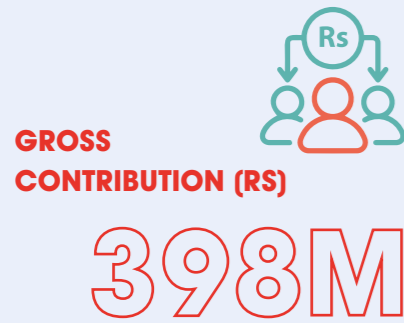
**Mr Ballakrishna APPADU**  
Vice President

**Mrs Mary Jennifer WONG AH-FAT**  
Member

The Marketing Sub Committee met three (3) times during the year.

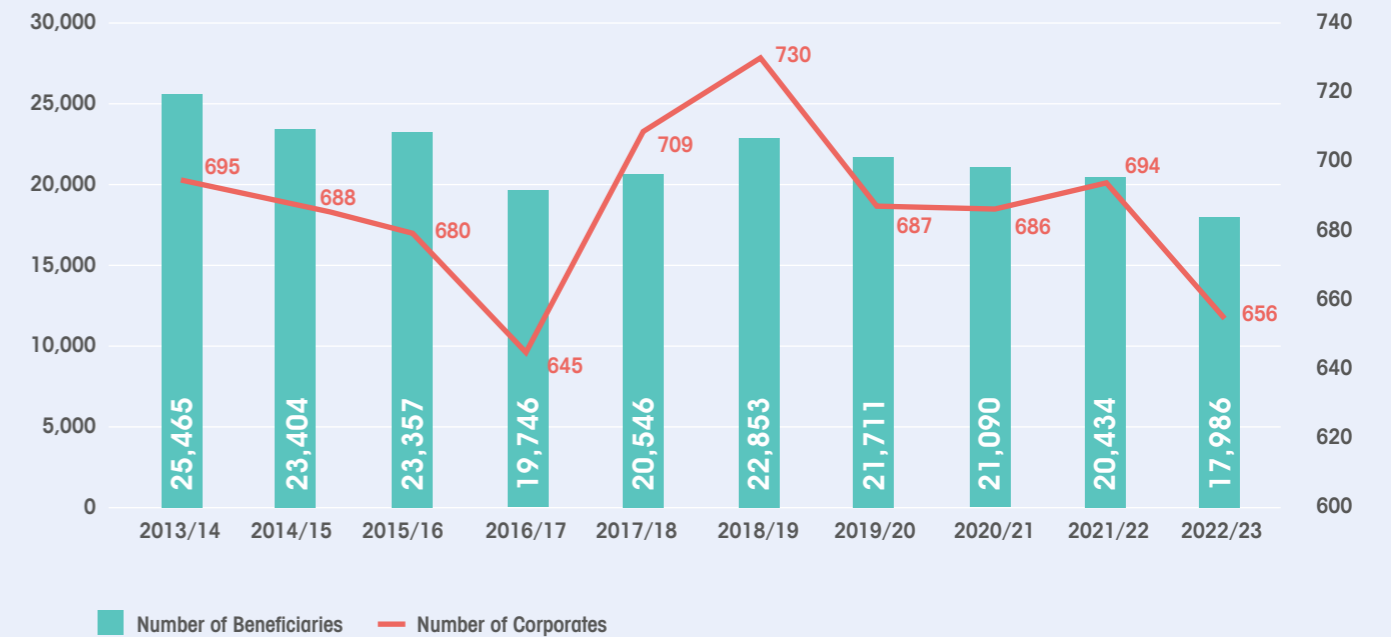
# KEY FIGURES

## 2022/23



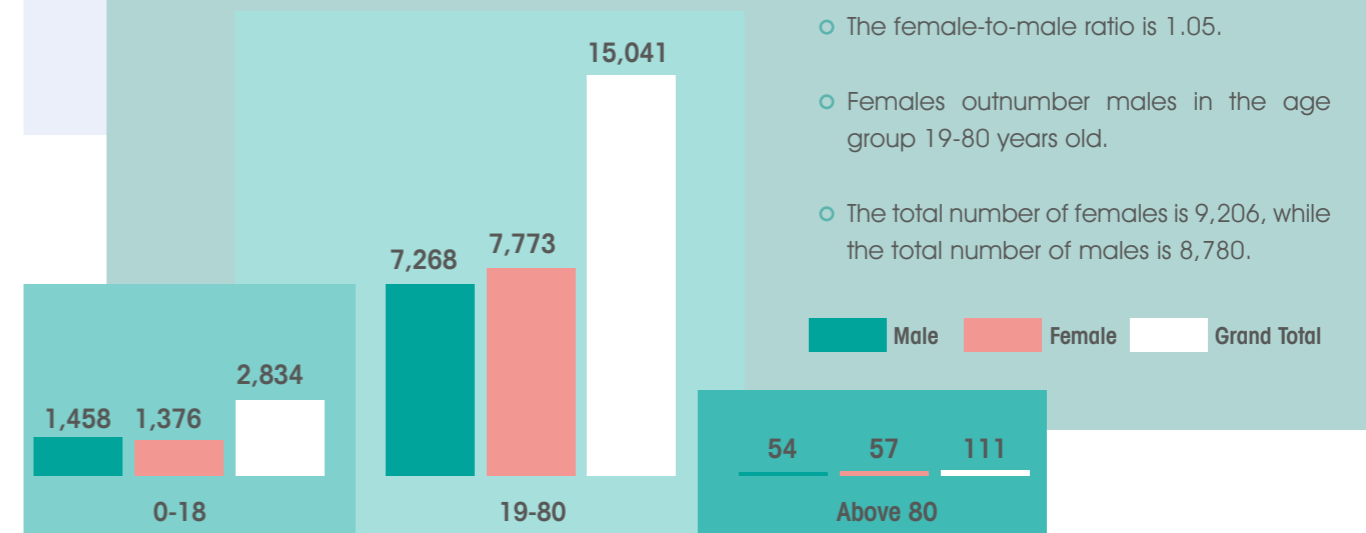
# SCHEME PERFORMANCE

## Membership Trend

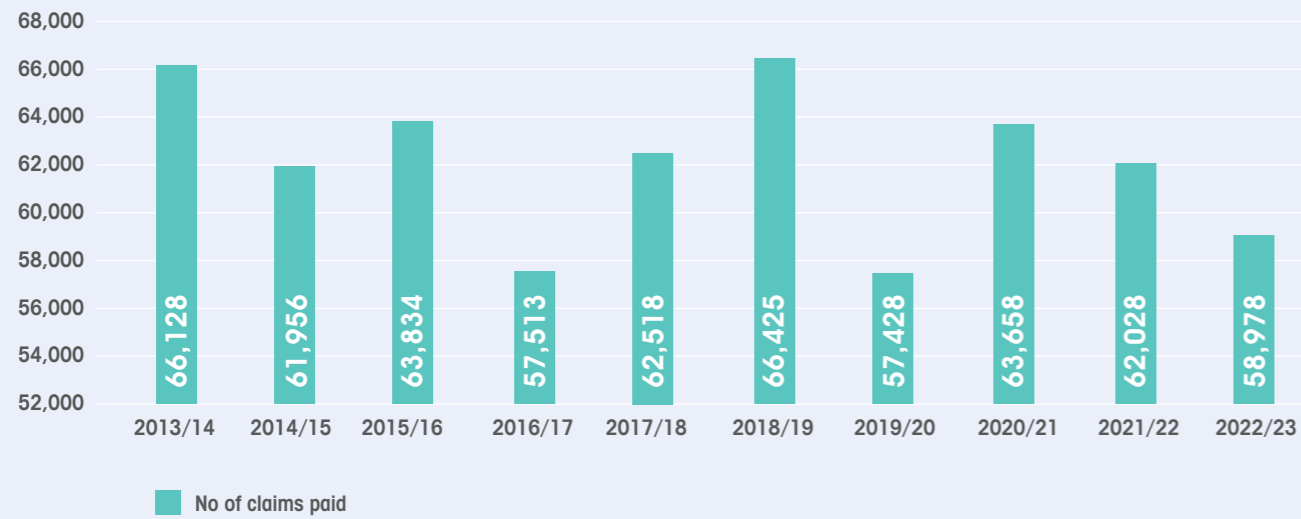


The average membership stands at 21,659 over the last 10 years.

## Membership by Age Group

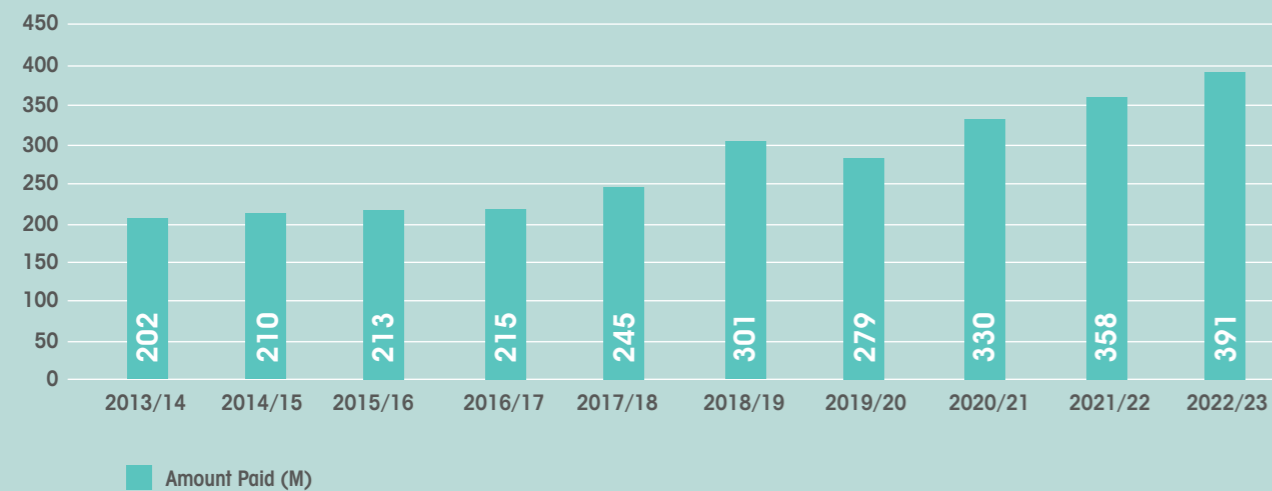


### No. of Claims Refunded



The number of claims paid over the last 10 years was between 57,000 and 66,000, with an average of 62,000. However, a decline in the number of claims received was noted for 2022/23.

### Claims Paid Amount (Rs)



The amount of claims paid has increased despite fewer claims due to higher medical costs and COVID-19. But the scheme has been able to provide adequate benefits to its members despite the economic challenges.



**STAYING AHEAD OF  
MARKET TRENDS**

**Innovative Product Features**





# REFLECTION ON 2022/23

## AN 'EVENTFUL' YEAR!

### UNVEILING NEW BENEFITS

With the aim of continuously providing members with an even better coverage, new benefits have been added under the *MoSanté* health plan, effective as from **01 October 2022**.

To stay ahead of market trends, we have introduced innovative product features under the Merged Benefits, Inpatient Cover and Catastrophe Cover. We have also proposed up to 50% decrease on standard contribution rates under some Catastrophe Cover options.



### OFFICE RELOCATION

Our office has officially moved to Business Mauritius since **01 February 2023**. The relocation is in line with a restructuring and reconsolidation of the smooth running of the BMPA and its health plan, *MoSanté*.

The new contact details are as follows:

Contact Number : 466 3600  
Office Address : BM-MCCI Building, Rue du Savoir,  
Ebène CyberCity  
Email Address : mosante@businessmauritius.org

## New Benefits

**Available to all members**  
No increase on standard rates.

### Merged Benefits Preventive & Lifestyle



- ▶ All Chronic Illnesses are now covered
- ▶ All Medical Check Ups and Pathology Tests including packages offered by Clinics are refunded
- ▶ Human Papillomavirus Vaccines now covered (Cancer Prevention)
- ▶ Increased Limit under Allen Carr's EasyWay to Stop Smoking Programme: Rs 5,000
- ▶ Increased Limit under Weighless Programme: Rs 500 for 6 months

### Inpatient Cover



- ▶ Maternity Cash Benefit of Rs 25,000 per Delivery available if you choose to deliver at the hospital
- ▶ Surgical Cash benefits of Rs 5,000 per Day available for any surgical procedure undertaken at a public hospital (Up to a maximum of Rs 50,000)
- ▶ LASIK Surgery now covered: Rs 50,000 per Eye
- ▶ Clinical Admissions for Psychological Illnesses are now covered for up to Rs 20,000 per Year
- ▶ Funeral Grant has doubled to Rs 20,000

### Catastrophe Cover



- ▶ New levels of Catastrophe Cover introduced: Rs 100,000; Rs 150,000; Rs 200,000; Rs 250,000; and Rs 15 million
- ▶ Standard Rates have been reviewed downwards (Up to 50% Decrease)
- ▶ Recovery Weekend now available: Up to 4 nights' Stay at a Participating Resort
- ▶ Assistance Cover now available: Medical Advice; Medicalised Transportation; Repatriation; Legal Assistance; Accommodation and Transport

New Benefits Available Upon Renewal Only. Terms & Conditions Apply.



## HEALTH PROMOTION DAY & 40<sup>TH</sup> ANNIVERSARY

### Health Promotion Day: A Success Story

On 10 May 2023, we marked the 40th anniversary of the BMPA with a Health Promotion Day, in collaboration with the Ministry of Health and Wellness.

The event which was held at Business Mauritius, was launched by **Dr the Honourable Kailesh Kumar Singh Jagutpal**, Minister of Health and Wellness.

The Health Promotion Day was an opportunity for us to play an active role and support our members, in embracing a healthy lifestyle and incorporating healthy habits in their daily lives. At the BMPA, we believe that prevention is better than cure, and that by embracing a healthy lifestyle, we can avoid major diseases.



The event was a huge success, with an impressive 100+ of participants.



Various activities were offered to *MoSanté* members and the public during the Health Promotion Day. From free screening tests, consultations, counselling, and health education, the Ministry of Health and Wellness provided us with a whole array of health resources and medical services.

We were also honoured to have health experts from various fields who shared their insights and tips on how to enhance our health and well-being.

### Health Resources & Medical Services Available on the Day



BMI, Blood Pressure and Glucose Tests



Vision Tests



Breast & Cervical Cancer Screening



ECG Test



Ayurvedic Treatment (Display & Counselling)



Blood Donation



Nutritionist (Display & Counselling)

## GOING DIGITAL

### AN INTEGRATED DIGITAL COMMUNICATION STRATEGY

#### Achievements and Challenges

In 2022, the BMPA embarked on a new journey to communicate and engage with its members – both corporates and beneficiaries, through digital means. We adopted an integrated digital communication strategy to deliver relevant and timely information about the *MoSanté* health plan, its benefits, value-added services on how to make the most of the scheme, health tips from medical experts and event dates.

The digital communication strategy comprised of four main components:



Monthly Emailers



Quarterly E-Newsletters



LinkedIn Posts



Facebook Posts



Each of these components served a specific purpose and target audience, but they also worked together to create a coherent and consistent message across different platforms.

While LinkedIn was used to provide more information to professionals and businesses on the reliability and affordability of the *MoSanté* health plan, Facebook was used to reach a wider and more diverse audience representing beneficiaries or ordinary members.

The LinkedIn and Facebook posts provide information to those who are interested in health and wellness topics such as news, updates, health tips, testimonials, as well as events such as health days.





Alternatively, both the Quarterly E-Newsletters and Monthly Emailers were used to communicate directly with *MoSanté* members, providing them with relevant information about their health cover, benefits, claims, and services. These two digital tools were used to inform and educate members about latest and upcoming events, as well as to highlight the features and advantages of the *MoSanté* health plan.





The results of the digital communication strategy were impressive and exceeded the expectations of the BMPA. There was a 36% increase in the total number of newsletter subscribers this year compared to the previous year. The average open rate of the newsletter was 29.88%, which is above the industry average of 21.33%, indicating that the newsletter has a high level of engagement and relevance among its readers.

The BMPA has also increased its presence on social media platforms such as LinkedIn and Facebook. In the last year, the BMPA has seen an impressive increase of 735% in terms of reach on Facebook. LinkedIn followers increased by 87%.

The BMPA's digital communication strategy has been effective so far and it will continue along the same track in the future. The BMPA believes that communication and engagement with members are crucial to better understand them and their requirements.

We also hope that by sharing our vision, mission, values, and goals through our various digital channels, this will inspire more people to join the *MoSanté* health plan and enjoy its benefits, all for the betterment of the local business community.

### Communication Stats

- Facebook Reach: **+735%** 
- LinkedIn Followers: **+87%** 
- No. of Email Subscribers: **+36%** 
- Open Rate against Global Industry Average: **+9%** 

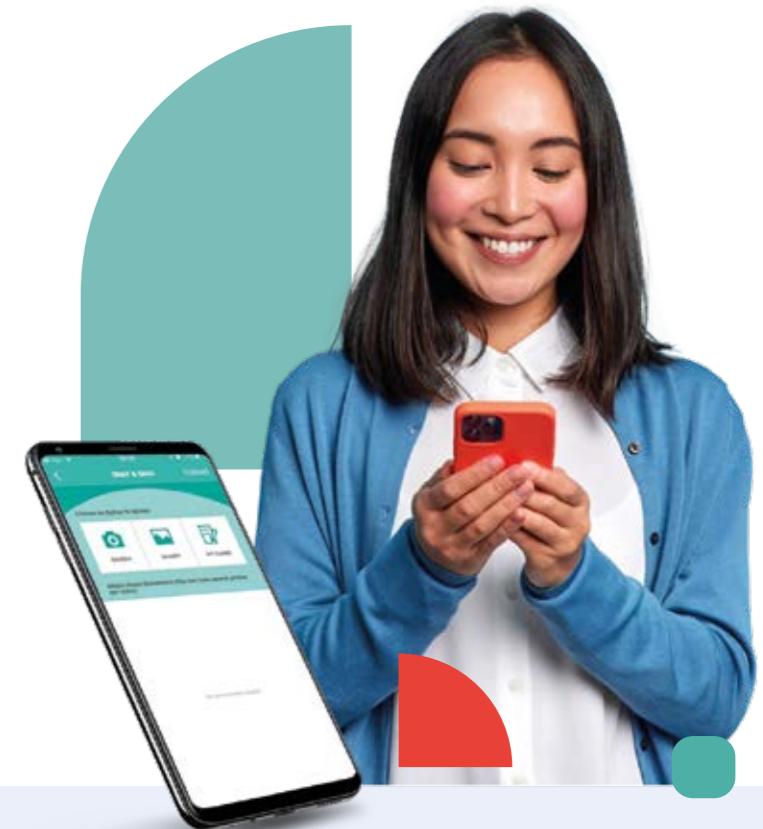
Source : SmartComs

## ADDED SERVICES

### MOSANTE APP Innovation at Members' Fingertips

Our mobile application, *MoSanté App* is yet another innovative value-added service that has been made available to all our members. It enables members to have details on their medical cover. Real-time information is thus easily accessible at their fingertips.

With *MoSanté App*, members can view the progress on their claim refunds, the benefit limits available on their medical cover, the details of contributions as well as the membership details of the main members and dependants (if any). Other special features of *MoSanté App* are *Snap & Send* for instant claim submissions and the *E-Membership Card*.



### Snap & Send

*Snap & Send* allows members to take and send photos of their original claim documents such as their prescription, doctor's certificate and medical bills via *MoSanté App*.

Once uploaded on the mobile app, the claims appear on our system in real-time and are thus processed more rapidly than normal claims.



### E-Membership Card

The e-version of our membership card, *MoCarte* is available on *MoSanté App* anywhere and anytime. To access the *E-Membership Card*, members simply have to log on *MoSanté App*, select the beneficiary on the home screen and tap "Membership Card".

Members are encouraged to use the *E-Membership Card* to benefit from our *PayLess Service* at participating Pharmacies and Opticians as well as for admission purposes at clinics (*Prise en Charge*) around the island.

### ONLINE HR PORTAL Managing Employees' Details Better

We successfully launched the *Online HR Portal* a few years ago to our corporate members. It is a web-based platform especially designed for employers to access and better manage the membership details of their employees' health cover.



Through the *Online HR Portal*, employers can:

- ▶ View & download list, details, plans and/ or contribution of employees
- ▶ Add or delete employees and their dependants
- ▶ Change plan of employees
- ▶ Change department (if applicable)
- ▶ Print testimonials & personalised claim forms of employees

### PAYLESS SERVICE Making Members' Lives Easier

In recent years, we have been offering the *PayLess Service* to our members. It is a convenient way to make payments for prescribed medication and eyewear at participating service providers throughout the island.

Instead of paying the full amount upfront and waiting for a claim refund, members only disburse the 20% excess, while we settle the remaining amount according to their available limits as well as the terms and conditions applicable to their cover.

To benefit from the *PayLess Service*, *MoSanté* members must present their membership card, *MoCarte* (physical or digital) when they settle their pharmacy or optical bills.

**Our PayLess Service network has grown over the years and new pharmacies and opticians have joined the list of service providers.**



To find out more,  
scan this QR Code:



With the *PayLess Service*, members can save time and better manage their budget for medical expenses.



## CONNECTING TO MEMBERS WITH PURPOSE

Digital Communication Strategy



# REMARKS BY INVESTORS

## Investment Objective & Strategy

### Objective

- Set up in 1982, the Business Mauritius Provident Association (BMPA), aims at providing health care covers to employees of Business Mauritius member enterprises and their dependents.
- The Association aims to generate a return ahead of inflation in the short to medium term from a diversified portfolio of relatively low risks investments.
- It also seeks to be in a position to make medical-related payments at relatively short notice by using invested funds, as and when required.

### Strategy

- The BMPA invests in short to medium term assets, which are considered to be relatively liquid and perceived to have low risk of default or capital loss.
- Derivatives are not permitted as an investment.

## Asset Allocation

The asset allocation of the BMPA as of financial year ended June 2023 relative to its strategic asset allocation and permitted ranges, as outlined in its Investment Policy Statement (IPS) are as follows:

Asset	Current Allocation (Jun-23)	Target Allocation	Permitted Variance
Cash	7.8%	5.0%	0%-10%
Short Term Local Fixed Income	13.0%	40.0%	30%-50%
Medium Term Local Fixed Income	50.2%	55.0%	45%-65%
Local Equities	12.9%	0.0%	0%-5%
Foreign Equities	12.3%	0.0%	0%-5%
Foreign Fixed Income	3.8%	0.0%	0%-10%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	

#### Note:

- Short-term local fixed income instruments relate to local fixed income securities of maturity of 12 months or less, while medium-term local fixed income instruments relate to fixed income securities of maturity ranging between 1 year to 5 years.
- The above asset split as of end-June 2023 is based on the figures shared by the BMPA.

The BMPA's total assets amounted to around MUR 128.7mln as of 30 June 2023, up from MUR 87.0mln as at end of the previous financial year.

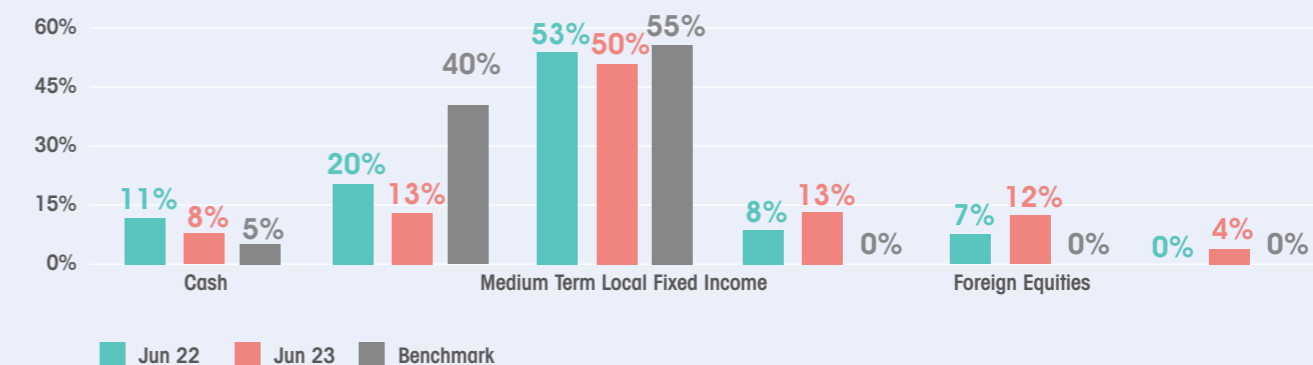
As of end-June 2023, the majority of the total assets (around 75%) were invested in matching assets (represented by fixed income instruments and cash and which are considered to be of lower risk). The remaining 25% was invested in growth assets (represented by equities and structured products and which are considered to be of higher risk).

The top 5 holdings listed below represented around 47% of the investment portfolio as at end-June 2022.

Instrument/Fund	% of Investment Portfolio
Britannic Opportunities Limited (Structured Product with capital protection at maturity)	11.1%
SBM Perpetual Fund	10.7%
CIM Financial Services Ltd Notes	9.3%
La Prudence Leasing Notes	7.8%
Mauritius Sugar Syndicate (1-Year Money Market Instrument)	7.8%

## Evolution during the financial year 2022/2023

### Evolution of Asset Allocation



Given rising interest rates during the past year, the BMPA made further investments in local corporate bonds and term deposits with local institutions at much improved yields. Moreover, the BMPA also invested in short-term treasury instruments, which matured towards the end of the financial year.

The BMPA has also invested in the Swan Global Income Fund, a foreign fixed income fund during the year. To further diversify its portfolio, investments were also made in structured products, which offer capital protection at maturity as well as participation on the upside of a basket of equity indices. Both products should allow the BMPA to gain exposure to the US Dollar.

Surplus cash available for new investments stood at MUR 10mln as at end-June 2023. The BMPA continues to actively seek new opportunities deemed attractive for its investment portfolio.

## MARKET REVIEW

After a challenging 2022, the first half of 2023 was positive for the foreign markets. The key topics were the banking sector turmoil and artificial intelligence (AI) inspired stock rally. Moreover, central banks signalled that there is more work to do to combat inflation. Despite all these hurdles, foreign equity markets posted positive returns for the financial year ended June 2023.

On the local side, the stock market lost ground despite the publication of strong financial results and the resumption of dividend payments by many local companies.

Following the steps of global central banks, the Bank of Mauritius raised its key policy rate to 4.5%. Local yields across all maturities increased sharply during the financial year under review. The year-on-year inflation stood at 7.9% in June 2023. Yields still remain highly negative in real terms.

### Outlook Going Forward

The BMPA is also committed to holding a fairly diversified investment portfolio through investments in local and foreign assets. The BMPA continues to look for attractive fixed income opportunities as well as structured products (with capital protection), which could suit its investment portfolio. The focus will however be on investing in relatively liquid and lower risk instruments of short to medium term.

Aon Solutions Ltd  
Actuary



## ACHIEVING SUSTAINABLE GROWTH

Efficient Cost Management

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## STATEMENT OF ASSETS AND LIABILITIES AS AT 30 JUNE

	Notes	2023 Rs	2022 Rs
<b>ASSETS</b>			
Plant and equipment	2	-	1,550,811
Contribution receivable	3	19,317,412	19,161,716
Sundry debtors and prepayments	4	646,217	1,369,808
Financial assets at fair value through other comprehensive income	6	50,955,845	49,913,334
Financial assets at amortised cost	7	54,816,449	20,296,685
Other financial assets	8	13,705,798	6,759,756
Cash and cash equivalents	5	41,516,658	92,277,654
Net amount receivable from reinsurers	15.3	19,821,854	-
Right-of-use asset	12	-	454,771
<b>TOTAL ASSETS</b>		<b>200,780,233</b>	<b>191,784,535</b>
<b>LIABILITIES</b>			
Sundry creditors and contribution prepaid	9	9,660,444	9,056,438
Outstanding claims payable	10	25,085,987	26,636,547
Incurred But Not Yet Reported ("IBNR") claims	11	13,873,979	14,021,963
Net amount payable to reinsurers	15.3	-	11,668,789
Lease liabilities	12	-	562,764
<b>TOTAL LIABILITIES</b>		<b>48,620,410</b>	<b>61,946,501</b>
<b>ACCUMULATED FUND</b>			
Accumulated surplus		123,961,089	95,152,422
Surplus for the year		21,279,278	28,808,667
Fair value reserves	6(iii)	6,919,456	5,876,945
<b>TOTAL ACCUMULATED FUND</b>		<b>152,159,823</b>	<b>129,838,034</b>

Chairman:



Treasurer:



### INDEPENDENT AUDITORS' REPORT

We, the undersigned, having had access to all books and accounts and having examined the foregoing return and verified the same with accounts and vouchers relating thereto in accordance with International Standards on Auditing, sign the same found to be correct and duly vouched.

K RAMCHURUN, FCCA  
Licensed by FRC



Grant Thornton  
Chartered Accountants



## INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 JUNE

	Notes	2023 Rs	2022 Rs
<b>INCOME</b>			
Gross subscriptions	13	397,749,946	426,847,659
Re-insurance subscriptions	15.1	(111,257,770)	(134,098,769)
<b>Net subscriptions</b>		<b>286,492,176</b>	<b>292,748,890</b>
<b>CLAIMS</b>			
Gross claims	14	390,801,485	358,118,885
Re-insurance claims	15.1	(152,874,356)	(124,622,728)
<b>Net claims</b>		<b>237,927,129</b>	<b>233,496,157</b>
<b>Gross surplus</b>		<b>48,565,047</b>	<b>59,252,733</b>
<b>EXPENDITURE</b>			
Management fees	16	23,875,600	24,550,850
Referral fees	17	4,952,879	3,713,443
Stationery and photocopy charges		101,890	227,760
Audit fees		603,750	575,000
Bank charges		109,964	71,757
Marketing fees	18	2,338,687	2,392,441
Advertising and communication fees		971,586	309,067
Medical, professional and consultancy fees		342,444	688,365
Depreciation	2 & 12	508,447	715,856
Salaries		575,314	443,956
Sundry expenses		937,518	1,075,581
<b>Total expenditure</b>		<b>35,318,079</b>	<b>34,764,076</b>

## INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 JUNE - CONTD

	Notes	2023 Rs	2022 Rs
<b>Operating surplus</b>		<b>13,246,968</b>	<b>24,488,657</b>
Interest income on financial assets		3,464,449	1,805,737
Interest expense	12	(15,860)	(38,052)
Derecognition of right-of-use asset	12	(263,977)	-
Derecognition of lease liabilities	12	342,145	-
Plant and equipment written off	2(i)	(894,986)	-
Amount written off		(2,640)	-
Other income		115,666	-
Amount written back	10 & 11	3,147,984	1,738,183
Allowance for credit losses during the year	3(ii)	-	(386,058)
Allowance for credit losses reversed during the year	3(ii) & 8(ii)	2,139,529	1,200,200
<b>Net surplus for the year</b>		<b>21,279,278</b>	<b>28,808,667</b>
Fair value gain on financial assets at fair value through other comprehensive income	6(iii)	1,042,511	204,297
Accumulated surplus and reserves brought forward		129,838,034	100,825,070
<b>Accumulated surplus and reserves carried forward</b>		<b>152,159,823</b>	<b>129,838,034</b>



## STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 JUNE

	2023 Rs	2022 Rs
Bank balances on 01 July (Note 5)	92,277,654	62,628,924
<b>Receipts</b>		
Subscriptions	387,611,208	404,720,620
Matured investments and deposits	18,220,388	856,069
Interest and dividend received	3,464,449	1,805,737
Receipts in respect of reinsurance	14,695,170	4,211,405
	<b>423,991,215</b>	<b>411,593,831</b>
<b>Payments</b>		
Claims paid	(380,900,081)	(335,258,067)
Management fees	(23,841,230)	(24,619,790)
Payments in respect of reinsurance	(419,192)	(10,077,075)
Investments acquired	(59,524,991)	(4,000,000)
Professional fees	(523,508)	(259,353)
Medical and consultancy fees	-	(1,600)
Marketing fees	(2,356,672)	(2,404,322)
Stationery and photocopy charges	(4,140)	(225,000)
Audit fees	(294,000)	(603,750)
Referral fees	(4,290,910)	(2,260,258)
Salaries	(699,168)	(473,296)
Bank charges	(109,965)	(71,757)
Advertising	(1,021,647)	(472,190)
Plant and equipment	-	(142,446)
Other expenses	(766,707)	(1,076,197)
	<b>(474,752,211)</b>	<b>(381,945,101)</b>
Bank balances at 30 June (Note 5)	<b>41,516,658</b>	<b>92,277,654</b>

SIGNATURES OF:

Chairman: 

Treasurer: 

Date: 23 AUG 2023

Date: 23 AUG 2023

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2023

### 1. Summary of accounting policies

#### 1.1 Overall considerations

The accounts of Business Mauritius Provident Association, the "Association", have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), in terms of recognition and measurement and the requirements of the Registration of Associations Act 1978.

The significant accounting policies are summarised below.

#### 1.2 Adoption of new IFRS

In the current year, the Association has assessed the impact of the revised amendments and concluded that none of them has an impact on these financial statements.

#### 1.3 Foreign currency

##### Functional and presentation currency

The accounts are presented in Mauritian Rupees ("MUR" or "Rs"), which is also the functional currency of the Association.

##### Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in the income and expenditure account.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

#### 1.4 Plant and equipment

Plant and equipment are initially recorded at cost less accumulated depreciation and impairment losses.

Depreciation is calculated on the straight-line method to write down the cost of assets to their residual values over their estimated useful lives as follows:

Furniture	16.7%
Computer	33%
Office equipment	16.7%
Motor vehicle	20%

The estimated useful lives are reviewed at each reporting date.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are included in the income and expenditure account. All repairs and maintenance are expensed during the financial period in which they are incurred.

#### 1.5 Leased assets

The Association assesses whether a contract is or contains a lease at inception of the contract. A lease conveys the right to direct the use and obtain substantially all of the economic benefits of an identified asset for a period of time in exchange for consideration.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2023

### 1. Summary of accounting policies (Contd)

#### 1.5 Leased assets (Contd)

##### *Measurement and recognition of leases as a lessee*

At lease commencement date, the Association recognises a right-of-use asset and a lease liability on the statement of assets and liabilities. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Association, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Association depreciates the right-of-use asset on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Association also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Association measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Association's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

During the year ended 30 June 2023, the Association terminated its lease agreement.

#### 1.6 Subscriptions and claims

##### *Subscription income*

Subscription income is accounted for on an accrual basis.

##### *Claim costs*

Claim costs are accounted for on an accrual basis.

#### 1.7 Other income

Interest income is recognised on an accrual basis using the effective interest rate, unless collectability is in doubt.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, together with other short term, highly liquid investments maturing within 90 days from the date of acquisition that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value.

Fixed deposits with maturity dates more than 90 days are disclosed separately in the statement of assets and liabilities.

#### 1.9 Provisions

Provisions are recognised when the Association has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation and the amount can be estimated reliably. Timing or amount of the outflow may still be uncertain.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2023

### 1. Summary of accounting policies (Contd)

#### 1.10 Impairment of assets

At each reporting date, the Association reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment. When an indication of impairment loss exists, the carrying amount of the asset is assessed and written down to its recoverable amount.

#### 1.11 Expenditure

Expenditure is recognised in the income and expenditure account upon utilisation of the service or as incurred.

#### 1.12 Receivables

Receivables include mainly contribution receivable, contribution receivable from reinsurers and sundry debtors.

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial.

The Association makes use of a simplified approach in accounting for receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument.

#### 1.13 Accumulated fund

Accumulated fund includes all current and prior years' results.

#### 1.14 Incurred But Not Yet Reported ("IBNR") claims

IBNR claims represent an estimate for claims that have occurred during the financial year, but which are which are yet to be reported to the Association as at reporting date. The IBNR claims are determined by a qualified actuary.

#### 1.15 Payables

Payables include mainly contribution prepaid, payable to reinsurers, outstanding claims payable and sundry creditors.

Payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

#### 1.16 Financial assets at fair value through other comprehensive income (FVOCI)

The Association accounts for financial assets at FVOCI if the assets meet the following conditions:

- they are held under a business model whose objective is to hold assets only to collect cash flows, or to collect cash flows and to sell; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Association's financial assets at FVOCI comprise of investments in quoted and unquoted securities.

##### *Quoted securities*

The quoted securities are initially measured at cost plus transaction costs and subsequently at fair value with reference to their closing price on the relevant stock exchange or Net Asset Value ("NAV") at the reporting date. Gains and losses are recognised in income and expenditure account and reported in fair value reserves within accumulated funds.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2023

### 1. Summary of accounting policies (Contd)

#### 1.16 Financial assets at fair value through other comprehensive income (FVOCI) (Contd)

##### Unquoted securities

Unquoted securities are measured at cost as the members consider the cost of these investments to be a reflection of the fair value.

Dividends are recognised in income and expenditure account.

#### 1.17 Financial assets at amortised cost

Financial assets are measured at amortised cost using the effective interest method if the assets meet the following conditions (and are not designated as FVTPL):

- They are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### 1.18 Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

### 2. Plant and equipment

Cost	Furniture Rs	Computer Rs	Office equipment Rs	Motor vehicle Rs	Total Rs
<b>At 01 July 2022</b>	205,388	454,612	984,903	695,000	2,339,903
Disposals during the year	-	-	-	(695,000)	(695,000)
Amount written off during the year (Note 2(i))	(205,388)	(454,612)	(984,903)	-	(1,644,903)
<b>At 30 June 2023</b>	-	-	-	-	-
<b>Accumulated depreciation</b>					
<b>At 01 July 2022</b>	77,525	177,924	276,207	257,436	789,092
Depreciation for the year	22,741	86,466	109,052	99,394	317,653
Disposals during the year	-	-	-	(356,830)	(356,830)
Amount written off during the year (Note 2(i))	(100,266)	(264,390)	(385,259)	-	(749,915)
<b>At 30 June 2023</b>	-	-	-	-	-
Net book value as at 30 June 2023	-	-	-	-	-

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2023

### 2. Plant and equipment (Contd)

Cost	Furniture Rs	Computer Rs	Office equipment Rs	Motor vehicle Rs	Total Rs
At 01 July 2020	205,388	303,776	976,513	695,000	2,180,677
Additions during the year	-	150,836	8,390	-	159,226
<b>At 30 June 2022</b>	205,388	454,612	984,903	695,000	2,339,903
<b>Accumulated depreciation</b>					
At 01 July 2020	44,354	74,021	118,049	123,006	359,430
Depreciation for the year	33,171	103,903	158,158	134,430	429,662
<b>At 30 June 2022</b>	77,525	177,924	276,207	257,436	789,092
<b>Net book value as at 30 June 2023</b>	127,863	276,688	708,696	437,564	1,550,811

(i) During the year under review, the Association terminated its lease agreement (Note 12) and consequently, all the assets acquired by the Association in the prior years were written off in these financial statements for a total amount of Rs 894,986.

### 3. Contribution receivable

(i) Contribution receivable at the reporting date was as follows:

	2023 Rs	2022 Rs
Gross contribution receivable	20,591,954	22,575,787
Allowance for credit losses (Note 3(ii))	(1,274,542)	(3,414,071)
<b>Net contribution receivable</b>	<b>19,317,412</b>	<b>19,161,716</b>

(ii) The closing balance of the trade receivables loss allowance as at 30 June 2023 reconciles with the trade receivables loss allowance opening balance as follows:

	2023 Rs	2022 Rs
<b>At 01 July</b>	<b>3,414,071</b>	<b>3,028,013</b>
Loss allowance reversals during the year	(2,139,529)	-
Loss allowance recognised during the year	-	386,058
<b>At 30 June</b>	<b>1,274,542</b>	<b>3,414,071</b>

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2023

### 3. Contribution receivable (Contd)

(iii) The ageing of contribution receivable is as follows:

	2023 Rs	2022 Rs
0 - 1 months	54,559	4,468,336
2 - 3 months	19,316,151	15,162,633
Above 3 months	1,221,244	2,944,818
	<b>20,591,954</b>	<b>22,575,787</b>

(iv) Expected credit losses

The Association applies the IFRS 9 simplified model of recognising lifetime expected credit losses for contribution receivable.

The expected loss rates are based on the payment profile for premium and corresponding historical credit losses during the prior year. Based on past experience and current payment trends, the members consider the provision of Rs 1,274,452 (2022: Rs 3,414,071) made as at 30 June 2023 to be adequate.

### 4. Sundry debtors and prepayments

	2023 Rs	2022 Rs
Sundry debtors and prepayments	138,712	151,967
Reinsurance (Note 4(i))	507,505	1,217,841
<b>At 30 June</b>	<b>646,217</b>	<b>1,369,808</b>

(i) As at 30 June 2023, the Association has an amount of Rs 507,505 (2022: Rs 1,217,841 receivable from two corporates) receivable from one corporate for reinsurance activity. The Members consider that no credit risk is associated with this amount as there is no history of default from these parties and the amount is fully recoverable.

### 5. Cash and cash equivalents

	2023 Rs	2022 Rs
Cash at bank	41,516,658	92,277,654

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2023

### 6. Financial assets at fair value through other comprehensive income

	2023 Rs	2022 Rs
Financial assets at fair value through other comprehensive income	50,955,845	49,913,334

(i) Breakdown of investments

	2023 Rs	2022 Rs
<b>Listed</b>		
- Attitude Property Ltd	2,662,500	2,675,000
- MCB Group Limited – Notes	2,019,000	2,043,268
- SBM Holdings Ltd – Bonds	4,000,000	4,016,000
- IBL Ltd - Multicurrency Medium Term Secured and Unsecured Note Programme Tranche 1 -Series 2	4,005,559	4,005,559
- Exchange Traded Funds	1,626,043	1,313,481
- MCB Unit Trust	9,044,325	8,770,125
- MCB Group Limited	595,175	584,250
- SBM Holdings Ltd	262,080	279,552
- SBM Perpetual Fund	14,412,146	13,799,966
- Axiom Yield Fund Ltd	4,239,833	4,314,411
- Innodis Ltd	4,089,434	4,111,972
<b>Unlisted</b>		
- Afrasia Bank Limited - Class A Series 2 shares	3,999,750	3,999,750
<b>At 30 June</b>	<b>50,955,845</b>	<b>49,913,334</b>

(ii) Movement in financial assets at fair value through other comprehensive income

	2023 Rs	2022 Rs
<b>As at 01 July</b>	49,913,334	45,709,037
Additions during the year	-	4,000,000
Fair value adjustments	1,042,511	204,297
<b>At 30 June</b>	<b>50,955,845</b>	<b>49,913,334</b>



## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2023

### 6. Financial assets at fair value through other comprehensive income (Contd)

(iii) Fair value reserves movement

	2023 Rs	2022 Rs
<b>As at 01 July</b>	<b>5,876,945</b>	<b>5,672,648</b>
Fair value adjustments	1,042,511	204,297
<b>At 30 June</b>	<b>6,919,456</b>	<b>5,876,945</b>

### 7. Financial assets at amortised cost

During the year ended 30 June 2023, the Association had investments in several bonds and treasury bills which have been classified at amortised cost at initial recognition.

	2023 Rs	2022 Rs
Financial assets at amortised cost	54,816,449	20,296,685

(i) Breakdown of investments

	2023 Rs	2022 Rs
- MCB Treasury bills	-	5,166,187
- MCB Bonds	-	3,025,703
- Rogers & Company Limited Notes	-	10,104,795
- CIM Financial Services Ltd	2,000,000	2,000,000
- CIM Financial Services Ltd- 10M notes	10,134,849	-
- Ekada Yield Fund	3,500,000	-
- The Mauritius Sugar Syndicate	10,000,000	-
- SWAN Income Fund	4,932,450	-
- La Prudence Leasing	10,000,000	-
- Britannic Opportunities Ltd Fund B	14,249,150	-
<b>At 30 June</b>	<b>54,816,449</b>	<b>20,296,685</b>

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2023

### 7. Financial assets at amortised cost (Contd)

(ii) Movement in financial assets at amortised cost

	2023 Rs	2022 Rs
<b>As at 01 July</b>	<b>20,296,685</b>	<b>20,296,685</b>
Additions during the year (Note 7 (iii))	52,816,449	-
Repayments during the year (Note 7 (iii))	(18,296,685)	-
<b>At 30 June</b>	<b>54,816,449</b>	<b>20,296,685</b>

(iii) During the year under review, the Association acquired additional investments for a total consideration of MUR 52,816,449. In addition, several investments held by the Association matured during the year under review.

### 8. Other financial assets

(ii) Movement in financial assets at amortised cost

	2023 Rs	2022 Rs
- Spice Finance Ltd (Note 8(i))	12,361,667	5,415,625
- Silver Bank Limited (Note 8(ii))	1,344,131	1,344,131
<b>At 30 June</b>	<b>13,705,798</b>	<b>6,759,756</b>

(i) Term deposits are placed with several financial institutions with maturity dates of more than 90 days. The fixed deposit with Spice Finance Ltd has a maturity date of 24 September 2025 and yields interest of 4.75% per annum. During the year under review, the Association acquired an additional fixed deposit with Spice Finance with a maturity date of 29 July 2023. The fixed deposits yield interest of 3.50% per annum.

(ii) In the prior financial year, a provision previously made in respect of deposit held with Silver Bank Limited amounting to Rs 1,200,000 was reversed.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2023

### 9. Sundry creditors and contribution prepaid

	2023 Rs	2022 Rs
Contribution prepaid	2,652,683	3,264,799
Management fees payable	1,988,918	1,954,548
Marketing fees payable	578,507	596,492
Sundry creditors	279,801	369,886
Provision for referral fees	3,634,636	2,531,169
Accruals	525,899	339,544
<b>At 30 June</b>	<b>9,660,444</b>	<b>9,056,438</b>

### 10. Outstanding claims payable

	2023 Rs	2022 Rs
Outstanding claims payable	25,085,987	26,636,547

Outstanding claims payable pertain to claims received during the financial year from the beneficiaries which are yet to be settled by the Association as at 30 June 2023. As at reporting date, Management concluded that an excess provision of Rs 3,000,000 is to be written back in these financial statements.

### 11. Incurred But Not Yet Reported ("IBNR") claims

	2023 Rs	2022 Rs
IBNR	13,873,979	14,021,963

IBNR claims relate to an estimate for all claims which have been incurred during the financial year ended 30 June 2023, but which have not yet been reported to the Association as at the reporting date. The IBNR claims have been determined by a qualified actuarial analyst using the Aon Hewitt Model and the amount of Rs 13,873,979 (2022: Rs 14,021,963) was reported as at 30 June 2023. The Members concluded that the reported figure represents the best estimate of any potential liability for such obligations. Consequently, an amount of Rs 147,984 was written back in these financial statements.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2023

### 12. Leases

The Association entered into a lease agreement with Ramnath Jeetah Trust dated 20 January 2020, with effective date being 01 February 2020, to lease an office space. However, during the year under review, the Association terminated its lease agreement.

Consequently, the right-of-use asset and lease liabilities previously recognised in the statement of assets and liabilities were derecognised as follows:

	2023 Rs	2022 Rs
<b>Right-of-use asset</b>		
At cost	454,771	740,965
Depreciation charge	(190,794)	(286,194)
Derecognition of right-of-use	(263,977)	-
Net book value	-	454,771
<b>Lease liabilities</b>		
At start	562,764	849,875
Interest expense	15,860	38,052
Lease payments	(236,479)	(325,163)
Derecognition of lease liabilities	(342,145)	-
At end	-	562,764
<b>Lease liabilities</b>		
- Non-current	-	198,009
- Current	-	364,755
	-	562,764

Amounts recognised in the income and expenditure account.

	2023 Rs	2022 Rs
Depreciation charge of right-of-use asset	190,795	286,194
Interest expense	15,860	38,052

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Association. Lease liability is measured by remaining lease payments, discounted using a discount rate based on the Association's incremental borrowing rate at the date of initial application. The right-of-use asset is measured at the amount of lease liability, adjusted by the amount of any previously recognised prepaid or accrued lease payments relating to that lease. Each lease payment is allocated between the liability and the interest expense. The interest expense is charged to income and expenditure over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and lease term on a straight-line basis.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2023

### 12. Leases (Contd)

Future minimum lease payments as at 30 June 2022 were as follows:

	Within 1 year Rs	1-2 years Rs	Total Rs
<b>30 June 2022</b>			
Lease payments	388,557	206,920	595,477
Finance charges	(23,802)	(8,911)	(32,713)
Net present values	364,755	198,009	562,764

### 13. Gross subscriptions

	2023 Rs	2022 Rs
Gross subscriptions	397,749,946	426,847,659

Gross subscriptions relate to total premiums collected from the policy holders of the Association.

### 14. Gross claims

	2023 Rs	2022 Rs
Gross claims	390,801,485	358,118,885

Gross claims represent the total claims paid to the policy holders of the Association.

### 15. Re-Insurance subscriptions and claims

#### 15.1 Net premium received

The premiums received and claims settled in respect of catastrophe covers during the year are as follows:

	2023 Rs	2022 Rs
Re-Insurance subscriptions	111,257,770	134,098,769
Re-Insurance claims	(152,874,356)	(124,622,728)
	(41,616,586)	9,476,041

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2023

### 15. Re-Insurance subscriptions and claims (Contd)

#### 15.2 Gain/(loss) on re-insurance

The net impact on reinsurance of catastrophe covers with Eagle Insurance Limited and The Mauritius Union Cy Ltd during the year is as follows:

	2023 Rs	2022 Rs
Re-Insurance premiums received	128,694,093	135,067,749
Re-Insured costs	(111,257,770)	(134,098,769)
	17,436,323	968,980

#### 15.3 Amount (payable to)/receivable from reinsurer

	2023 Rs	2022 Rs
Eagle Insurance Limited	(375,619)	(11,668,789)
The Mauritius Union Assurance Cy Ltd	20,197,473	-
<b>Net amount at 30 June</b>	<b>19,821,854</b>	<b>(11,668,789)</b>

During the financial year ended 30 June 2020, the Association entered into a reinsurance agreement with Eagle Insurance Limited which was renewed with effective date up till 30 September 2022. As at reporting date, an amount of Rs 375,619 is payable to the reinsurer. During the year ended 30 June 2023, the Association entered into a reinsurer agreement with The Mauritius Union Assurance Cy Ltd with effective date starting 01 October 2022 up to 30 September 2025. As at the reporting date, the amount of Rs 20,197,473 is receivable from the reinsurer.

### 16. Management fees

	2023 Rs	2022 Rs
Management fees	23,875,600	24,550,850

As per the Administration Agreement entered between Medscheme and the Association dated 19 March 2019, the management fee is computed on a fixed charge per number of active members as at date of closure of operations each month. There is an escalating fee structure as per the Administration Agreement for 4 consecutive years. For the year ended 30 June 2023, a fixed fee of Rs 100 (2022: Rs 95) was charged per active member.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2023

### 17. Referral fees

	2023 Rs	2022 Rs
Referral fees	4,952,879	3,713,443

Referral fees pertains to expenses incurred in respect to the brokers of the Association. The fee structure for referral services is 7% on annual premiums on businesses referred to the Association, payable either on a monthly or a quarterly basis.

### 18. Marketing fees

	2023 Rs	2022 Rs
Marketing fees	2,338,687	2,392,441

The fee structure for the marketing services to Business Mauritius is 0.5% of the annual contribution and a per-beneficiary fee of Rs 20 per annum (2022: Rs 20), with a minimum of Rs 500,000 (2022: Rs 500,000) annually, settled by the Association on a quarterly basis.

### 19. Reconciliation of liabilities arising from financing activities

Net debt reconciliation:

Net debt	2023 Rs	2022 Rs
<b>Lease liabilities</b>		
- Repayable within one year	-	198,009
- Repayable after one year	-	364,755
	-	562,764

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2023

### 19. Reconciliation of liabilities arising from financing activities (Contd)

	Long-term Lease liabilities 2023 Rs	Short-term 2023 Rs	Total 2023 Rs
<b>Net debt as at start of the year</b>	364,755	198,009	562,764
<b>Cash flows:</b>			
- Repayment of lease liabilities	-	(236,479)	(236,479)
<b>Non-cash:</b>			
- Interest expense	15,860	-	15,860
- Derecognition of lease liabilities	(380,615)	38,470	(342,145)
<b>Net debt as at end of the year</b>	-	-	-

	Long-term Lease liabilities 2022 Rs	Short-term 2022 Rs	Total 2022 Rs
<b>Net debt as at start of the year</b>	528,927	320,948	849,875
<b>Cash flows:</b>			
- Repayment of lease liabilities	-	(325,163)	(325,163)
<b>Non-cash:</b>			
- Interest expense	38,052	-	38,052
- Reclassification	(202,224)	202,224	-
<b>Net debt as at end of the year</b>	364,755	198,009	562,764









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