INTEGRATED REPORT 2024

Seamless

SINCEPHETELO
MVA FUND

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IBC GLOSSARY

Navigating Our **Report**

In our report, we endeavour to describe our approach, activities, and mandate in terms of our capitals, strategy, and stakeholders, with associated icons to aid reference and navigation.

Our six capitals

Financial Capital	The pool of funds and assets that we maintain
Human Capital	Our people, and all the competencies, abilities, experience, and expertise that they bring to the Fund
Intellectual Capital	The policies, procedures, intellectual property (IP), and knowledge that exists and is cultivated in our organisation, including our vision, mission, purpose, and reputation
Social And Relationship Capital	The partnerships and relationships that we build and maintain with all our stakeholders
Manufactured Capital	Our vehicles, buildings, properties, technological networks, customer service, and other infrastructure
Natural Capital	The actions we take that help to sustain the environment in which we operate

Our three strategic pillars

- Financial Stability
- Operational Efficiency
- Customer Experience

Our stakeholder groups

Pol	Police
Pub	Public
CF	Caregivers Forum
Jud	Judiciary
MoF	Ministry of Finance
MoPWT	Ministry of Public Works and Transport
PSVs	Public Service Vehicles Owners
MoH	Ministry of Health
Claim	Claimants
MoLSS	Ministry of Labour and Social Security
PC	Private Clinics
SUF	SUFIAW
DPMO	Deputy Prime Minister's Office


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ABOUT OUR REPORT

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This report is the fourth annual integrated report of Sincephetelo Motor Vehicle Accidents Fund (SMVAF, the Fund). It undertakes to provide the Fund's stakeholders with a balanced view on its value-creation activities, with the content and disclosures of this report based on the principles of materiality.

Our reporting philosophy

We have undertaken our integrated reporting journey in order to adopt a more cohesive and efficient approach to reporting, so that we can:

- Promote good governance;
- Better inform resource allocation through a value-creation approach;
- Enhance accountability and stewardship;
- Instil transparency, accountability, and trust with stakeholders;
- Allow for monitoring and evaluation against stakeholder expectations and concerns;
- Demonstrate proven past performance track record against plans; and
- Present an outlook of value creation through innovation.

Reporting boundary

The report covers the financial year from 1 April 2023 to 31 March 2024, and focuses on the material matters relating to our strategy, our business model, the context within which we operate, as well as the performance, governance and the material risks and opportunities arising from them, that we have identified within the parameters of best practice. It is an explanation of how we fulfil our legislated mandate in the short-, medium-, and long-term, which we define as one year, two to three years, and three to five years, respectively.

The report has been designed to provide an accurate and balanced commentary on our strategy, performance, and future outlook as these relate to material financial, economic, social, and governance issues. The report primarily addresses value creation considerations and important information for all our key stakeholders. As such, it forms part of the Fund's public accountability, transparency, and responsibility to a broad range of stakeholders, and it therefore contains comprehensive information about the organisation, its strategy, operations, business, and operating environment, and the stakeholders whose material interests are reflected and impacted by our activities.

Reporting frameworks

The report has been prepared with regard to the aspirations and ideals set out in the principles of the King IV Code on Corporate Governance (King IV) and is also guided by the principles and requirements of the International Integrated Reporting Framework. Our annual financial statements, from page 116, were prepared in accordance with the International Financial Reporting Standards (IFRS), and in the manner required by the Motor Vehicle Accident (MVA) Act of 1991 as Amended in 2011, as well as the Public Enterprises (Control and Monitoring) Act, 1989.

About Our Report continued

Materiality

We consider an issue to be material if it has the potential to have an impact on our ability to fulfil our mandate sustainably, or influence decisions by our principal and stakeholders. Our material issues are informed by the expectations and concerns of our stakeholders, as well as the social, economic, and environmental context in which we operate. Our material issues are linked to the way we plan our strategy and the priorities of our management, as well as to the conditions pertaining to our operating environment.

For more on our material matters, see page 39.

Reporting consistency

We endeavour to maintain consistency of publication, format, and platform in our reporting to provide our stakeholders with the ability to compare information about the Fund over time. We thus make every effort in this report to convey its content with due regard to SMVAF's capacity for creating value in terms of its mandate, governance, strategy, risk-management, and performance. To this end, in addition to the printed copy of this report, we also make it available and accessible online, together with our archive of previous reports.

Forward-looking statements

This report contains certain forward-looking statements, particularly with regard to change management as it affects our strategy, operational structure, risk management, talent management, and business intelligence (BI). These forward-looking statements thus involve both known and as yet unknown risks, uncertainties, and other important factors that could cause our actual results, performance, or achievements to be materially different from the future results, performance, or achievements expressed or implied by such forward-looking statements.

SMVAF undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this document, or to reflect the occurrence of anticipated events. The forward-looking statements have not been reviewed or reported on by the auditors.

Directors' Statement of Responsibility

Whilst executive management, assisted by the reporting team, was responsible for the preparation of this integrated report, the Board of Directors (the Board), supported by the Audit Committee, acknowledges its responsibility for overseeing and ensuring the integrity of the report. Having applied its collective mind to the report's presentation and preparation, and believing it to fairly represent those matters that have a material effect on our ability to fulfil our mandate, the Board accordingly approved this integrated report, which is signed on its behalf, on 31 March 2025 by:

Zithulele Gina
Chairman

David Mfanimpela Myeni
Chief Executive Officer

Board member

OUR YEAR **AT A GLANCE**

GROUP HIGHLIGHTS 7

Group Highlights

▲ 25%
Operating Income before benefits and claims
E211 million
(2023: E169 million)

▼ (23%)
Benefits and claims
E126 million
(2023: E164 million)

▲ 64%
Deficit
(E35 million)
(2023: E96 million)

▲ 9%
MVA levy
E156 million
(2023: E144 million)

▲ 24%
Operating and admin expenses
E154 million
(2023: E124 million)

▲ 43%
Investments income
E30 million
(2023: E21 million)

▼ 76%
Reserves
E11 million
(2023: E46 million)

▲ 5%
Total assets
E635 million
(2023: E605 million)

▲ 14%
Claims liability
E608 million
(2023: E534 million)

▼ (6%)
Solvency ratio
102% (2023: 108%)

▲ 12%
Manpower costs
E57 million
(2023: E51 million)

▲ 3%
Number of employees
111 (2023: 108)

▼ 6%
Male to female employee ratio
42.5% : 57.5%
2023: 48% : 52%

▲ 56%
CSI disbursements
E2.8 million
(2023: E1.8 million)

▼ 33%
MOUs signed
2 (2023: 3)

MINISTER'S **FOREWORD**

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The implementation of the Fund's strategy over the past five years has ensured that victims are in safe hands and are provided with a high level of quality care, inspires confidence in the continued operations of the Fund. More specialised care has become available within the country, although the need to address the costs of private treatment, and the necessity of sending patients beyond our borders, continues to be a matter which requires attention.

It is gratifying to see the progress that has been made in immediate response to accidents when they occur. By taking on some responsibility for that golden hour, the SMVAF is helping to improve treatment efficacy, reduce unnecessary suffering, and better facilitate, initiate, and complete the claims process.

Working for our communities

The significant development in these areas marks the important contribution the Fund continues to make to the overall well-being of our communities. This, of course, is underpinned by its efforts in awareness education, the promotion of road-safety initiatives, and material support for the availability of ambulances and treatment options within healthcare facilities themselves.

The proactive approach

Whilst the SMVAF's reserves have indeed diminished over time, it is important to emphasise that this is for all the right reasons. Undoubtedly, the increase in claims demands continues to place financial pressure on the Fund. I am proud, however, that it is in fact delivering on its mandate far more effectively. I remain confident that, as a new strategic phase that began in late 2024, the innovative thinking and forward-looking, proactive approach that has characterised the Fund over the years, will continue to take strides organisationally, technologically, and operationally in the medium-term.

Collaboration and partnership

It is important to recognise the ongoing cooperation and participation of partners and stakeholders in the process of road accident response. Quick response units; the fire brigade, emergency systems at the public hospitals, as well as those in the private sector are all important components, contributing to the Fund's ability to fulfil its mandate.

It is indeed gratifying to note that the efforts of the Fund in fostering these key relationships have been mutually reciprocated and the positive outcomes are evident in the improved level of care that is now available to claimants.

There remain outstanding matters that need to be addressed – ageing vehicles being one among several. Over time, we have managed to use regulation to reduce the age of cars that are permitted into the country as cheap imports, with the limit having come down from 11 years several years ago, to eight years in the past financial year.

Whilst this is an important way to help curb accident proneness at its source, high rates of incidents on our roads have not yet come down correspondingly. This only underlines the importance of continuing to promote driver awareness and responsibility which, I am pleased to say, the Fund is admirably undertaking on an ongoing basis.

MINISTER'S **FOREWORD**

continued

Looking ahead

It is clear that the role of technology is increasing, both within organisations and their operations, and in terms of what is becoming widely available to consumers. It will be necessary to take this trend into account strategically as we move forward in reviewing revenue options that will help relieve the Fund's reliance on the fuel levy.

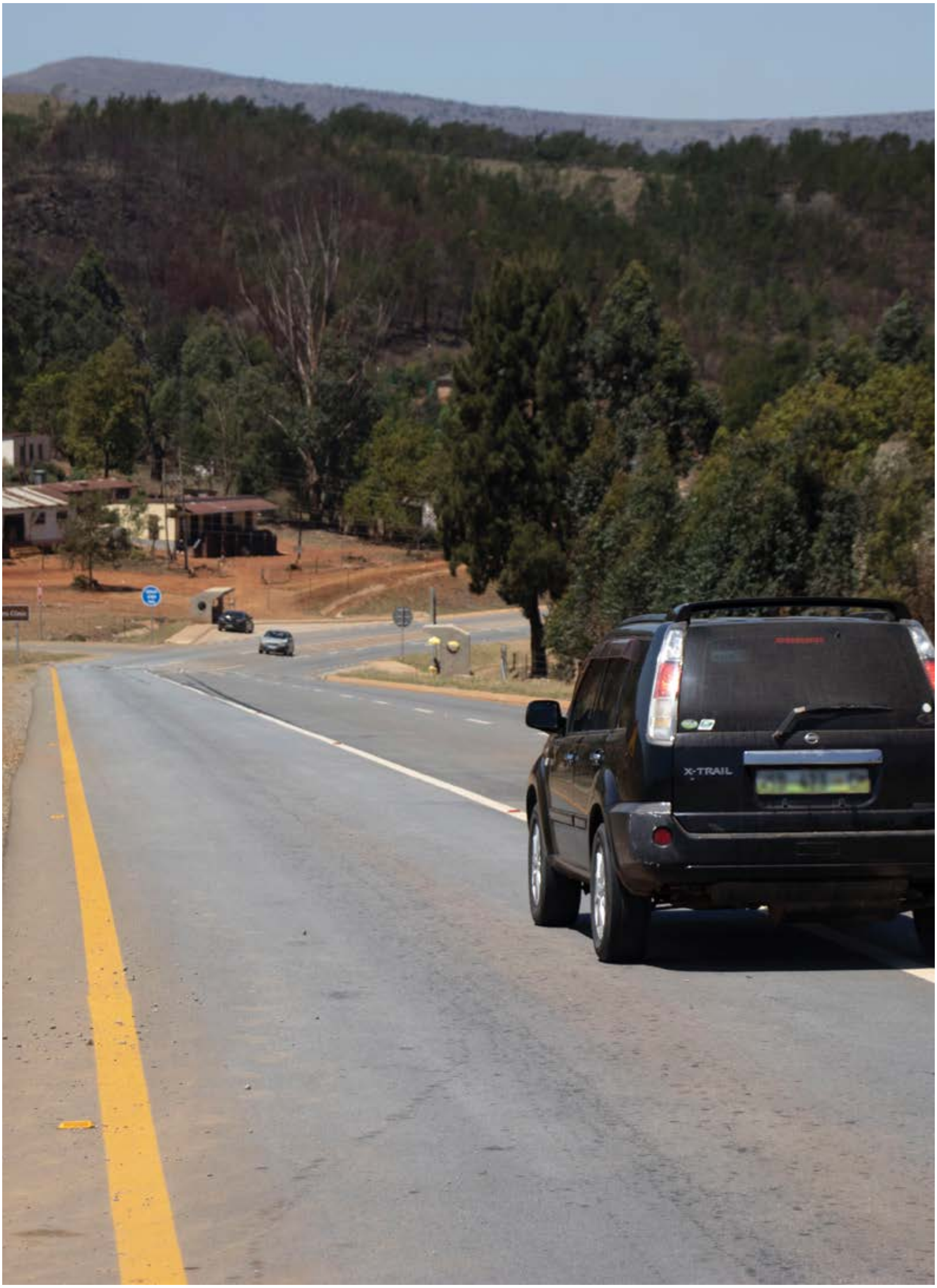
Developments such as the increasing availability of electric vehicles will need to be included in forward planning. Internally, the full integration of systems drive to lower costs and increase efficiency will retain their centrality. It is very pleasing to note the awareness and determination of the SMVAF in this regard.

Acknowledgements

I would like to express my sincere appreciation and gratitude to the Board and executive management of the SMVAF for their dedication and diligence throughout the year. Their leadership has ensured that the Fund continues to fulfill its mandate with integrity, while strengthening the financial risk framework to accelerate returns and safeguard sustainability.

I also extend my heartfelt thanks to the Ministries of Health, Public Works and Transport, and all the various departments and employees whose commitment and collaboration have been instrumental in achieving the Fund's objectives. Their collective efforts have contributed significantly to the successful fulfillment of the SMVAF's mandate during the year.

Neal Rijkenberg
Minister of Finance, Kingdom of Eswatini


X-TRAIL

WHO WE ARE

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The Sincephetelo Motor Vehicle Accidents Fund was established under the Motor Vehicle Accidents Act No. 13 of 1991, as amended in 2011 (the Act), to compensate road accident victims who have inculpably suffered bodily injury or loss of support following the death of breadwinners from motor vehicle accidents by means of the motor vehicle accidents' fuel levy.

The existence of the Fund introduced compensation for accident victims, without the need for recourse to third-party insurance that was unaffordable for many in the years leading up to the legislation. The Fund derives its income from a fuel levy, paid by all drivers and vehicle owners at the point of fuel purchase.

What we do

The Fund prioritises payment of medical and rehabilitative benefits in personal injury claims, and to this end has two fully-fledged branches, one in Manzini and one in Mbabane. In the event of loss of life, funeral benefits and loss-of-support benefits are payable. Payouts are also made to cover general damages, which include:

- Pain and suffering
- Disfigurement
- Loss of amenities of life
- Loss of general health

The Fund is also empowered to participate in national road crash and injury prevention interventions and strategies.

How we do it

The 2011 amendment to the Act stipulates liability benefits for an injured party, in order of preference:

- Medical and rehabilitative services;
- Enhanced quality of life;
- Loss of earnings;
- General damages;
- Funeral expenses; and
- Loss of support: In terms of the Act, under the fuel levy system, compensation for no-fault is a legal right.

Our mandate

- To compensate persons who have inculpably been injured or killed in a motor vehicle accident.
- To provide compensation – To ensure the payment of damages in monetary form or other equitable means to those who have suffered harm or loss from motor vehicle accidents.
- To pay out Special Damages and General Damages.
- To fulfil the purpose of compensation – To restore claimants
  to the condition in which they were before their motor vehicle accident.

Our vision

To be a road accident fund that provides best care and excellent service for value.

Our mission

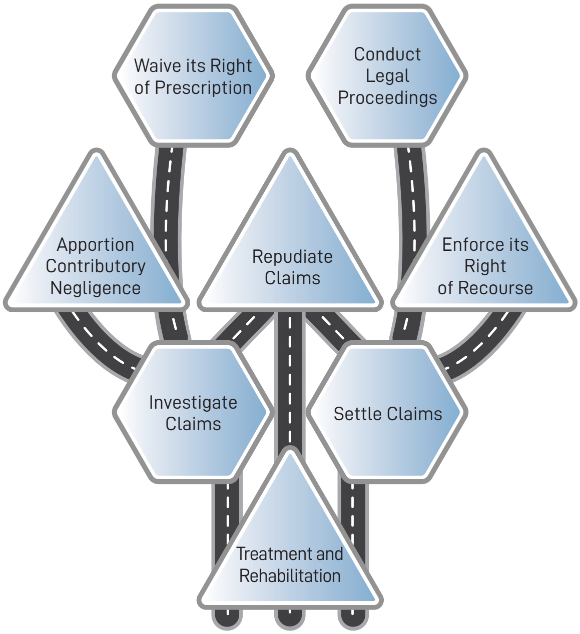
To effectively provide quality medical treatment, rehabilitation, and compensation for motor vehicle accident victims, and to collaborate with stakeholders in the prevention of road traffic accidents, through implementing global best practices.

Our values

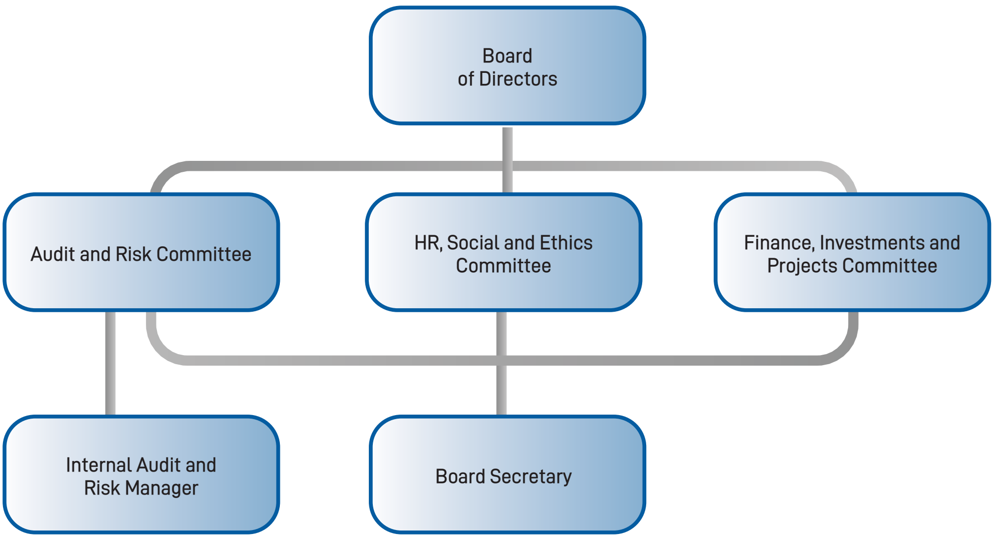
- *Compassion* – We will always express the highest level
  of compassion when dealing with Claimants' cases.
- *Integrity* – We will always demonstrate the highest level of integrity when working.
- *Professionalism* – We will always demonstrate the highest level
  of professionalism when working with stakeholders and Claimants.
- *Innovation* – We will seek to apply innovative and technology-driven ways and methods in delivering solutions/services to our clients.
- *Teamwork* – We will always work as one united team at sectional, departmental, and corporate levels.

Who **We Are** continued

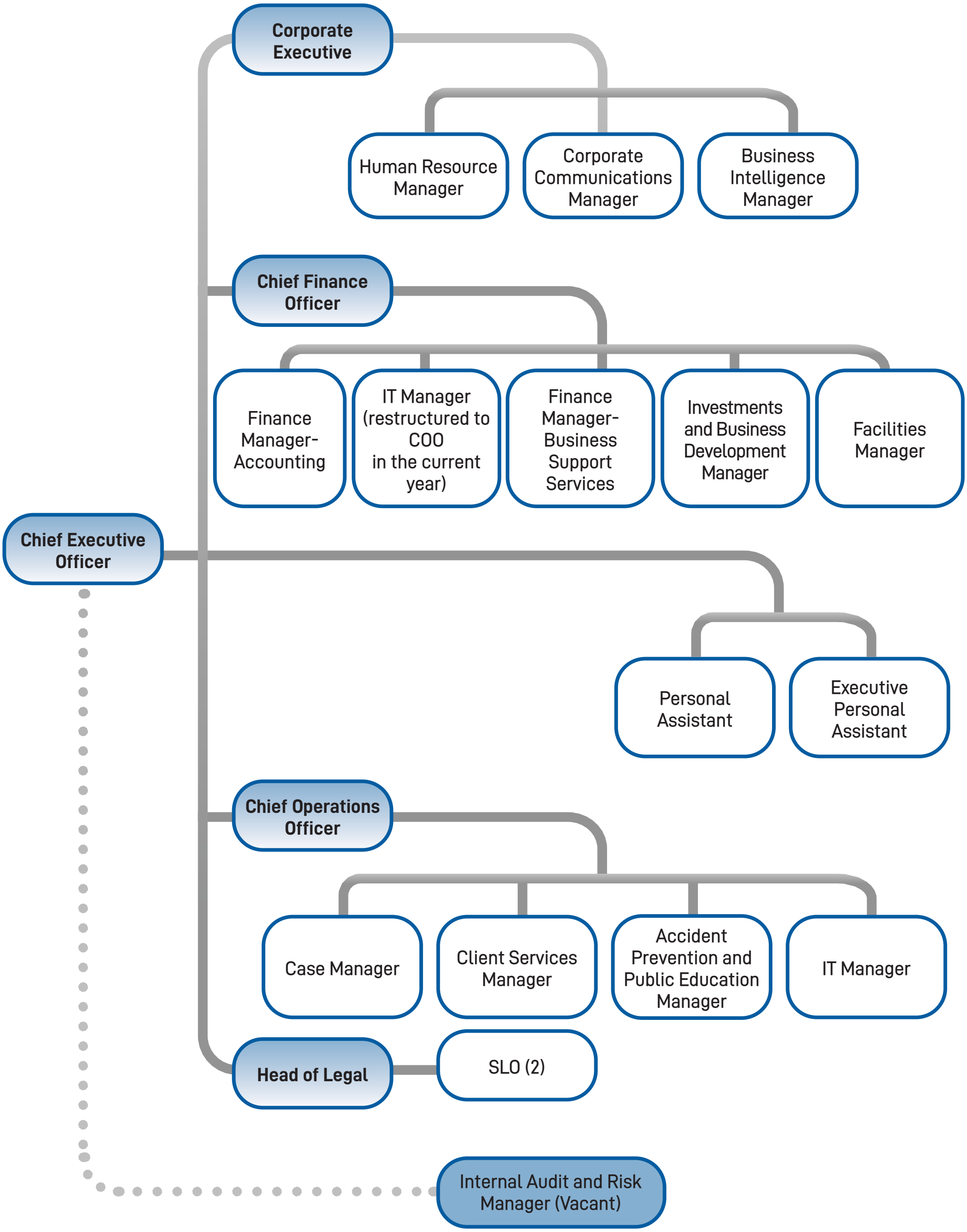
Our rights and powers



Our business structure



Our management structure



Who We Are continued

Our operating environment

Global conditions

Whilst some resilience was to be seen in the world economy during the year under review, monetary policy continued to tighten, in the context of ongoing conflict in important geopolitical zones. There was an increase in associated macro-effects, with related greater economic uncertainty.

Economic growth exceeding expectations was discernible in several developed and developing countries. There were some markets in which consumer spending was supported that saw a significant decline in global inflation, lower energy and food prices, and a resultant trend of slowing or paused interest rate hikes by central banks.

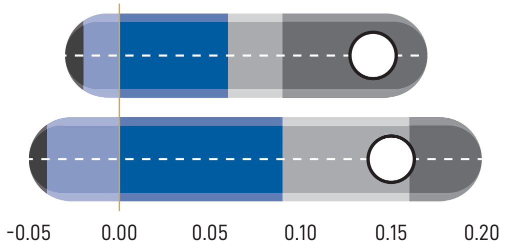
Despite the tightened monetary conditions, stronger private and government spending sustained activity on the demand side during the year. On the supply side, this was reinforced by increased labour force participation as supply chains were reestablished.

A certain easing of conditions was thus recorded during the year, assisted by cheaper energy and commodity prices, despite renewed hesitations and a sense of insecurity springing from the unexpected outbreak of conflict in the Middle East in October 2023.

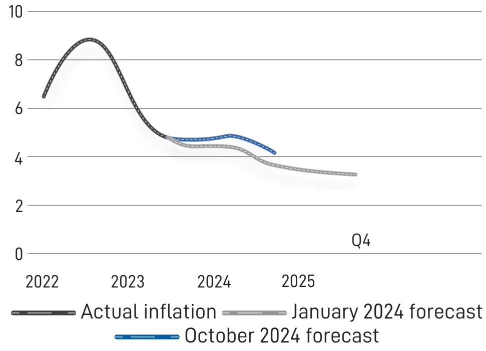
For more on global conditions regarding investment, see page 31.

Global growth forecast

World real GDP growth revisions



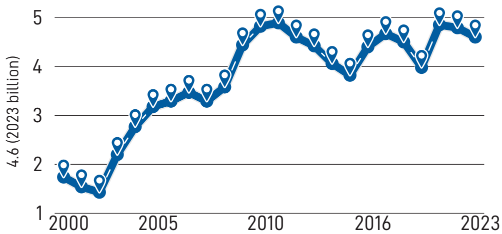
Headline inflation



Domestic conditions

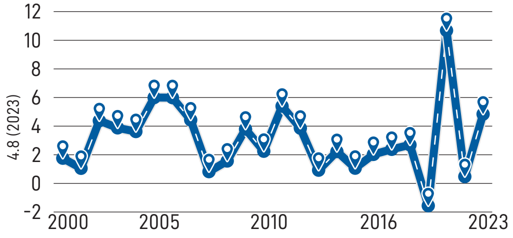
Tightened conditions continued to be obtained in the SADC region, with associated pressure on household expenditure remaining high. Nonetheless, Eswatini has been successful in implementing fiscal discipline which has enabled the country to keep its fiscal deficit down from 7.5% to 2%, with debt pegged at around 38%, and real GDP rebounding from 0.5% in 2022 to an estimated 4.8% in 2023.

Current GDP (US$)



This had the effect of placing the Eswatini economy on a sustainable path, with growth estimated at around 5%. Despite these positive signs of a healthy economy, at the level of household expenditure, the effects have not yet been felt.

Annual GDP growth (%)

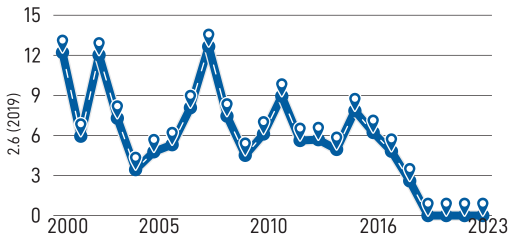


During the year, real GDP rebounded to an estimated 4.8% in 2023 (from 0.5% in 2022), driven by an increase in services and exports. The doubling of Southern African Customs Union (SACU) receipts allowed the government to reduce the overall fiscal deficit whilst increasing spending that boosted government-linked services.

Despite easing global inflationary pressures, annual average inflation increased from 4.8% in 2022 to 5.0% in 2023 – the result of higher transport, food, housing, and utilities prices.

These pressures continued in early 2024, with inflation increasing from 4.3% in December 2023 to 4.5% in January 2024 (year-on-year). However, inflation remained within the 3 to 6% band, with the central bank maintaining the repo rate at 7.5% since July 2023.

Annual inflation, consumer prices (% of GDP)



MESSAGE FROM **THE CHAIRMAN**

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The year under review was characterised by three important issues – the continuing high level of our claims liability, the successful pursuit of a joint venture for the Ekuphileni Clinic, and ensuring our long-term sustainability through creative and innovative strategic thinking.

With the long-term sustainability of the Fund constantly at the heart of our deliberations and actions during the year, we continued to diligently address and carefully manage the ongoing high level of our claims liability. To this end, the Board has guided and delegated the further reduction of the Fund's administrative costs, with an important part of this effort being the process of implementing and operationalising our new SAP enterprise resource planning (ERP) system.

Through the sharing of data, and together with cloud-based solutions, this ERP system, despite some delays in its implementation, has already enabled impressive improvements in collaboration between our case management, client service, and finance departments. This has increased efficiency, reduced redundancies, and improved response times, thereby making an important contribution towards our goal of sustainability over the long-term.

For more on our IT systems, see page 60.

Whilst it is very gratifying to see improvements in customer satisfaction indices, we know that there is still room for improvement in resolving claims quicker. During the year, we continued to streamline the process both operationally for the Fund, and practically for our claimants, whose interests remain at the centre of everything we do.

For more on case management, see page 73.

Strategic thinking

With the year under review constituting the 'last mile' of our Seamless Sincephetelo Strategy, much effort has gone into considering, devising, and framing a new strategy to take the Fund forward into its next strategic cycle. With the new strategy in the process of approval, we anticipate that our prioritisation of stabilising the Fund's finances will begin to bear fruit in the short-term, and do much to consolidate our financial position over the medium- to long-term.

For more on our strategy, see page 46.

Message from **the Chairman** continued

Risk management

During the year, the Board continued to view this very issue of long-term financial stability as a key material matter. I am pleased to note that the Board was once again satisfied that during the year, all of our top ten risks were well managed with appropriate reviews, assessments, and considerations. This aspect of the business remains a strong and important part of our effective and transparent governance.

For more on risk management, see page 39.

Working with our stakeholders

During the year, we continued to make our claimants' needs and requirements our top priority. Whilst we have taken enormous strides in reducing our claims backlog, we acknowledge that further efforts are needed until we attain our goal of processing all claims in the most efficient and cost-effective ways possible. We are grateful for the patience of our Claimants in this regard, and value their input highly as we continue to work hard to address their concerns.

We greatly appreciate the continued support of Parliament of Eswatini, and particularly the Ministry of Finance. These bodies are indispensable to our ability to fulfil our mandate. Their eagerness to work with us as we strive to find long-term solutions for stability remains a vital part of our strategic approach.

Our relationship with the Union as well, continued to be of central importance during the year as our cost-cutting efforts have implications for Fund employees.

For more on our stakeholders and human resources, see page 81 and 57 respectively.

Acknowledgements

I would like to express great appreciation to the Minister of Finance, Honourable Neal Rijkenberg, for his commitment to the Fund and the resolution of its material concerns. His unwavering trust in the capacities of our Board and management, together with the support of his ministry remains necessary.

I would also like to thank all the Board members for their dedication and wisdom that have once again enabled and exemplified the good governance on which the Fund prides itself. I am proud that our thorough deliberations during the year continued to result in unanimity on every issue.

Finally, I would like to thank our management team, under the capable leadership of our CEO, David Mfanimpela Myeni. The team and all our staff are indeed central to the strategic and operational success of the Fund as we strive to deliver on our mandate. On behalf of the Board, I would like to acknowledge them for their commitment and dedication. We are extremely proud of our people, and we understand that without their diligence and loyalty, we would not have been able to make the progress that we have during the year.

Zithulele Gina
Chairman

MESSAGE FROM THE CEO

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> **The year under review saw the implementation of the last mile of our Seamless Sincephetelo Strategy 20/24. The strategy has seen the evolution of the Fund into a proactive, client-centric organisation that places the people it serves at the centre of its thinking and its actions. As we move into a new strategic phase, the various changes we have brought about over the Seamless period will provide a solid platform for growth, stability, and the sustainable fulfilling of our mandate.**

During the year under review, we continued to deliver on our terms of the mandate, whilst internalising and applying all we have learned since the Seamless Strategy's inception in 2020.

We continued with our determination to be as close as possible to our claimants through the streamlining of our case management processes, as well as contributing towards treatment through assistance with advice and facilitating appointments with health facilities and, of course, in accident victim evacuation. I am pleased that we continued to realise good benefits from the eight ambulance units previously donated to the Emergency Preparedness Response Unit, in terms of improving the response rate to accidents.

For more on our claims management and road accident prevention efforts, see pages 71 and 88.

Compliance

An important initiative during the year was our establishment of a compliance function to better enable us, as an organisation that is governed by statute, to be fully aligned with relevant legislation, to ensure that everything that we do is ethical, and that we continue to provide our services to people with integrity.

For more on our workplace culture and governance, see pages 58 and 108, respectively.

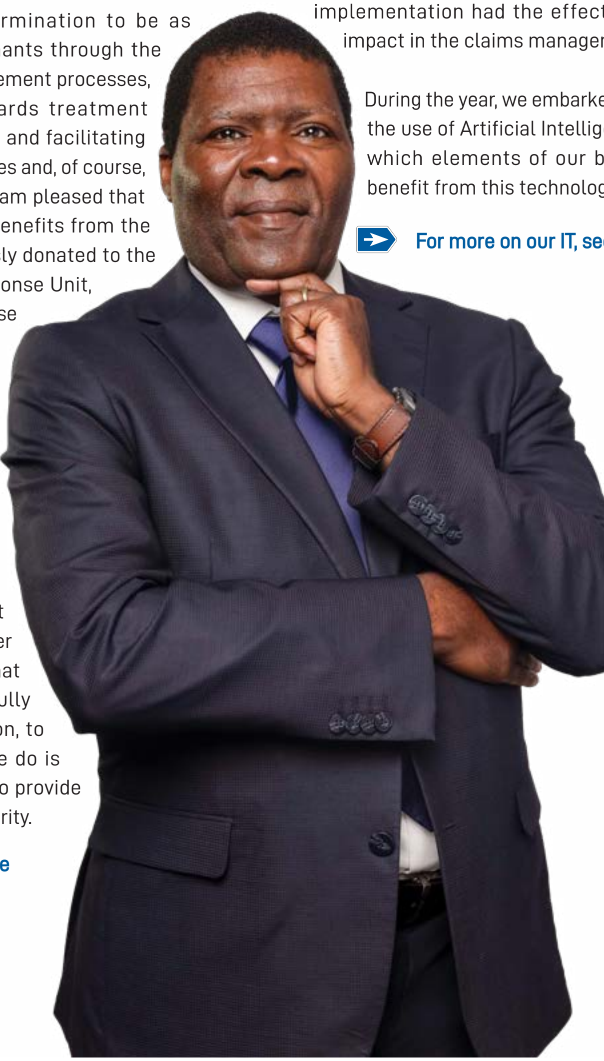
New enterprise resource planning (ERP) system implementation

The year under review also saw the culmination of our efforts to implement and embed our new SAP enterprise resource planning (ERP) system. Integrating this system and ensuring that it works as designed has been a long process, but we believe that it has already begun to make our processes like claims management far more efficient, and thereby cost-efficient, with important beneficial outcomes both for our claimants, and for our long-term strategic sustainability.

However, whilst we endeavoured to increase the numbers of people working exclusively on claims, diverting our resources towards ensuring successful ERP implementation had the effect of lessening our impact in the claims management area.

During the year, we embarked on some pilots in the use of Artificial Intelligence (AI) to assess which elements of our business can best benefit from this technology.

For more on our IT, see page 60.



Message from the CEO
continued

Skills development

It is very gratifying to note that we continued with our extensive employee empowerment programme during the year. We provided assistance for staff members studying for their bachelor's degrees, as well as for those doing master's degrees, whilst encouraging the latter to proceed to doctorate level as well. Our intention, throughout, is ultimately to enhance our capacity, particularly on the analytical side of our business. In related initiatives, we organised our employee wellness programmes to be more structured, enabling us to provide our people with financial, physical, spiritual and mental support.

For more on our HR and skills development, see page 57.

Supporting our communities

The year once again saw the Fund's involvement in our communities, with road safety educational initiatives, public activations and interventions, and a strong presence at the return of the Ingwenyama Cup. We remain committed to improving the well-being of the people we serve. During the year, we continued keeping them informed of their claims rights and procedures, and assisted them in various ways to obtain the service which we are mandated to provide.

For more on our community social investment (CSI) initiatives, see page 95.

Challenges

An important challenge that we continued to face this year was that the amount of fuel consumed in the country was still 8% below the pre-COVID-19 consumption level in the 2019/20 FY. This continues to have a direct impact on our revenue and will be a matter for careful strategic and operational consideration as we implement our new strategy in FY2025. One way of combatting this will be to contain the operating costs to attain a 60:40 ratio of claims payments to administration costs, and we have already been instituting systems changes to enable us to achieve this.

Claims limits have been another challenge. These have rightly caused great discomfort to our claimants, who are required to deal with limits set in 2011, and therefore cannot reflect today's realities. We are nonetheless hopeful that we can accelerate the process of legislative review in this area which will review the caps to align with the current prevailing circumstances.

The constraints in public healthcare within the country continued to impact our expenses, as we have had to make increasing use of private facilities and treatment options outside of Eswatini. We believe that this can be countered through accident prevention driven by better road safety education and enforcement.

For more on our risk management, see page 39.

Looking ahead

In the short-term, we look forward to implementing our new strategy, which will take us through to 2028. Already approved by our Board, it awaits cabinet approval.

With our reliance on a fixed fuel levy in the short- to medium-term, we will continue to seek ways to save on costs and make our processes more efficient, whilst striving to provide our claimants with the best level of service. Our ongoing goal of greater efficiencies will also have a mitigating effect on claims limits, which will continue to remain a reputational challenge for the Fund.

Also in the medium-term, we will need to devise strategies that consider the increasing trend towards electric vehicles. Their use will diminish the amount of petrol litres sold, and this will necessitate the Fund's exploring of alternative avenues for growth and revenue.

We will continue to work with our important stakeholders in the police, government, and the judiciary to reduce road accident numbers. This will require ongoing innovative initiatives in the areas of education, awareness, prevention, and deterrence.

Acknowledgements

I would like to thank the Honourable Minister of Finance, Neal Rijkenberg, who continues to be a pillar of strength and advocate for the Fund. His assistance and guidance is greatly appreciated, and his support for our concerns and his confidence in our operational initiatives adds immense value to our efforts.

I would also like to express my appreciation to our Chairman and Board, whose wise and skilled guidance and readiness to support management continued to help see our way through some difficult challenges.

I would like to thank all our stakeholders and partners for their ongoing input and collaboration during the year.

Finally, I want to express my gratitude to my management team and all staff for their unstinting loyalty, dedication, and commitment as we strive to deliver on our mandate to our claimants in the best way possible.

David Mfanimpela Myeni
Chief Executive Officer

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Our financial capital underpins the Fund's systems, operations, and the way in which we fulfil our mandate and implement our strategy. Managing it diligently, efficiently, and transparently is fundamental to our long-term sustainability. It provides us with the capacity to apply our values in realising our mission and adhering to our vision, as well as enabling us to clearly define and manage our risk and operate in terms of our business model.

Impacting

Capital/s

Strategic pillars

Stakeholders MoF, MoH, Claim, SUF

Chief Financial Officer's Review

Statement of Financial Position as at 31 March 2024

	GROUP		FUND		GROUP	FUND
	2024 E	**2023** E	**2024** E	**2023** E	**Movement** %	**Movement** %
Non-current assets						
1 Property, plant and equipment	**182 927 518**	181 283 056	**137 614 920**	132 104 430	**1%**	**4%**
2 Investment property	**51 375 859**	40 054 477	**77 386 363**	66 064 981	**28%**	**17%**
3 Intangibles	**15 362 980**	855 044	**15 362 980**	804 263	**1697%**	**1810%**
4 Investment in subsidiary	**–**	–	**10 000 000**	10 000 000	**0%**	**0%**
5 Loans to subsidiary	**–**	–	**64 069 282**	46 390 171	**0%**	**39%**
6 Financial assets	**223 145 345**	92 931 403	**223 145 345**	92 931 403	**140%**	**140%**
7 Right of use assets	**984 638**	1 679 676	**984 638**	1 679 676	**-41%**	**-41%**
Total non current Assets	**473 796 340**	316 803 656	**528 563 528**	349 974 923		

Our Financial **Capital** continued

Chief Financial Officer's Review continued

Statement of Financial Position as at 31 March 2024 continued

	GROUP	FUND
1	The increase is mainly attributable to additions in the current year and reversal of impairments which were partly offset by the current year depreciation.	The increase is mainly attributable to additions in the current year and reversal of impairments which were partly offset by the current year depreciation.
2	The increase is attribulatable to the reversal of impairment loss previously recognised for the fund's properties.	
3	The movement is mainly due to capitalisation of the Fund's new ERP system.	
5	Elimination of intercompany balances on consolidation which results to the zero balance.	The increase is largely due to additional working capital support that was extended to the subsidiary in the current year.
6	The increase reflects a reclassification of balances of government bonds to long term as a result of their projected maturity.	
7	The decrease is attributable to the amortisation of the right of use asset.	

	GROUP		FUND		GROUP	FUND
	2024 E	**2023** E	**2024** E	**2023** E	**Movement** %	**Movement** %
Current assets						
1 Inventory	**453 431**	446 323	**–**	–	**2%**	**0%**
2 Loans to subsidiary	**–**	–	**21 084 371**	17 597 146	**0%**	**20%**
3 Fuel Levy and Other Receivable	**47 337 652**	40 119 594	**23 611 142**	25 292 166	**18%**	**-7%**
4 Financial assets	**82 726 899**	207 033 745	**82 726 899**	207 033 745	**-60%**	**-60%**
5 Cash and cash equivalents	**31 025 873**	41 249 451	**13 119 136**	30 024 648	**-25%**	**-56%**
Total current Assets	**161 543 855**	288 849 113	**140 541 548**	279 947 705		
Total assets	**635 340 195**	605 652 769	**669 105 075**	629 922 629		

Chief Financial Officer's Review continued

Statement of Financial Position as at 31 March 2024 continued

	GROUP	FUND
1	Inventory is fairly comparable to the prior year.	In line with its business model, the Fund does not hold any inventory.
2	Elimination of intercompany balances on consolidation which results to the zero balance.	Increase is attributable to the financial support that was provided by the Fund to the clinic during the year under review to enhance its operations.
3	From a Group perspective, receivables increased inline with the revenue increase at clinic which related mainly to Phalala and SMVAF referrals.	The decrease is mainly attributable to the increased collections on fuel levy and other recievables as at year end.
4	In the current financial year, government bonds matured and were re-invested for a longer period resulting in their reclassification to non-current assets.	
5	The decrease in cash holdings was towards claims payments and to fund operations.	The decrease in cash and cash equivalents was as a result of the payout of claims and the need to incur claims expenses immediately in line with the Fund's operating model.

	GROUP		FUND		GROUP	FUND
	2024 E	2023 E	2024 E	2023 E	Movement %	Movement %
EQUITY AND LIABILITIES						
1 Reserves						
1 Accumulated surplus	**10 019 038**	45 745 640	**44 469 242**	71 030 358	**-78%**	**-37%**
1 Other reserves	**522 152**	883 064	**522 152**	522 152	**-41%**	**0%**
Total reserves	**10 541 190**	46 628 704	**44 991 394**	71 552 510		
Non-Current liabilities						
2 Undertakings liabilities	**399 050 931**	328 276 707	**399 050 931**	328 276 707	**22%**	**22%**
3 Outstanding Claims liabilities	**78 464 659**	128 036 444	**78 464 659**	128 597 140	**-39%**	**-39%**
4 Loans	**-**	8 000 000	**-**	8 000 000	**-100%**	**-100%**
5 Lease liability	**312 125**	1 252 237	**312 125**	1 252 237	**-75%**	**-75%**
Total non current liabilities	**477 827 715**	465 565 388	**477 827 715**	466 126 084		

Our Financial **Capital** continued

Chief Financial Officer's Review continued

Statement of Financial Position as at 31 March 2024 continued

GROUP | FUND

1. Reserves decreased as a result of the deficit during the year mainly caused by claims expenses and overall operating expenses being higher than the fuel levy revenue.
2. Undertakings claims increased in the year due to the Fund's pro-active operating model which has resulted in recognition of claims incurred immediately and the increased IBNR provision.
3. Outstanding claims liability decreased in the year due to the projections that a higher balance will be settled in the next 12 months hence classified under short term liabilities
4. The decrease is mainly due to reclassification of loan PN 3 to short-term as it is due and payable in the next 12 months.
5. The decrease in lease liability reflects payments towards the Manzini office space made during the year.

	GROUP		FUND		GROUP	FUND
	2024 E	**2023** E	**2024** E	**2023** E	**Movement** %	**Movement** %
Current liabilities						
1 Undertakings liabilities	**23 157 447**	23 391 000	**23 157 447**	23 391 000	**-1%**	**-1%**
2 Outstanding Claims liabilities	**108 165 619**	55 038 860	**108 165 619**	55 038 860	**97%**	**97%**
3 Loans	**8 181 233**	8 245 145	**8 181 233**	8 245 145	**-1%**	**-1%**
4 Trade and other payables	**5 917 622**	2 641 843	**5 367 210**	1 599 076	**124%**	**236%**
5 Provisions for employee benefits	**609 257**	3 395 425	**474 346**	3 223 550	**-82%**	**-85%**
6 Lease liability	**940 112**	746 404	**940 112**	746 404	**26%**	**26%**
Total current liabilities	**146 971 289**	93 458 677	**146 285 967**	92 244 036		
Total liabilities	**624 799 003**	559 024 065	**624 113 681**	558 370 120		
Total reserve and liabilities	**635 340 195**	605 652 769	**669 105 075**	629 922 629		

GROUP | FUND

1. Undertakings liability is fairly comparable to prior year.
2. Outstanding claims liability increased significantly in the year due to the Fund's pro-active operating model which has resulted in recognition of claims incurred immediately and the increased IBNR provision.
3. The loans payable are fairly comparable to prior year.
4. The increase in overall trade and other payables is a result of the decreased level of payments of suppliers as at year end.
5. The decrease in short term liability is due to the reversal of PMS provision during the year.
6. The Increase in the short-term liability reflects an increase in finance costs relating to the rental of the Manzini office space.

	GROUP		FUND		
	2024 E	2023 E	2024 E	2023 E	TARGET FUND 2024 %
KEY RATIOS					
Solvency ratio	**102%**	108%	**107%**	113%	**150%**
Liquidity ratio	**110%**	309%	**96%**	303%	

Our investment portfolio

Impacting

Capital/s

Strategic pillars

Stakeholders

MoF MoH Claim

Our investment function is a key part of our financial and intellectual capitals. It ensures that, guided by the Fund's investment policy statement, the decision-making process and strategies for allocating our financial resources to generate returns support long-term sustainability through investments in financial markets in Eswatini, South Africa, and the rest of the world.

Through our investment function, we seek to grow existing reserves to ensure:

- that future claims liabilities are met as they fall due (First Order); and
- adequate liquidity in the short-term and growth in investment assets are in line with liabilities (Second Order).
- Sustainability of the Fund.

The investment environment – FY2024

During the year under review, we faced and considered various macro-economic issues in implementing our investment policy.

For more on our operating environment and material issues, see page 16

Our Financial **Capital** continued

Our investment portfolio continued

The issues we faced	Causes and implications	Mitigation measure/s
Inflation fears	These were a dominant issue in 2022 with global central banks, especially the Federal Reserve, European Central and, in turn, the South African Reserve Bank (SARB) and Central Bank of Eswatini (CBE) aggressively raising interest rates to counter high inflation rates. This environment created uncertainty in equity and bond markets as rising interest rates increased borrowing costs and hurt corporate profitability. Inflation was thus relatively high compared to what most monetary authorities would have generally preferred at the outset of FY2024. As a result, most central banks elected to maintain a high-interest rate environment to rein in inflation. This had the effect of inadvertently slowing down the economy and depressing risk assets, such as equities. However, going into 2024, there were hints that central banks would slow down the pace of interest rate hikes, with some even considering rate cuts depending on the economic outlook. This pivot did improve market sentiment, although concerns about 'sticky inflation' persisted.	With all aspects of our investment portfolio affected by these issues, we: • Maintained a diversified portfolio to minimise the impact of macroeconomic issues geographically and across industry sectors and asset classes.
Volatility in global equity markets	Global equity markets, particularly in the US, experienced significant volatility and downturns. The S&P 500 and NASDAQ entered bear market territory as higher interest rates dampened growth prospects. Growth stocks, especially in technology, were hit hardest.	
Rebound in equity markets	As FY2024 progressed, equity markets rebounded, driven by more stable inflation expectations, optimism about Artificial Intelligence (AI) and technology advancements, and stronger-than-expected corporate earnings. However, market sentiment continued to remain fragile, with concerns about geopolitical risks, and the long-term impacts of high rates, still in play.	

The issues we faced	Causes and implications	Mitigation measure/s
Bond prices	In 2022, bonds suffered one of the worst years in decades, as rising interest rates led to sharp declines in prices. Yields on US Treasuries and other government bonds soared, leading to large losses for fixed-income investors. However, in 2023/24, bond markets stabilised somewhat, with yields plateauing or declining as inflation eased and central banks approached peak rates. Despite this, longer-duration bonds remained vulnerable to future inflation surprises, and the inverted yield curve (where short-term rates are almost equal to, or higher than, long-term rates) persists in many economies, signalling uncertainty.	With all aspects of our investment portfolio affected by these issues, we: • Maintained a diversified portfolio to minimise the impact of macroeconomic issues geographically and across industry sectors and asset classes.
Russia-Ukraine War	This conflict, along with tensions between China and the West, created significant geopolitical uncertainty. This affected global trade, energy supplies, and risk-appetite among investors. In 2023/24, geopolitical risks remain elevated, with the war in Ukraine continuing and concerns about US-China relations persisting. Trade restrictions, supply chain realignments, and reshoring efforts are reshaping global economic relations, creating both challenges and opportunities for investors.	
Technology and growth sector pressure	These sectors, which led markets for most of the previous decade, faced pressure due to rising rates and the broader market sell-off. Investors shifted towards value stocks, particularly those in energy and commodities.	
AI and digital transformation	These developments have reinvigorated technology stocks, particularly in sectors like semiconductors and cloud computing. There has been a renewed focus on long-term innovation, despite the headwinds of higher rates. However, valuations are a concern as growth stocks rebound.	

Our Financial **Capital** continued

Our investment portfolio continued

Our investment material matters

Material matter	What it is	What it means	Mitigation measure/s
Rapidly dwindling investment reserves	A primary issue of concern was rapidly dwindling investment reserves, as the Fund continues to rely on reserves to supplement the fuel levy received. This reliance on reserves compels us to be more conservative in our approach to managing investment assets. However, this approach comes at the expense of growth. The current levy has proven to be inadequate to sustainably manage our operations.	We have maintained a balanced approach with the portfolio being generally regarded as moderately aggressive. The lack of review of the current fuel levy, to improve the Fund's funding requirement, poses a significant risk to the sustainability of the Fund. This issue prompts reliance on reserves to make up the shortfall. Thus, there are no additions being made towards increasing reserves to fund the SMVAF's financial deficit.	We addressed these concerns with a concerted focus on: • Constraining administrative costs; and • Implementing accident prevention strategies to address the general increase in road accidents in Eswatini.

Our investment strategy

Our investment strategy during the year under review was focused primarily on three areas:

- Capital preservation
- Income generation
- Growth (through equity asset managers)

With solvency having declined significantly over the years, there has been a growing inability to bear losses in the short-term despite a willingness to do so.

With stability front of mind, we invested in income-generating asset classes such as cash and bonds, which provide capital protection and consistent cash flows, especially in the context of the Eswatini market. This was particularly prudent given the high and rising interest rate environment, which has had the adverse effect of exerting downside pressure in the pricing of risky instruments such as equities.

However, going into 2024, management believed that most of the inflationary pressures, albeit still on the high side, had subsided, and we elected to gradually increase the Fund's equity exposure. This decision was taken to maintain a balanced approach to the portfolio by ensuring income-generation and capital preservation through:

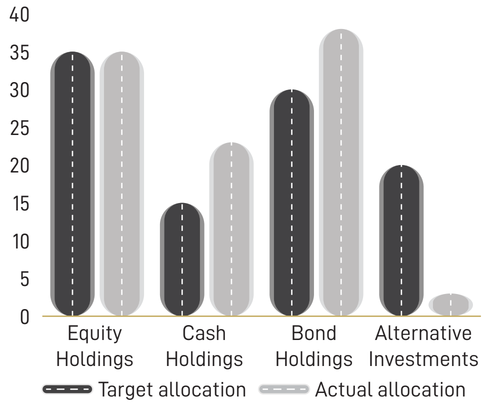
- bonds and cash, as interest rates were relatively high over the period; and
- equities to achieve growth by investing in equity markets, especially South Africa.

Our investment initiatives – FY2024

Our main initiative during the year under review was to recalibrate our asset class allocation. We elected to increase our risk appetite in the second half of the year by investing in equity investments, leaning strongly to South African markets.

This strategy was successfully implemented, based on the view, we took that inflation was on the decline and that central banks will begin initiating monetary policy easing in the latter part of 2024. Moreover, we understood that this would be a gradual process given that many countries would hold elections and that would introduce uncertainty in policy and financial markets.

Our asset allocation – FY2024



Our investment performance – FY2024

The investment portfolio, comprising various financial assets, demonstrated resilience during the reporting period, achieving a return of 11.35%. The equity component of the SMVAF portfolio was the primary contributor to this performance, benefiting significantly from favourable developments within the South African markets.

Similarly, the bond portfolio exhibited strong performance throughout the year. This was supported by the reinvestment of principal proceeds from the maturity of government bonds SG 026 and SG 048 into government bonds SG 075 and SG 076, acquired at a discount. The bond portfolio carries a weighted average coupon rate of 10.5%.

Although cash holdings represent a relatively high proportion of the overall portfolio, management considers the current allocation to be within acceptable parameters, particularly when assessed in absolute terms. The cash position ensures adequate liquidity to mitigate potential economic or market disruptions and provides sufficient resources to meet operational expenses for a period of three to six months without necessitating the liquidation of higher-yielding assets.

Overall, the investment portfolio delivered stable and consistent performance during the review period, generating satisfactory returns while safeguarding the capital invested in higher-risk assets such as equities.

Measuring our investment performance

We set several key performance indicators (KPIs) to measure our investment performance for the year under review, as follows:

KPI	Measure
Target return	CPI + 3
Consumer price index (CPI)	5.17%
Portfolio return	11.35%
Value added over benchmarks	2.37%
Value added over CPI	1.85%
Value added over CPI +3	-1.15%

Looking ahead

In the short-term, given that the Fund is centred on interest bearing investments, term changes in interest rates will affect our performance. A decline in interest rates will lower real returns, especially cash and bonds if inflation is not brought into control. This is particularly relevant in the context of the Eswatini market, which is rather illiquid, albeit noting that this is a double-edged sword.

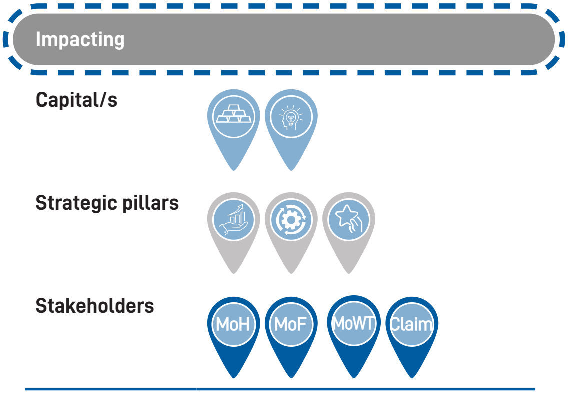
The Fund could benefit from high interest rates, especially with bonds in terms of yield, and money market instruments in terms of real returns. Global financing conditions will remain centre stage across the investment horizon as they will affect the pricing of risky instruments such as equities.

In the medium- to long-term, if higher interest rates in the US persist, they will affect the general pricing of risky assets and the general business cycles of most of the economies – especially those that are emerging and developing – where we make our investments, and South Africa in terms of our equity exposure. Other factors may include:

- higher and sustained energy costs, as evidenced by oil prices;
- ongoing geopolitical tensions;
- South African Rand volatility;
- weak growth in South Africa as a result of load-shedding and lack of a decisive economic policy; and
- political tensions in South Africa emanating from the elections in that country.

Our Financial **Capital** continued

Our internal audit



Our internal audit and risk management function forms an important part of our intellectual and financial capitals. It adheres to the mandatory elements of the Internal Professional Practice Framework (IPPF) of the Institute of Internal Auditors (IIA), including its standards, core principles for the professional practice of internal auditing, definition of internal auditing, and code of ethics.

Reporting

SMVAF has an internal audit function whose purpose is to evaluate and improve the effectiveness of risk management, control and governance processes through:

- ensuring that internal control systems are operating effectively;
- ensuring compliance with policies, procedures, laws and regulations; and
- that the policies in place adequately safeguard the Fund's assets.

The internal audit function coordinates with the compliance function and external auditors to ensure proper coverage of financial, operational and compliance controls.

Independence

Our independence is ensured through the design of the function's organisational structure, which allows the Internal Auditor to form judgements objectively. Independence of the function is ensured, and in performing our role, we have full, free and unrestricted access to any of the Fund's financial and operational activities, records, physical properties, operational units, and personnel relevant to a review – all subject to strict accountability for the safekeeping and confidentiality of all such information.

Internal audit role and responsibilities

The purpose, authority, and responsibility of the internal audit function is formally defined in the Board-approved Internal Audit Charter. The annual audit plan is based on an assessment of risk areas identified by internal audit, in liaison with management, as well as those areas highlighted by the Audit and Risk Committee.

- ### Role
  The internal audit staff generally do not assume anything other than an advisory role in the design, installation, or operation of control procedures.

- ### Responsibilities
  The responsibilities of the Internal Auditor include communicating to management and the Audit and Risk Committee, opportunities for improving processes identified during the audit and advisory engagements in the areas of:
  - » controls;
  - » risk management; and
  - » governance.

For more on risk management and governance, see pages 39 and 108, respectively.

Scope of work

Our scope of work includes the determination of whether SMVAF's network of risk management strategies and processes, control frameworks, systems and practices, and governance and reporting processes are adequate and functioning in a manner that ensures that:

- quality and continuous improvement are fostered within the operations of the SMVAF;
- risks are appropriately identified and managed;
- resources are managed efficiently and effectively and are adequately safeguarded; and
- activities and actions comply with regulation, Fund policies and
their application, and Fund standards and procedures.

Scope limitation

Any attempted scope limitation by management is reported, preferably in writing, to both the CEO and the Audit and Risk Committee. The question of whether in fact any action by management constitutes a scope limitation remains at the discretion and judgement of the Internal Auditor.

The Internal Auditor is not authorised to perform any operational duties for the Fund or initiate or approve accounting transactions external to the internal audit function. In general, internal audit staff do not assume any role other than in an advisory capacity in the design, installation, or operation of control procedures.

During the year under review, there was a change in personnel. However, no processes were altered, as the audit plan had been formed and aligned with the overall risk assessment process.

Issues identified – FY2024

In the financial year, we identified issues that were of a housekeeping nature and presented its findings to the Board.

We continue to track implementation of corrective measures in relation to these findings.

For more on the scope of this integrated report, see page 3.

CREATING VALUE

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Identifying our material issues

Impacting	
Capital/s	
Strategic pillars	
Stakeholders	Pol, MoH, MoF, PC, Pub, MoPWT, Claim, SUF, CF

The process of identifying our material issues is essential to the long-term sustainability of the Fund. Undertaken by management, it is thus a key part of our intellectual and financial capitals, and it enables the Fund to fulfil its mandate, to create and implement its strategy, and to deliver against that strategy through the diligent application of its business model.

Our material issues

During the year under review, we identified four key issues as being material to the ability of the Fund to continue operating sustainably.

Material matter	Capitals impacted
Lobbying for the amendment of the Act	
ERP implementation issues	
Reputational issues	
High operational costs	

Managing risk

The management of risk forms is a key component of the Fund's financial and intellectual capitals. We actively support the realisation of the Fund's objectives through our Enterprise Risk Management (ERM) approach, whose rigorous, well-defined framework allows the Fund to assume and mitigate any additional risks.

The Audit and Risk Committee oversees the risk management portfolio as part of its responsibilities. In order to provide the necessary assurance to stakeholders, the committee therefore demands credible and accurate information regarding the Fund's risk management processes. By monitoring and reporting risks in this way we can:

- pre-empt emerging risks;
- ensure that current risk management practices are relevant and properly implemented;
- identify areas of weakness in control; and
- provide the Accounting Officer and management with up-to-date risk information.

To enable this process, we manage and classify risks within three categories:

- Strategic;
- Operational/divisional; and
- Projects.

Our risk management – an overview

Risk management has always been a cornerstone of our strategy. The current year marked the end of our Seamless strategy and called for a commitment to incorporating a robust risk strategy into every facet of our organisation. The material matters that governed our risk management approach for this period coalesced around strategic objectives designed to mitigate potential adverse effects, innovate solutions, achieve financial sustainability, and enhance operational performance efficiencies to deliver on customer experience. These priorities echo throughout our Enterprise Risk Management (ERM) framework.

Creating Value continued

Managing risk continued

Our Enterprise Risk Management (ERM) framework

Our ERM framework lies at the heart of the Fund's operations. It has been deeply integrated into every level of the Fund, from strategic planning and decision-making through to operational activities and extending to projects.

We use a quad-pillar approach in our ERM, which includes:

- strong governance from the Board through the Audit and Risk Committee and management;
- effective risk management policies and procedures;
- vigorous internal controls;
- robust risk measurement; and
- Risk measurement and Monitoring.

Our risk management framework is grounded in internationally recognised standards, such as the COSO and ISO 31000 frameworks, ensuring that our approach aligns with global best practice.

How we manage risk

In addition to being implemented through an effective process, our ERM approach promotes the expansion of good corporate governance by allowing management to:

- fully understand all critical risks and how to manage them proactively; and
- access all the tools and techniques to realistically balance
  the risk/return trade-offs.

By enabling the understanding of our risks within an integrated framework, ERM thus provides a formal and systematic response to all key risks facing our organisation by:

- providing a disciplined and integrated approach that supports
  the alignment of strategy, process, people, and technology;
- allowing us to identify, prioritise, and effectively manage our critical risks; and
- enabling us to execute defined strategies to successfully achieve our objectives and to meet our performance goals.

Identifying risks

Our standard operating procedure includes identification of the top risks to our business. This allows us to flag all identified risks and implement measures to ensure a swift and dynamic response to mitigate threats.

During the year under review, as part of our risk assessment process, the management team met to identify strategic risks that may impact on the Fund's achievement of its business objectives.

To facilitate this, risk was defined as: "The threat that an event or action will adversely affect an organisation's ability to achieve its business objectives and to execute its strategies successfully." The definitions of the identified risks were agreed by all participants.

Periodic risk reporting

In order to give the necessary assurance to stakeholders, the Audit and Risk Committee must receive credible and accurate information regarding the risk management processes of the Fund. Monitoring and reporting enables the Fund to:

- pre-empt emerging risks;
- ensure that current risk management practices are relevant and properly implemented;
- identify areas of weakness in control; and
- provide the Accounting Officer and management with up-to-date risk information.

The risk management process has allowed for the Fund to balance mitigation of negative impacts of uncertainties with the optimisation of positive benefits of uncertainties.

Our risk assessment process

Input	Process	Output
Brainstorming	Identifying risks and assigning them to the appropriate goals and objectives	
Discussion/ clarification	Merging/ clarifying risks	List of the Fund's strategic business risks
Risk rating	Rating risks on impact and likelihood	The Fund's rated risks = inherent risk and residual risk

Process review

Whilst we regularly review our practices, during the year under review, no changes to our policies, procedures, or performance were required. We believe that this demonstrates the strength and effectiveness of our current risk management strategy.

Nevertheless, we are cognisant of the fact that a flexible and agile approach is crucial in today's complex risk landscape. Should the need arise, we retain the capacity to adapt our approach to preserve the Fund's resilience and agility.

Action plans

Action plans for improving or changing risk mitigation measures were rolled out within the indicated timeframe. They represent the process to be followed for tracking progress made in risk interventions. Moreover, these processes provide a trail of information that may prove to be necessary at any point in the future. Management meets quarterly to update and track implementation of action plans.

In addition, we maintain departmental risk registers which allow the risk culture to trickle down to departmental levels. These are monitored monthly.

Management monitors the implementation of the action plans monthly and then report quarterly.

Our risk register

We maintain and manage a risk register to enable us to respond appropriately to the risks we identify. This register ranks and describes:

- the key risks that could occur;
- the factors that would cause them;
- the consequences of the risks if they occur;
- the internal control measures that are in place; and
- a risk rating based on the residual risk exposure.

These elements are reviewed and monitored continuously with quarterly updates provided to the Board.

Creating Value continued

Our top ten risks

Rank	Risk *Something occurs..*	Strategic focus area	Strategic objective	Inherent Risk Overall	Residual Risk	Mitigation Implementation
1	Inability to effectively fund our legal mandate	Financial Sustainability	Fund adequately funded	H	H	oT
2	Further depletion of reserves	Financial Sustainability	Fund deficit eliminated Optimised operational costs.	H	H	oT
3	Inability to effectively implement the strategic plan	Customer Experience	Improved customer satisfaction Skilled and proficient employees	M	M	oT
4	Poor service delivery	Customer Experience	Optimised operational costs. Improved customer satisfaction Skilled and proficient employees Quality Management	H	H	oT
5	New backlog	Customer Experience	Clear out the backlog	H	H	O
6	Inadequate/ inefficient claims management	Customer Experience	Improved customer satisfaction Quality Management Simplified claims management process	H	H	O
7	Failure to manage claims liability	Sustainability Transformation & Innovation	Reduced fund liability Reduced accidents & injuries.	H	H	O
8	Human Capital risk	Efficiency	Skilled and proficient employees	H	H	C

Rank	Risk *Something occurs..*	Strategic focus area	Strategic objective	Inherent Risk Overall	Residual Risk	Mitigation Implementation
9	ICT Risk	Transformation & Innovation Customer experience Financial sustainability	All objectives	H	H	O
10	Inability to effectively fund our legal mandate	Transformation & Innovation Customer experience Financial sustainability	All objectives	H	H	oT
11	Non Compliance to Statutory Regulations and standards	All focus areas	Scientifically informed Fund frameworks	M	M	O
12	Business Interruption due to disruptive events (pandemics, unrests, labour relations, climate change, geo politics, wild cat strikes etc)	All focus areas	Linked to all objectives	H	H	oT
13	Business Interruption due to disruptive events (pandemics, unrests, labour relations, climate change, geo politics, wild cat strikes etc)	Sustainability	Linked to all objectives	H	H	O

Legend:

H High | M Medium | oT On Track | O Ongoing | C Completed

Creating Value continued

Our top ten risks continued

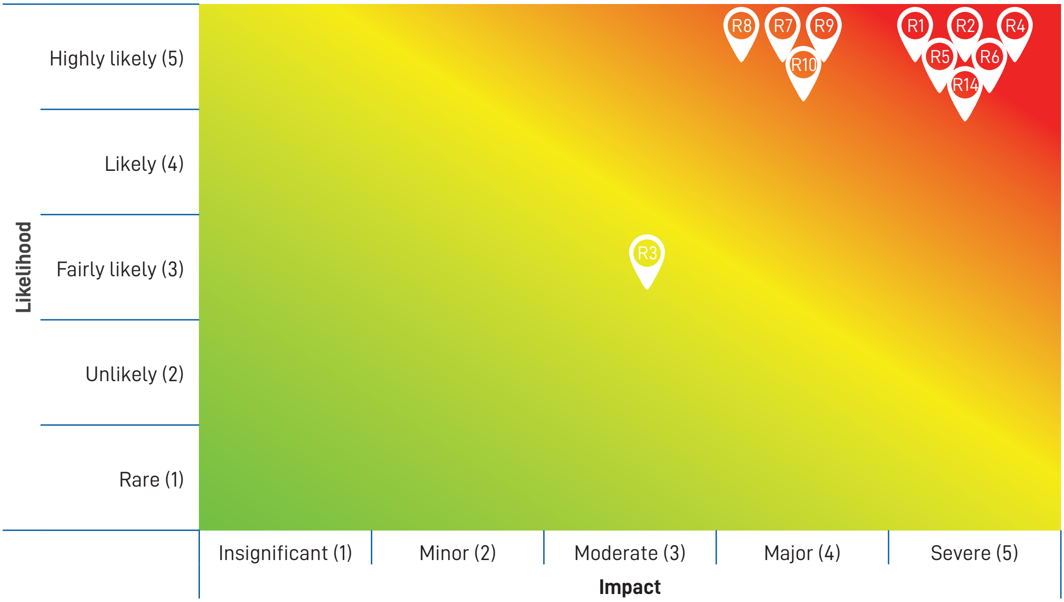
Our risk rating paradigms

Threshold	Threshold interpretation	Suggested action	Suggested timing	Escalation
Unacceptable	Unacceptable – Linked to high risk 15–25	Exceeds the risk acceptance level and requires urgent and immediate management attention to bring it within the acceptable level. Controls might require substantial redesign, or a greater emphasis on proper implementation.	Immediate action required.	Audit and Risk Committee, EXCO, and Board
Tolerable	Tolerable – Linked to medium risk 8–14	Exceeds the acceptable level, but within the tolerable level and requires proactive management to bring it within acceptable level. Controls may require some redesign or more emphasis on proper implementation.	Medium-term, within three months	Executive Management Risk Committee
Acceptable	Acceptable – Linked to low risk 1–7	Below the tolerance level acceptable to the organisation. Does not require active management but require active monitoring. Controls are adequately designed and may require close monitoring to maintain the risk within a acceptable level.	Monitor, no action required.	Line Management

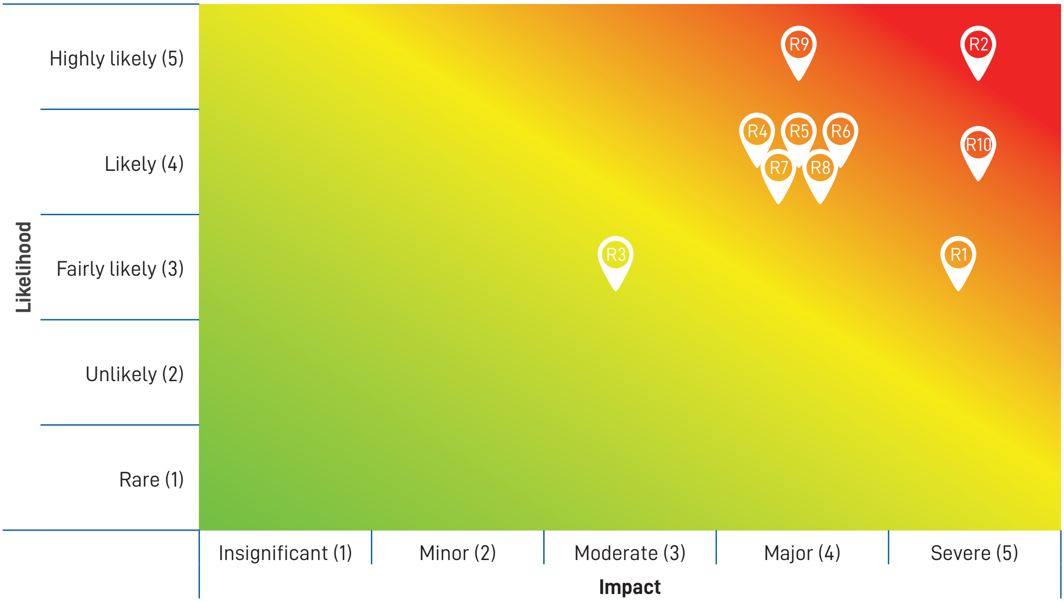
Rating scale used as the basis for setting the divisional Risk Appetite Statement

Risk Seeking / High	Risk Neutral / Moderate	Risk Averse / Low
SMVAF accepts opportunities and risks have an inherent high risk that may result in reputation damage, financial loss or exposure, major breakdown in information system or information integrity, significant incident(s) of regulatory non-compliance, and potential risk of injury to staff.	SMVAF is willing to accept some risks and opportunities in certain circumstances that may result in reputation damage, financial loss or exposure, major breakdown in information system or information integrity, significant incident(s) of regulatory non-compliance, and potential risk of injury to staff.	SMVAF is not willing to accept risks in most circumtances that may result in reputation damage, financial loss or exposure, major breakdown in information system or information integrity, significant incident(s) of regulatory non-compliance, and potential risk of injury to staff.

Our inherent risk heat map



Our residual risk heat map



Creating Value continued

Our strategy

Impacting

Capital/s

Strategic pillars

Stakeholders

Pol | MoH | MoF | PC | Pub | MoPWT | Claim | SUF | CF

The year under review was the last year of our Seamless Sincephetelo Strategy 20/24, constituting the last mile of its implementation. Our strategy is a fundamental component of our Intellectual Capital, and in formulating and implementing it, we consider the impact on and by, all five of our other capitals.

Our Seamless Sincephetelo Strategy 2020/2024 journey

2020–21

- Ekuphileni Clinic setup as a standalone
- Centralised RTA Desk
- Manzini Office refurbished
- MoUs with critical stakeholders signed (REPs, EPR, RFM, Good Shepherd Hospital)
- Stakeholders management strategy completed
- Skills to support strategy hired

2021–22

- Accident prevention strategy completed
- Collaboration with Ministry of Works and NRTC
- Draft Bill submitted to Ministry
- Talent Management Framework completed
- BI Capability established
- Case Management Strategy Completed

2022–23

- Fuel levy reviewed to increase by 14c/l
- Execution of the Accident Prevention Strategy
- Procurement of an additional two ambulance units for EPR

2023–24

- ERP Live – April 2023
- 84% reduction in backlog
- Pay scale design approved
- Ekuphileni Clinic partnership approved
- QMS implementation
- Completion of the Rehabilitation of Mshinandze Stabilization Centre

Reviewing our strategy

- **The role of stakeholder engagement***

  We actively seek input from a broad range of stakeholders, to ensure that our strategic direction is responsive to both internal and external factors. Key aspects of this engagement include:

  » **Staff Input**
  We value the insights and feedback of our employees. To that end, we solicit input from staff through surveys and business review forums. These channels allow staff at all levels to provide feedback on performance, share ideas for improvements, and highlight any operational challenges.

  » **Manager and Executive Input**
  Senior management, including managers and EXCO, play an active role in the annual strategy review sessions. These sessions are focused on evaluating past performance, identifying gaps, and adjusting the strategy to ensure that it remains relevant and effective in meeting the Fund's goals. Managers are encouraged to review departmental performance and bring forward any necessary adjustments to strategic initiatives.

For more on our stakeholder engagement, see page 84.

• Annual strategy reviews

- **Annual strategy reviews**

  We employ an annual cycle of strategy reviews to monitor and adjust long-term plans. These review sessions take place at various levels within the Fund:

  » **Managers and EXCO review**
  Managers and EXCO meet regularly to assess performance against strategic objectives. This process ensures that any issues or emerging opportunities are quickly addressed. Performance reviews also allow the leadership team to adjust specific tactics or initiatives as needed.

  » **Board Strategy Review**
  Once a year, the Board holds a strategy review session. During this session, the Board reviews the strategic direction of the Fund, assesses progress, and makes any necessary adjustments to ensure that the organisation remains aligned with its long-term goals. The Board's involvement provides oversight and ensures that the strategy supports the broader objectives of the Fund.

Creating **Value** continued

Our strategy continued

The key elements of our Seamless Sincephetelo Strategy 2020/2024

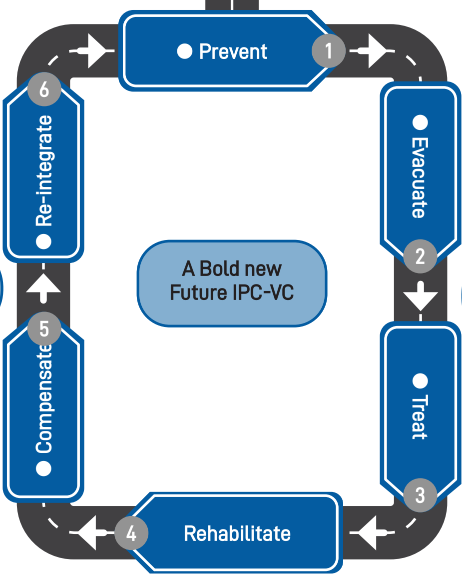
Strategic focus area

Initiatives

Sustainability	Efficiency	Customer Centricity
Diversify the Motor Vehicle Accidents Fund revenue	Establish Ekuphileni Clinic as a standalone entity	Design integrated post-crash model
Resuscitate the 3rd party insurance	Establish business intelligence data capability	Review benefits structure
Review MVA fuel levy / MVA Act	Transform from re-active to pro-active operating model	Restructure branch network
Risk management	Business process management	Stakeholder and image management
Financial stability	Talent management skills development programme	Customer experience and accessibility
	Attractive talent value proportion. High performance organisation	

Key Enablers:
- Stakeholder support (government role, legislation, additional funding, strategic partnership)
- Improved collaboration / partnerships (EPR, REPS, hospitals, reinsurance partners)
- Data analytics
- Road accident Prevention

Measurement of Success:
Internal:
- Effective and financially sustainable Fund
- Solvency @ 150%
- Employee Engagement – 85%
- Employee Development – 80% employees attaining a +3 in performance



Measurement of Success:
External:
- Delivering timeously, in collaboration with stakeholders:
  - » Compensation;
  - » Treatment;
  - » Rehabilitation; and
  - » Accident Prevention.


SINCEPHETELO MVA FUND
SINCEPHETELO MVA FUND

Creating Value continued

Our strategy continued

Defining our strategic objectives – FY2024

During the year under review, we defined several strategic objectives:

Strategic objective	What it is
ERP system launch	The Fund successfully launched an ERP system to significantly improve internal processes and enhance service delivery across the organisation.
Pay-scale design	Aligned pay structure to the job evaluation and what the local labour market was paying. ***For more on HR, see page 57.
ISO 9001:2015 and Occupational Health and Safety Standards	• The Fund began the ISO 9001:2015 certification process to ensure the delivery of consistent, high-quality services and foster a culture of continuous improvement. • The Fund has also undertaken occupational health and safety (OHS) initiatives, including conducting a gap analysis to align with safety standards, ensuring a healthy and safe work environment for employees and stakeholders. ***For more on employee wellness, see page 59.
Accident prevention initiatives	Road Traffic Accident Desk (RTA) at the MVA call centre continued to play a critical role in both accident prevention and rehabilitation support. It also allowed the Fund to launch targeted accident prevention campaigns, helping reduce future liabilities. ***For more on accident prevention, see page 88.

Enabled by

Enabler	How it was realised
Shareholder support	Government backing through legislative support and financial resources, including reviewing the MVA levy.
Stakeholder collaboration	Partnerships with key stakeholders such as hospitals, emergency services, and law enforcement to integrate post-crash value chain management. ***For more on claims management, see page 71.
Data analytics	Data analytics capability enhanced to improve decision-making.
Road accident prevention	Enhanced initiatives aimed at preventing accidents. Working in collaboration with law enforcement and communities through public awareness and provision of requisite equipment. ***For more on accident prevention, see page 88.

Supporting our three strategic pillars

Sustainability	Efficiency	Customer Experience
• **Improved decision-making through analytics** • **Strengthened stakeholder relations** • **Developed management and leadership skills** • **Strengthened shareholder support**	• Increased business and technical skills • Increased personal effectiveness and leadership skills • Strengthened stakeholder relations • Integrated IT systems and leadership skills • Improved decision-making through analytics	• High-performance culture • Increased fuel levy • Strengthened stakeholder relations • Developed management and leadership skills

Whilst considering identified risks* and challenges

Risk/challenge	What it means strategically
Decreasing fuel sale volumes	Our primary revenue stream comes from the Motor Vehicle Accident (MVA) fuel levy. A reduction in fuel consumption, due to the changes in transportation behaviour, could significantly reduce the Fund's revenue base.
Escalating healthcare costs	The continued rise in medical costs poses a significant risk to SMVAF's sustainability. External healthcare providers, particularly specialists outside the country, are becoming increasingly expensive, making it difficult for the Fund to control these costs.
Deteriorating health system	The deterioration of the Eswatini health system poses a challenge for the Fund, as delays in treatment or poor-quality care could lead to higher costs and worse outcomes for accident victims, thereby increasing our liabilities.
Brent Crude price volatility**	The Russia-Ukraine war has disrupted global energy markets, leading to volatile Brent crude prices, which directly affect fuel costs and fuel consumption. If fuel prices rise significantly, consumption may decline, reducing the Fund's income from the MVA levy.
Economic downturn**	A broader economic downturn could reduce household incomes, leading to fewer vehicles on the road and lower fuel consumption, which in turn would reduce the Fund's revenue. Furthermore, fewer people might maintain private medical cover, increasing claims to SMVAF.
Increased traffic accident rates***	A rise in traffic accidents, due to poor road infrastructure and/or lack of traffic law enforcement, could increase the number of claims to the Fund, placing strain on our financial and claims management resources.

**For more on risk management, see page 39.

**For more on our operating environment, see page 16.

***For more on traffic accident prevention, see page 88.

Creating Value continued

Our strategy continued

Measuring our performance against our Seamless Sincephetelo Strategy 2020/2024

Our Seamless Sincephetelo Strategy 2020/2024 focused on transforming our business model to align with the post-2011 legislative shift from a compensation-based model to a treatment and rehabilitation-centred approach.

Active projects associated with our strategic pillars:

Strategic pillar	Number of projects
Ensuring financial sustainability	Four
Improving operational efficiency	Four
Enhancing customer experience	Two

At 31 March 2024, the overall strategy implementation for the financial year stood at 96% compared to 93% at the end of December 2023, as follows:

Performance by programme	Target by end Mar 2024	Actual end Mar 2024	Variance
Financial sustainability	100%	98%	-2%
Operational efficiency	100%	92%	-8%
Customer centricity	100%	97%	-3%

With the year under review marking the end of the 20/24 strategic period, our aim was to conclude all strategic initiatives and projects that formed an integral part of the Seamless Sincephetelo Strategy 20/24.

Projects implemented during the strategic period

Strategic pillar	Project	Status at 31 March 2024
Financial sustainability	Clinic Feasibility Study	Suspended
	Motor Third Party Liability (MTPL) Bill	Suspended
	Accident Prevention strategy execution	Ongoing
Operational efficiency	ERP planning system	Ongoing
	Business process management	Completed
	Talent management strategy execution	Ongoing
	Pay-scale design Implementation	Completed
Customer centricity	Case management strategy execution	Ongoing
	MVA Bill	Completed

Our ISO 9001:2015 QMS journey

We embarked on a journey to obtain certification for the QMS ISO 9001:2015, aimed at:

- improving our quality of service;
- increasing customer satisfaction; and
- streamlining business processes.

Through this QMS implementation, our aim is to:

- enhance customer satisfaction;
- improve service quality and compliance;
- foster a culture of continuous improvement and risk-based thinking; and
- build stakeholder confidence in the Fund's commitment to quality.

Looking ahead

During the year under review, we finalised our new strategy, which is undergoing the approval process. The strategic focus for the short-, medium-, and long-term is centred on a recovery strategy, aimed at addressing immediate operational challenges whilst positioning the Fund for sustained growth and efficiency in the future.

In the short-term, the Fund will prioritise:

- **stabilising finances** through cost-control measures and revenue diversification;
- **optimising operational efficiencies**, particularly by fully implementing the ISO 9001:2015 Quality Management System (QMS) to streamline processes and improve service quality;
- **addressing high medical costs** by expanding in-house services at the Ekuphileni Clinic; and
- **mitigating the impact of decreasing fuel volumes** on revenue by enhancing efficiency and starting to explore alternative revenue streams.

Creating Value continued

Our value-creating business model

Our value-creating business model is a fundamental part of our Financial and Intellectual Capitals, and functions with inputs, outputs and outcomes in terms of all six of our capitals. It constitutes the architecture for the way our business works to create value for all our stakeholders, and is underpinned by our strategy founded on its three pillars of financial stability, operational efficiency, and customer experience.

Inputs

Our six capitals

Financial Capital

- E156 Million | Fuel levy (FY2023: E144 Million)
- E306 Million | Investments (FY2023: E299 Million)
- E11 Million | Financial reserves (FY2023: E47 Million)

Human Capital*

- 111 | Employees (2023:108)
- Board and organisational culture
- Legal and medical professionals
- Auditors and actuaries

Intellectual Capital

- Policies, procedures, and manuals
- Researched best practice
- MVA Act
- Strategy and operational frameworks
- Investment management
- Information technology and systems
- Treatment and rehabilitation programmes

Social and Relationship Capital

- Ministry of Finance and Government
- Road users and clients
- Medical practitioners
- Employees
- Community and public
- Police
- Media
- Union [SUFIAW]

Manufactured Capital

- 3 | Buildings (FY2023:2)
- Equipment
- Ekuphileni Clinic
- 31 | Vehicles (FY2023:29)

Natural Capital

- Water and energy usage

*For more on finance, see page 26
*For more on HR, see page 57
*For more on risk, see page 39
*For more on strategy, see page 46
*For more on our stakeholders, see page 81

Key Activities

- Investigation and settlement of claims
- Treatment and rehabilitation
- Financial reserves management
- Road safety awereness and prevention programmes
- CSI
- Stakeholder management

We fulfilled our mandate by implementing our strategy * through:

- Sustainable value-efficient operations
- Recruitment, selection, and placement
- Retention and talent management
- Human capital management
- Internal and external communications
- Change and project management
- Sustainability

Whilst mitigating our critical risks in the areas of:

- Revenue flow
- Organisational transformation
- Accident and claims response time
- Regulatory compliance
- Stakeholder management
- Outdated legislation

Delivering

Outputs

Output	What we delivered	Capitals impacted
Funeral Benefit	E1.8 Million	
Loss of Earnings	E1.1 Million	
Loss of Support	484 clients benefited E7 Million	
Treatment and Rehab	E14.1 Million	
General Damages (Pain and suffering)	E19.4 Million	
Medical Investigations	E8.8 Million	
Overall	842 claims settled	
Compensation	432 Clients treated and cases discharged	

Outcomes

Stakeholders*	Capital impacted	Outcome
Government		Motivating for updated legislation Delivering on our mandate
Employees		Managing change Attracting, retaining and developing talent Engaged and motivated employees
Media		Positive engagement

Creating **Value** continued

Our value-creating business model continued

With Trade-offs

CSI Sector	Beneficiary	Programme	Expenditure	Capitals affected	Time frame
Health	Mbabane Government	Mitigation of drug shortages	E130 k		Short- to medium-term
	RFM Hospital	Renovation of ICU mechanical faults	E450 k		Medium- to long-term
	Good Sheperd	Renovation of old building	E100 k		Short- to medium-term
	Limited corrective surgery	Financial assistance on limited claims	E422 k		Short-term
	Ministry of Health	Nursing conference	E100 k		Short-term
	Mshinande modifications	Stabilisation centre	E1.5 Million		Long-term
	Fire and Emergency Services	Purchase of evacuation equipment	E100 k		Short-, medium-, and long-term
Sport and recreation	Ingwenyama Cup	Sponsorship Cup	E4.6 Million		Short-term

Resulting in, over time

- Improved health services
- Less costly treatment access domestically
- Fewer road accidents, and therefore less claims
- Improved relationships with key stakeholders such as government
- Enhanced reputation and organisational recognition

Our Human Capital

Our human resources department

Impacting

Capital/s

Strategic pillars

Stakeholders

SUF

Our Human Capital comprises all our employees, whose well-being, skills development, training, and workplace-related impacts, and also forms an important component of our Social and Relationship Capital. All these aspects, including recruitment and remuneration and the general management of our workforce, are the responsibility of our human resources (HR) department.

Overview of our workforce

Category	FY2024	FY2023
Staff establishment	111	108
Employment status		
Permanent	70.2%	77%
Contract	29.8%	23%
Diversity		
Female	57.5%	52%
Male	42.5%	48%
Median Age	Majority within the 31- to 40-years-old Median, followed by the 41- to 50-years-old band	Majority within the 31- to 40-years-old Median, followed by the 41- to 50-years-old band
Staff turnover	2.7%	< 5%

Our employee philosophy

Teamwork and operational excellence are the two pillars on which our employee value proposition (EVP) is founded. A key unifying and principle of this team-based approach is that each department is dependent on the others, with transparency and collaboration central to our way of working. To promote and facilitate this, an open-door policy is advocated and implemented across the management chain.

HR material matters – FY2024

The matters most material to HR during the year under review were:

- **Employee Relations**
  Union and employee relations continued to be a key priority during the reporting period, with efforts focused on creating and maintaining a harmonious workplace that fosters stability, employee engagement, and productivity.

Creating Value continued

Our Human Capital continued

Our human resources department continued

HR material matters – FY2024 continued

- **Employee Relations** continued
  Engagements centered on the renegotiation of the Disciplinary Code and the Collective Agreement, though the process has taken longer than projected. A 4% cost-of-living adjustment (COLA) was implemented; however, this remains below the Union's demand.

  Progress was made on the implementation of Performance-Based Pay Scale Design, which aims to link pay to performance and support critical skills retention, although concerns were noted regarding the extended timeline for finalisation. These developments highlight the ongoing challenge of balancing employee expectations with the Fund's financial sustainability, as not all union demands can be accommodated without compromising the long-term health of the organisation.

- **Talent management**
  Staff learning and development during the review period included long-term, short-term and medium-term training initiatives, which are essential components of the talent management process. The total expenditure on training during the review period amounted to E2.4 Million. This is in line with the Fund's talent management strategy, which emphasises attracting, engaging, developing, and retaining top talent to ensure the sustainable achievement of strategic objectives.

  The Fund finds itself having to compete to retain critical skills. Our remuneration packages have not been found to be competitive enough in the market to retain the key and essential skills that we require. The talent management office was therefore revived to focus on this area by designing and developing processes and strategies to retain skills.

Our workplace culture

We strive to foster and maintain a workplace culture of high performance. To this end, we have established a merit-based performance management system which is, in turn, underpinned by a Service Charter that is founded on the Fund's values. To track and improve the implementation to its principles, our employees are collaboratively rated on a Customer Service Index, with the Fund's Net Promotor Score (NPS) rating having a bearing on the output.

Maintaining and enhancing skills

We foster, maintain, and strive to enhance diverse skills among both core and support personnel. To facilitate this approach, we invest in a range of training programmes for our staff, with a particular focus on critical and essential skills.

Our core skills are in the areas of:

- claims (legal) management*;
- case management**;
- right of recourse; and
- accident prevention***.

*For more on claims management, see page 71.

**For more on case management, see page 73.

***For more on accident prevention, see page 88.

In addition, we have defined various other skilled, semi-skilled, and unskilled support roles.

Measuring our performance

With a performance management system in place, job profiles are linked to KPIs. Bi-annual performance evaluations are conducted guided by Performance Management System (PMS) Policy.

Retaining and motivating our people

To promote employee retention and foster motivation, we work in terms of a training and development policy that regulates and guides our approach to, and implementation of, training.

Whilst we continue our process of developing a succession-planning programme, we adhere to our talent management framework, with leaders developed through mentoring, coaching, and management/leadership development programmes. Whilst training and development programmes were implemented during the year under review, there remains a need to monitor and evaluate their impacts on the business.

Engaging with our employees

As an organisation that recognises the centrality of our Human Capital to the successful and productive delivery of our mandate, we regularly engage with our employees

We do this through:

- The quarterly Business Review Forum, where the CEO and EXCO update the workforce on different spheres of business performance; and
- The Staff Alert platform for communication.

Employee health and wellness

We have an established Wellness Calendar, and during the year under review, several initiatives were undertaken within that framework.

In addition, we engaged a consultant to develop a wellness strategy with the aim of operationalising our wellness policy.

Looking ahead

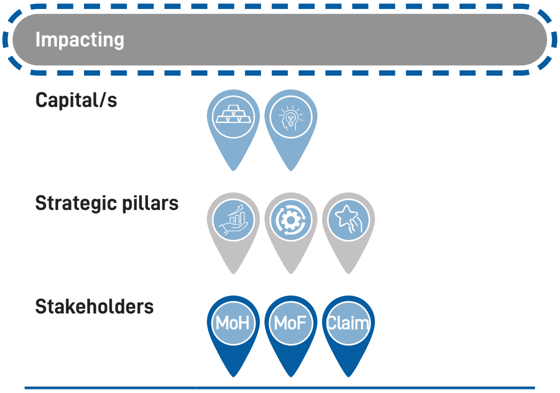
In the medium- to long-term, we anticipate:

- a well-motivated, healthy, and highly skilled workforce;
- improved employee engagement and retention;
- improved training and development; and
- AI-equipped and capacitated employees.

Creating Value continued

Our Intellectual Capital

Information and communications technology (ICT)



IT is an essential element supporting the way we work and ensures that we can deliver on our mandate effectively, efficiently, and speedily. In ensuring that our systems and technology platforms reliably and readily perform the functions that facilitate the implementation of our strategy and the fulfilment of our mandate, our IT department forms an important part of our Intellectual Capital.

An overview

Digitalisation efforts in Eswatini, particularly within parastatals and government, have highlighted the importance of technology in driving business growth and sustainability. As organisations continue to implement enterprise resource planning (ERP) systems aligned with their business goals and strategies, it is essential to recognise both the benefits and challenges that an ERP system can bring, and to outline plans for further business automation to achieve the Fund's strategic goals effectively.

The Fund's decision to change its technology platform and implement the new SAP ERP systems has become increasingly vital for the organisation, especially with the growing complexity of our operations, regulatory requirements, and customer expectations.

During the year under review, this implementation continued to progress but not at the desired rate. The process has advanced sufficiently for the Fund to be able to streamline processes, enhance decision-making, and improve overall efficiency.

The aim of the new ERP system implementation

The new system will enable us to migrate our multiple operational systems into a single consolidated solution, with the role of IT instrumental in the initiative.

Benefits of the new ERP

ERP systems integrate various business functions into a single platform, facilitating seamless communication and data sharing across departments. The new ERP has allowed our client service (claims processes and customer service) and finance departments to work together more efficiently, reducing redundancies and improving response times. There are a number of important benefits that flow from this.

Benefit	What it means for SMVAF
Enhanced data management and accessibility	The Fund deals with vast amounts of data, from claimant information to compliance documents and historical data. The ERP has provided a centralised database that ensures data accuracy and accessibility. This helps maintain compliance with regulatory requirements and enables better data analysis for informed decision-making.
Cloud-based solutions	The shift to the SAP S4-Hana cloud-based ERP system has provided the IT department with greater flexibility and scalability. Cloud solutions can reduce the burden of maintaining on-premises infrastructure and facilitate easier updates and integrations. This has enhanced collaboration among colleagues working remotely, which is increasingly important in today's work environment.
Regulatory compliance	The insurance industry within which SMVAF operates is heavily regulated, and compliance is critical. The ERP system has automated compliance processes in relevant claim categories such as funeral claims, ensuring that all necessary regulations are met, whilst at the same time reducing the risk of penalties. This includes tracking changes in regulations and maintaining accurate records for audits.
Efficiency	By automating routine tasks and improving operational efficiency, the ERP system can lead to significant cost savings. It can play an important part in reducing administrative overhead, minimising errors, and optimising resource allocation, ultimately improving the bottom line.

Creating Value continued

Our Intellectual Capital continued

Information and communications technology (ICT) continued

Challenges and risks of the new ERP implementation

Challenges and risks	What it means for SMVAF
Improved efficiency	Implementing an ERP system requires a significant financial investment. Associated costs include: • software licensing; • cloud hosting; • implementation; and • ongoing maintenance. These remain trade-offs against long-term strategic goals.
Selection of implementation partner	It was essential to conduct background checks and due diligence during the tender nomination stage.
Change management	Because transitioning to the new ERP system requires a cultural shift within the organisation, with resistance to changes to established processes, leading to potential disruptions, effective change management strategies have been incorporated into the process.
Data security risks	With the centralisation of sensitive data in the SAP cloud, it has been necessary for the Fund to prioritise the risk in data security. Cybersecurity threats are a significant concern, as breaches can lead to the exposure of confidential claimant information and regulatory penalties. Implementing robust security baselines through effective IT frameworks like COBIT 2019 for IT governance and managing controls through ISO 27001, as well as with IT risk-governance with the COSO ERM framework, has been undertaken, with scheduled regular audits critical to ongoing cyber-security measures.
User training and adoption	The success of the new ERP depends on user adoption. Employees need adequate training to utilise the system effectively. We recognise that continuous support and training programmes with our implementation partner are necessary to ensure that employees are comfortable with and proficient in the new system.

Looking ahead

We anticipate that in the medium- to long-term, the Fund will reap the benefits of the transition to the new SAP ERP system, through its advanced analytics and AI capabilities and improved process efficiencies. The potential of the system to provide deeper insights into customer behaviour, risk assessment and service delivery, will enable SMVAF to make better-informed strategic decisions. Predictive analytics will also enhance the claims management processes and is one of our ongoing key priorities.

Moreover, we see the new system as capacitating the Fund to benefit strategically from:

- **regulatory adaptability**, minimising the risk of non-compliance; and
- **sustainability**, with the possibility of future reporting on societal and environmental impacts, integrating sustainability into our business processes and improving alignment with corporate social responsibility (CSR) goals.


ROAD
INJURY PREVENTION
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SINCEPHETELO
MVA FUND

Creating Value continued

Our Intellectual Capital continued

Our business intelligence (BI) department

Impacting

Capital/s

Strategic pillars

Stakeholders

MoF MoH

> The activities of our BI department form an important component of our Intellectual and Financial Capitals, with its role a strategic one, framed to ensure that the information that underpins decision-making within the Fund is accurate, reliable, and evidence-driven.

BI – Supporting the Fund strategically with information

Strategic outcome	The role of BI
Enhanced decision-making	BI provides decision-makers with comprehensive, relevant, and timely insights from data analytics that enables evidence-based decisions. Through predictive analytics, the department seeks to help forecast trends and potential risks, enabling proactive decision-making rather than reactive responses. For more on risk management, see page 39.
Improved operational efficiency	The BI department ensures the automation of routine tasks to streamline workflows, reducing the likelihood of errors and ensuring consistency in data handling. Importantly, the Fund aims to attain ISO 9001:2015 certification, a globally recognised standard for quality management systems (QMS). This will further improve the Fund's efficiency and improve the customer experience of both its internal and external stakeholders. For more on our stakeholders, see page 81.
Continuous monitoring and feedback	BI enables continuous monitoring of KPIs, allowing for ongoing evaluation of the Fund's performance. This is done utilising various tools, including organisational scorecards and interactive departmental dashboards. For more on Fund performance and operations, see pages 69.

Enabled by

Enabler	What it means
Data infrastructure	A robust and scalable data infrastructure is essential for appropriate collection, storing, and management of the Fund's data.
BI tools and software	Advanced BI software enables users to analyse data, create dashboards, and generate reports with actionable insights.
High-quality data	Accurate, reliable, and well-governed data is fundamental for BI success. We have in place data-quality processes, standards, and governance frameworks to ensure that information is trustworthy.
Skilled personnel	BI professionals, including data analysts and data scientists, are crucial for managing, analysing, and interpreting BI data.
Data-driven culture	A data-driven culture, supported by executive management, promotes the adoption of BI and encourages employees at all levels to rely on data for decision-making.

Taking into account potential risks

Risk*	What it means	Associated opportunities
Poor data quality	Incomplete or inaccurate data can lead to incorrect insights and misguided decisions. A consistent and thorough data cleaning process is crucial.	Improved decision-making
Data security	Strong data governance policies must be implemented to ensure data quality, integrity, and security.	Enhanced operational efficiency
Integration challenges	Integrating BI tools with existing systems, databases, and applications can be technically challenging, costly, and time-consuming. Failure to integrate properly can hinder the effectiveness of any BI solution and cause potential data silos.	Improved customer experience

*For more on risk management, see page 39.

Creating Value continued

Our Intellectual Capital continued

Our business intelligence (BI) department continued

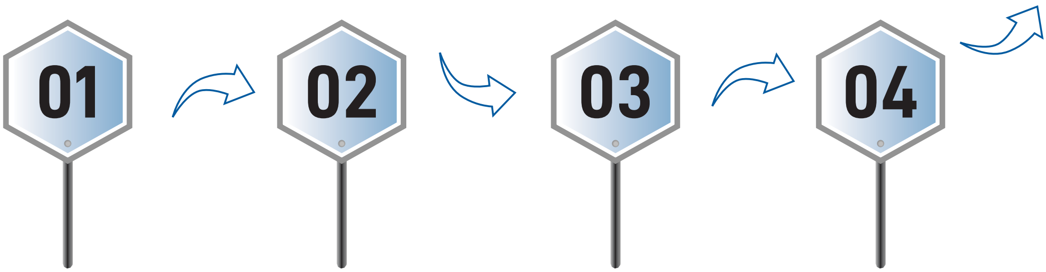
Our BI activities – FY2024

During the year under review, the BI department undertook various initiatives and projects:

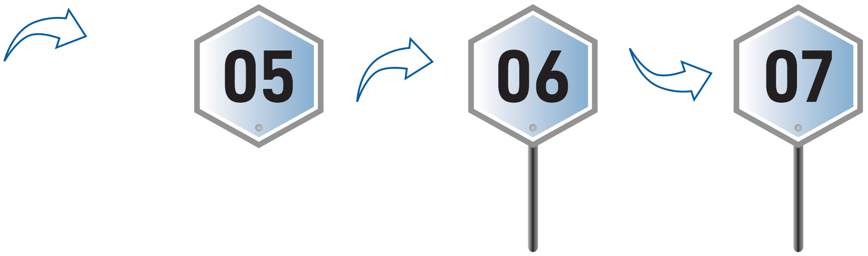
- Continued tracking of the Fund's operational and strategic KPIs;
- Adoption of business processes into business-as-usual;
- Ensuring minimised variation from defined specifications as part of the implementation of the new ERP system, in regard to system processes, data migration, and system reporting;
- Continuing to provide actuarial services for loss-of-support and loss-of-earnings claims;
- Monitoring movements in the Fund's liability to ensure sufficiency of reserves and adjustment of assumptions where necessary;
- Implementation of QMS, with the aim of achieving ISO 9001 certification, which will enable the organisation to enhance service quality by adopting a process-oriented approach. This certification will help increase customer satisfaction by:
  - » Consistently meeting customer requirements;
  - » Providing better management of processes, activities, and functions; and
  - » Reducing costs through continual improvements achieved via the ISO 9001 quality management system.

Our BI performance milestones – FY2024

During the year under review, we achieved the milestones set out below.



01	02	03	04
Quality policy	**Defining context of organisation**	**Process mapping**	**Standard operating procedures**
100%	100%	95%	50%
Provides a framework for quality objectives and commitment to meet applicable requirements and to continually improve	Documents external and internal issues, interested parties' requirements that influence processes and strategic direction	Helps reallocate resources for maximum efficiency by identifying process bottlenecks or redundancies	Outlines the detailed steps, responsible parties, and supporting documents to complete a process



Supporting documentation (forms, checklist)

50%

Enables employees and process owners to efficiently and effectively execute steps in each detailed process

Tracking conformance

- Non-conformance reports
- Management reviews
- Data tracking will commence in FY25, and will be reported on in the future

Audits

- Internal audit
- External audit
- Certification
- Data tracking commenced in FY25, and will be reported in future reports

Measuring our performance – FY2024 KPIs

Key performance area	Area of activity	Description	Unit	Target	Actual	Score
Efficiency	QMS implementation	% of 2024 initiatives completed on time and on target	%	90.00	75.00	2.00
Efficiency	BPM implementation	% of 2024 initiatives completed on time and on target	%	90.00	100.00	4.00
Transformation management	Strategy implementation	% of implementation of strategic initiatives	%	90.00	96.00	3.00

BI innovations – FY2024

Various digital and AI innovations were initiated in the year under review. Most of which are due to be completed and implemented in FY2025. These include:

- an online claim registration platform;
- real-time Net Promoter Score (NPS) surveys for the Fund's customer-service centres; and
- use of AI to interpret lodged documents such as police reports.

Looking ahead

The general outlook for BI in the short-, medium-, and long-term is optimistic, with the potential for significant improvements in decision-making, operational efficiency, and overall business performance.

Overcoming short-term challenges through the successful introduction of a BI tool sets the stage for addressing more complex issues in the medium- and long-term. The Fund's commitment to fostering a data-driven culture, investing in continuous learning, and strategically aligning BI initiatives with long-term goals will play a pivotal role in determining the overall success and sustainability of BI efforts.

DELIVERING VALUE

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MANAGING OUR CLAIMS 71
CUSTOMER CARE AS A KEY STRATEGIC IMPERATIVE 71
MANAGING OUR CASES 73
EKUPHILENI CLINIC 77

Our operational performance

Our operational performance impacts all six of our capitals, as well as all our stakeholders, whilst at the same time being the objective measure of the extent and success to which we fulfil our mandate.

Impacting

Capital/s

Strategic pillars

Stakeholders

Issues affecting operational performance

During the year under review, our initiatives to reduce operational costs were heavily impacted by the challenges currently faced by our public health facilities. This meant that some services had to be sourced from private facilities where costs are higher, with the result that the Fund paid more for medical services.

For more on our operating environment, see page 16.

Another factor that had an important bearing on operations performance was the implementation of the SAP ERP system. Whilst this project was anticipated and planned for, implementation challenges meant that more resources needed to be channelled towards ensuring completion of the project so that resources can be redirected to operational initiatives.

For more on our ERM system, see page 40.

Operations initiatives and achievements – FY2024

During the year under review, an integration project was launched which focused on enhancing collaboration between client services, customer service, and case management. The primary goal was to optimise the claims process, and thereby improve customer experience. Beyond customer satisfaction, the project also prioritises employee engagement and wellness through workload analysis.

Setting operational targets

A number of operational targets were set for the year under review, in line with the implementation for the final year of our Seamless strategy.

Delivering **Value** continued

Our operational performance continued

Our operational targets and performance scores – FY2024

Description	Unit	Target	Actual	Score
% improvement in effectiveness of case management	%	85.00	76.67	1.00
% reduction in road traffic accidents	%	3.00	42.00	5.00
% of claims processed within set standards	%	85.00	82.50	2.00
% implementation of COBIT Governance Framework	%	90.00	93.00	4.00
% improvement in operational efficiency	%	80.00	60.00	1.00
% reduction in ratio 100%	%	100.00	119.00	5.00
% of risk and audit issues resolved	%	90.00	69.00	2.00
% improvement in employee engagement percentage	%	85.00	80.00	3.00
% of stakeholder management strategies	%	90.00	85.00	3.00

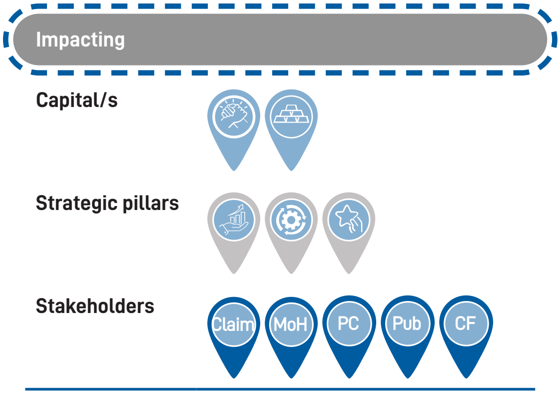
Due to the amount of time and effort needed to stabilise the ERP system, focus had to some extent be deflected from these targets so that the system could be implemented satisfactorily.

This new and much-needed ERP system is a final and critical part of the Seamless strategy, which will enable us to achieve superior levels of customer experience and efficiencies in the delivery of services to customers. During the year under review, we already realised some of the benefits accruing from the Fund's SAP investment, particularly regarding the integration that provides a seamless view of claims from registration to payment and closure. Nonetheless, much work will still be needed to customise the system to bring about all the potential improvements and process efficiencies.

Our operational performance against strategy

Strategic performance area	KPI	Description and baseline	Unit	Target	Actual	Score
Sustainability	Accident-prevention strategy implementation	% of 2024 initiatives completed on time and on target	%	95.00	91.00	3.00
Efficiency	ERP project implementation	% of 2024 initiatives completed on time and on target	%	95.00	79.00	1.00
Customer experience	Case management strategy phase II	% of 2024 initiatives completed on time and on target	%	95.00	94.00	3.00

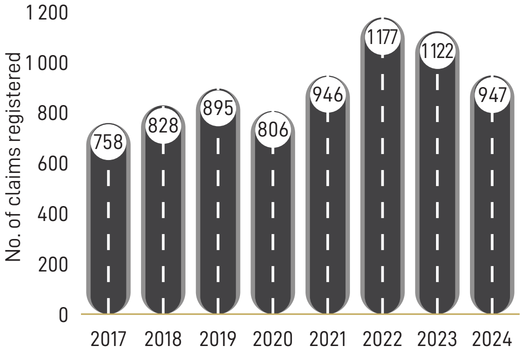
Managing our claims



Managing our claims efficiently and cost-effectively is integral to our mandate, central to all three of our strategic focus areas, and a key part of our Social and Relationship and Financial Capitals.

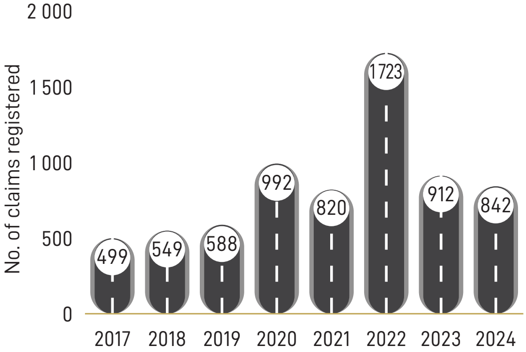
There were 947 claims registered during the year under review, representing a 16% decrease from the prior year.

Claims registered 2017–2024



The number of claims settled declined by 8%, from 912 in FY2023 to 842 in FY2024. The reduction was mainly driven by slow claim processing at the start of the financial year as the Fund was launching a new system.

Settled claims 2017–2024



Customer care as a key strategic imperative

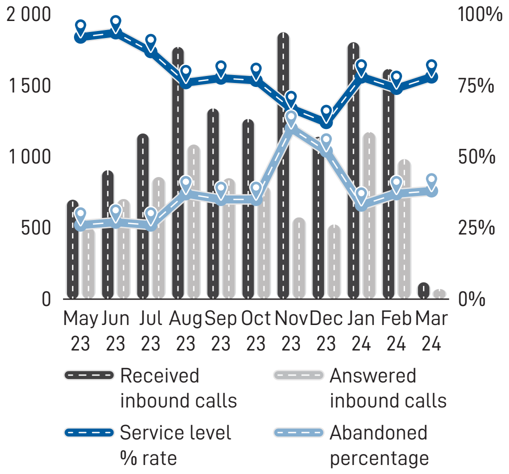
With customer-centricity as central part of both our ethos and our strategy, we operate a call centre which serves as a key touchpoint where claimants track the progress of their claims.

The centre's performance reveals varying call volumes, peaking in November 2023 with 1 874 calls, and dropping to just 118 in March 2024.

Although service levels were high in May and June 2023 – at over 90% – they dropped significantly to 62% in December 2023, coinciding with high abandonment rates, which rose to 60% in November 2023. These numbers indicate challenges we faced in handling increased call volumes, particularly in late 2023, although by early 2024 there were signs of improvement in service levels, lower call volumes notwithstanding.

Delivering **Value** continued

Inbound call centre statistics



Voice of the customer

To enhance customer experience and improve the efficiency of addressing claimant queries, we have introduced the "Voice of the Customer" tool. This tool plays a critical role in tracking daily inquiries, providing real-time insights into customer concerns, and helps to identify operational inefficiencies.

By closely monitoring and responding to these issues, we aim to reduce the number of repetitive queries to the call centre whilst increasing the rate at which customer issues are resolved.

This proactive approach accelerates the resolution process and strengthens customer satisfaction by ensuring that claimants feel heard, and their concerns are promptly addressed. The introduction of this tool is part of our broader strategy to enhance service delivery and improve overall client interactions.

Looking ahead

Operationally, in the short-term the focus will be on quick wins that are easiest to implement and require minimal budget. These include:

- reviewing claims management processes to improve efficiency;
- reviewing the case management process to reduce operational costs and to give claimants more flexibility and ownership of the treatment process;
- introducing digital self-service platforms to reduce claimant travel and paperwork; and
- firming up the efficiency drive as the SAP system stabilises and improving some of the processes.

The medium-term focus will involve more extensive preparations and may require moderate budgeting. Key initiatives include:

- reviewing the Fund's compensation model, with the aim of removing minor injury claims from benefits;
- lobbying for vehicle accidents to be declared a national crisis; and
- aggressive accident-prevention initiatives in cooperation with other stakeholders to reduce the claims liability and bring the fatalities to be at acceptable levels.

Managing our cases

The year under review saw a significant increase in cases across all three severity levels of minor, moderately severe, and severe.

Severe cases experienced the highest increase, at 137%, indicating a growing need for intensive care and rehabilitation services. The upward trend in all case-severity categories indicates improved case identification, as well as a worsening of the road injury situation as seen in rising road traffic injuries.

This sharp upward trend highlights the increasing burden on rehabilitation services. It signals a growing strain on healthcare provision. This is evident in increased requests for the Fund to procure medical supplies which ensure proactive provision of treatment as well as diagnostic investigations like CT scans and MRI scans.

Our case management strategy and framework

Our case management strategy phase II entails the development and implementation of a case management framework. The case management framework is a comprehensive guide to ensuring the effective care, rehabilitation, and improvement of quality of life for accident victims. It operates within the guidelines of the Motor Vehicle Accident (MVA) Act of 1991 as Amended in 2011 and addresses the specific needs of victims based on their injury profiles.

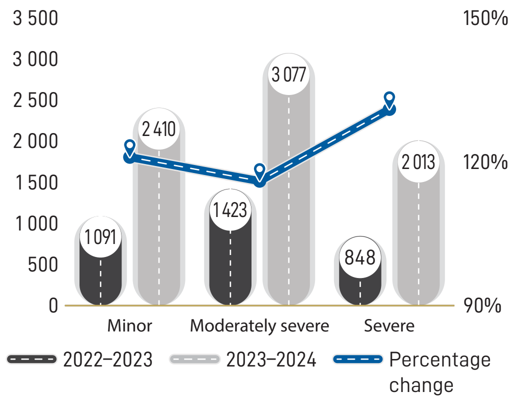
The framework emphasises advocacy, communication, and resource management to achieve quality, cost-effective treatment as well as rehabilitation outcomes. Key principles include the promotion of evidence-based, global best practice and collaboration across the post-crash value chain to manage conditions resulting from injuries.

The framework also ensures that case management officers adhere to professional standards and ethical guidelines, fostering effective client processing and care coordination.

In addition, the framework:
- supports a risk-based approach to rehabilitation;
- emphasises continuous monitoring and evaluation; and
- ensures the wellness of the case management team to sustain high-quality service delivery.

Upon completion of the framework, it was socialised to all members of staff, adopted, approved, and implemented.

Cases per injury profiles



Delivering **Value** continued

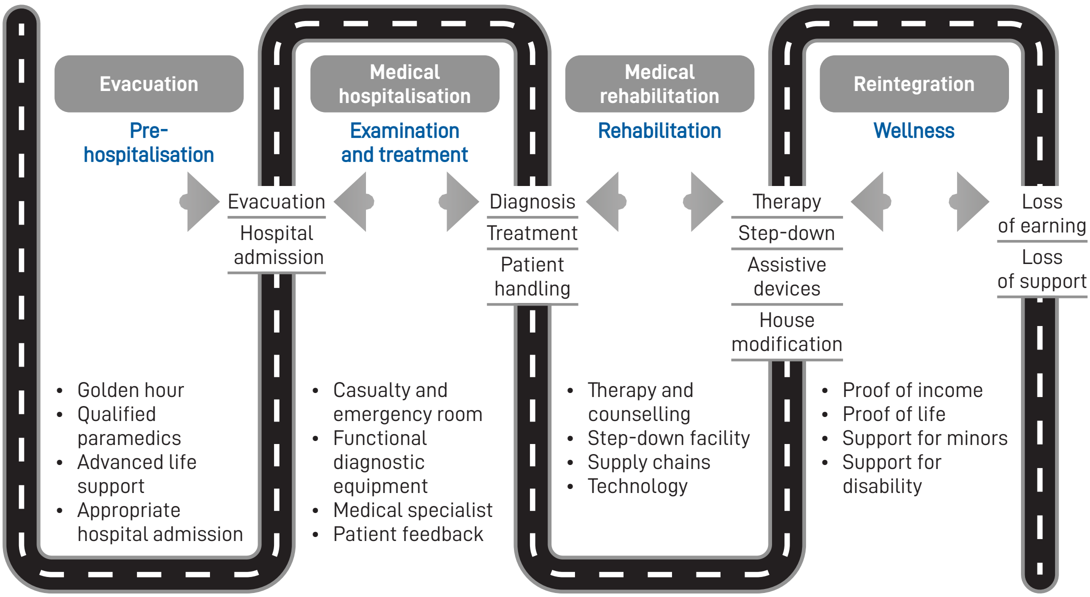
Managing our cases continued

The development of the case management framework provided a structured approach to survivor care, emphasising advocacy, collaboration, and cost-effective resource management. This framework aligns with global best practices and the Motor Vehicle Accident (MVA) Act of 1991 as Amended in 2011, ensuring continuous monitoring and service improvement.

Our case management framework

Case management framework

Being there, relevant and responsive



Trauma Facilities, Inclusive Sound Health System, Medical Tariff Structure, Telemedicine, Collaboration, Stakeholder Engagement and Management, Emergency Medical Services, Simpler Claims Management Process, Effective Bill Audits, Information Platforms.

Responding to public health system challenges

The increase in injuries coincided with challenges in the public health system which forced the Fund to incur higher medical costs as some services had to be sourced from private facilities.

Whilst new cases increased by 19%, discharged cases after treatment and rehabilitation, or after attaining a maximum medical improvement, improved by 21%. This shows that turnaround times for treatment and rehabilitation is improving. In the year under review, more cases were discharged for further processing than in the previous year. However, the rise in new cases is outpacing this improvement.

New and discharged cases

Period	New cases	Discharged
2022/23	626	360
2023/24	744	436

Key aspects of our strategic proactive approach

Our strategic proactive approach ensured early intervention, reducing the kinds of delays in care that often lead to complications, with two key outcomes:

- New case registrations increased by 19%, highlighting the effectiveness of early intervention.
- Discharged cases after treatment and rehabilitation, or at maximum medical improvement, increased by 21% demonstrating improved turnaround times and reduced complications.

These improvements reflect our commitment to timely and efficient case management, ensuring better outcomes for road injury survivors.

Delivering **Value** continued

Managing our cases continued

What we did	What it means
Capacity building	During the year under review, we identified a need for capacity building through frequent stakeholder engagement with healthcare facilities in both the public and private sector. To circumvent medical complications, various partnerships have been forged through a Memorandum of Understating (MoU) with several facilities. In addition, to further improve customer experience and manage costs, a case management framework was developed. The framework provides overarching principles and high-level recommendations which inform and shape the provision of treatment, rehabilitation, and enhancement of quality of life for all road traffic accident victims within Eswatini.
Interventions	In response to the rising incidence of cases across all three of our categories, during the year under review, we undertook three important interventions to help relieve the growing burden on treatment and rehabilitation services across the country's health sector: • **Strategic partnerships** Collaboration with Emergency Preparedness Response (EPR) for early notification of severe cases enables timely, and proactive interventions. • **Case mapping** Healthcare facilities were contacted regularly to ensure all road traffic survivors were identified early, allowing for timely provision of essential medical supplies and diagnostics. • **Infrastructure support** The Fund signed agreements with various healthcare facilities and supported improvements, including upgrading operating theatre facilities.
Enhancing quality of life	During the year under review, we prioritised a holistic approach to supporting survivors, addressing their physical, emotional, social, and psychological needs. We managed and monitored 35 caregivers to provide optimal care, whilst emotional support sessions helped claimants maintain resilience. In addition, 484 loss-of-support claims were processed to ensure financial security for dependents affected by the incapacitation or death of breadwinners.
Early integration into society and return to productivity	Through a multidisciplinary approach, survivors were reintegrated into society, with the Fund adopting the WHO Wellness Wheel to address all aspects of wellness. This balanced support system helped survivors achieve overall well-being and return to productive lives.

Ekuphileni Clinic

Impacting

Capital/s

Strategic pillars

Stakeholders

MoF MoH Pub Claim CF

Since its unbundling in FY2022, the Ekuphileni Clinic has been operating as a fully-fledged subsidiary of the Fund and undertakes its own reporting. It nevertheless still impacts our Financial, Manufactured, and Social and Relationship Capitals.

Operational overview – FY2024

During the year under review, the clinic made losses of about E8.95 million, with its total liabilities exceeding total assets by E24.5 million, and revenue improving by 6% compared to FY2023.

Gross profit improved by 41% due to an increase in sales and a slight decrease in the cost of sales. The improvement is attributable to an increase in revenue from the Phalala Fund and Swazimed referrals. The clinic has also employed different marketing strategies to grow its private business.

We believe that the clinic has adequate financial resources to continue in operation for the foreseeable future as it will be able to fund operations with cash totalling E17.9 million held at financial institutions. Its significant liabilities are from the parent company and are not in demand immediately.

Strategy

The operational goals and objectives as follows:

- To run the clinic at the lowest resource cost and at the highest possible output.
- to be a financially independent entity.
- to ensure that our stakeholder relationships enhance our strategic objectives and operational targets

Operational targets and strategic goals

Operational target	How we performed
Increase the efficiency with which we manage our resources (resource targets)	The cost-to-revenue ratio for the year under review is at 52%. This performance shows that the clinic is using its resources efficiently.
Increase in clinic patients (core business targets)	The number of patients for the year under review slightly increased from the previous year by 330. However, this fell short of the target for the year.
Establish and improve relationships with customers (relationships targets)	Stakeholder relations overall are healthy. This assessment is based on an improvement in the NPS and the stakeholder perception survey. The clinic exceeded the NPS target by 12.7%.
Become a self-sustainable entity (transformation targets)	As mentioned above, the clinic achieved a cost-to-revenue ratio of 52%. This reflects a good financial-efficiency position for the clinic, considering the uncertainties of the health industry. However, there is room for improvement for the clinic in this regard through implementation of the in-patient facility project, expanded marketing, and reviewing our cost management strategies.
Reduce our risk exposure (risk targets)	The clinic has successfully developed a risk register which provides a baseline against which future risk exposure can be measured.

Delivering Value continued

Operational initiatives

The clinic successfully implemented several strategy projects during the year under review:

- Development of a process construct – This project was successfully implemented through mapped processes and target setting;
- Development of policies linked to processes and procedures linked to policies;
- Optimisation of current services – This project is ongoing,
and the clinic has been able to add specialist functions such
as paediatric and neurosurgery;
- Development of a risk management system – A risk register
was established, and risk exposure determined;
- Successful development of cost centres;
- Customer relationship management (CRM) system – A CRM system was successfully developed, with stakeholder relations overall classified as healthy – evidenced by the fact that the clinic exceeded its NPS improvement target by 12.7%;
- Successful development of an employee onboarding programme; and
- Development of a corporate communications strategy.

For more on corporate communications, see page 94.

Measuring our performance

KPI	Target FY2024	Actual
Stabilise the resource cost-to-revenue ratio	65%	52%
Increase in patient visits	8 064	6 486
Improvement in the NPS	45%	57.7%
Overall cost-to-revenue ratio	130%	110%
Average risk exposure value	Not determined	Not determined

Looking ahead

In the short-term, we aim to:

- be a self-sustainable entity with financial statements that show sustainability. This is the break-even stage, with the clinic running on its own, thereby becoming an independent organisation;
- implement the in-patient facility project which is anticipated to increase patient volumes and increase revenue; and
- develop and implement a performance management system which will measure efficiency, impact, and behaviour.

In the medium- to long-term, our strategic vision will span two strategic periods, in which our aim will be for the clinic to deliver financial statements that show profit. Our aim is for the clinic to be a profit-generating organisation with increased relevance and purpose by 2027 or 2028.

The long-term, with an outlook towards 2030 and 2031, our strategic vision will be for the clinic to be recognised as a benchmark and centre of excellence, having become a leading organisation.


Ekuphileni
Clinic
KHUBA TRADERS
ISUZU

SUSTAINING VALUE

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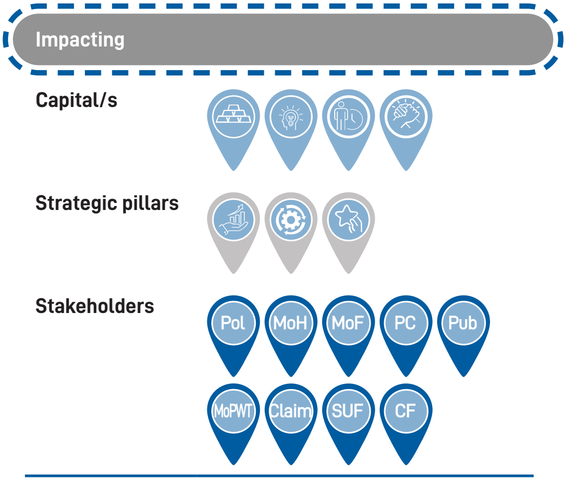
ENSURING CUSTOMER SATISFACTION 93
OUR CORPORATE SOCIAL INVESTMENT (CSI) 95
COMMUNICATING OUR PURPOSE 96

Our Social and Relationship Capital

> **As an organisation mandated to provide a public service that has the well-being of Eswatini citizens at its heart, we make every effort to ensure that we understand and maximise our Social and Relationship Capital. This means putting all the people and entities who are impacted by what we do at the centre of our strategic thinking.**

Managing our stakeholders



> **We understand that for us to fulfil our mandate, adhere to our strategy, and maintain sustainability in the long-term, we need to consider and manage the needs and concerns of our stakeholders. To this end, we have developed a framework for engaging them that is a key component of our Social and Relationship Capital, whilst at the same time impacting our Intellectual, Human, and Financial Capitals.**

During the year under review, our stakeholder engagements were executed through a variety of platforms and activities, including:

- **Stakeholder meetings**
  Regular meetings and MoU reviews with key partners like Eswatini Nazarene Health Institutions and Good Shepherd Hospital were executed to enhance post-crash service delivery.
- **Mall activations**
  We carried these out across multiple locations, providing a physical presence where claimants could access the Fund's services.
- **Eswatini International Trade Fair**
  This 10-day event provided a platform for us to exhibit services and raise awareness.
- **Social media campaigns**
  We actively used digital platforms to propagate accident prevention messages and general claimant education, with videos and posts resulting in around 63 000 views across Facebook, Instagram, and our website.
- **Ingwenyama Cup tournament**
  We sponsored the tournament, resulting in the following benefits:

1. Benefits to Claimants (Clients of Sincephetelo MVA Fund)
   - **Improved Access to Services:**
     The tournament allows claimants to connect directly with Sincephetelo MVA Fund representatives, providing a closer and more responsive platform for submitting feedback, asking questions, and seeking assistance.
   - **Increased Public Awareness on Road Safety:**
     With the tournament incorporating road safety advocacy, the Fund amplifies its mandate of preventing accidents and supporting victims. This heightened awareness contributes to fewer road incidents, ultimately protecting potential and existing claimants.
   - **Enhanced Visibility of the Fund's Role:**
     By being the anchor sponsor, Sincephetelo MVA Fund strengthens its public profile and reassures claimants of its ongoing commitment to their welfare and compensation rights.
   - **Supportive Environment for Recovery:**
     Public engagement in the tournament fosters a sense of solidarity and shared responsibility, which is especially important for individuals recovering from road trauma.

Sustaining Value continued

Managing our stakeholders continued

2. Benefits to the General Public
   - **Massive National Engagement:** With over 1.5 million digital views, the tournament has become one of Eswatini's most widely followed events, uniting citizens across demographics and promoting national pride.
   - **Youth and Talent Development:** Aspiring footballers use this stage to showcase talent and gain exposure, potentially launching careers in professional sport.
   - **Cultural Enrichment and Identity:** Traditional dances, regalia, and cultural performances embedded in the tournament preserve and celebrate Eswatini's rich heritage.
   - **Job Creation and Local Economic Stimulus:** The event generates jobs and stimulates commerce through vendors, event staff, performers, and tourism-related activities.
   - **Community-Based Social Impact:** The tournament reinforces positive social behavior and values, especially through education campaigns such as road safety, which influence everyday public conduct.

Adding value for our stakeholders

Our value proposition lies in our ability to address stakeholder needs while leveraging the capitals we manage. Key aspects of the value we add for our stakeholders include:

- Post-crash support, comprising:
  - » Efficient claims-processing and access to medical and rehabilitation services
  - » Strengthened relationships with healthcare providers like Eswatini Nazarene Health Institutions
- Road safety initiatives, comprising:
  - » Accident-prevention campaigns that contribute to reduced road injuries and fatalities
  - » Public education and awareness efforts, such as mall activations and social media campaigns
- Accessibility, comprising:
  - » Physical presence through activations and information desks at high-traffic venues.
  - » Digital accessibility via social media and the planned online claiming platform.
- Economic Support, comprising:
  - » Direct financial assistance to accident victims and their dependents.
  - » Contributions to societal well-being through Corporate Social Investment (CSI) programs.

Linking stakeholder concerns, capitals, and performance metrics

We integrate stakeholder feedback into our strategy by connecting the identified concerns with the capitals they influence. This integration enhances our performance measurement and decision-making, and includes:

Capital	Associated concerns and actions
Financial Capital	Aligning resource allocation with material stakeholder concerns to ensure sustainable impact. Metrics: • Financial performance • cost efficiency in claims processing Return on investment (ROI) on corporate social investment (CSI) initiatives For more on CSI, see page 95.

Intellectual Capital

Using data from social media campaigns and stakeholder meetings to refine accident prevention strategies.

Metrics:

- Engagement rates
- Reach

Accident reduction statistics

For more on accident prevention, see page 88.

Human Capital

Training and supporting internal teams on wellness initiatives to improve service delivery.

Metrics:

- Employee satisfaction surveys

For more on HR, see page 57.

- Customer and stakeholder feedback

Social and Relationship Capital

Engaging healthcare providers ensures continuous improvement in post-crash care delivery.

Metrics:

- Reduced response time for claims
- Increased satisfaction among claimants with delivery by our Case Management Department.

For more on our operations, see page 69.

The influence of stakeholder engagement on determining materiality

We recognise that engagement with our stakeholders is critical in identifying and prioritising the material issues that align with our strategic goals within the broader societal context.

By integrating stakeholder engagement into materiality determination, we ensure that our actions are relevant, impactful, and aligned with both our mission and stakeholder expectations.

The process we implement in determining materiality

Identifying stakeholder priorities

Regular dialogues and meetings highlight what stakeholders value most, such as road safety, support to health facilities around the country, efficient claims handling, and accessibility to services.

Mapping to capitals

Stakeholder concerns are mapped to the capitals to assess their impact and relevance, ensuring resources are allocated effectively.

Incorporating feedback into strategy

Insights from engagements such as noting high accident rates during festive seasons, guide targeted interventions, influencing strategic initiatives and performance goals.

Performance metrics alignment

Stakeholder expectations inform the development of KPIs, enabling us to measure success in areas of mutual importance.

Sustaining Value continued

Managing our stakeholders continued

Engaging with our stakeholders – FY2024

Stakeholder	Frequency of engagement	Channel of engagement	Issues and concerns	Status and future targets
Deputy Prime Minister's Office	As and when required	• Formal meetings	• Payments for qualifying families under government's funeral cover programme for the elderly	The Fund is now fully providing Death Grants qualifying to families of elderly deceased persons.
Ministry of Labour and Social Security (Workmen's Compensation Unit)	As and when required	• Formal meetings	• Facilitating cooperation in medical facilities, online information sharing within the Workmen's Compensation space (data capturing), and Workmen's Compensation claims processing • Capacity building initiatives, with the two entities also working on creating a long-term working partnership	MoU signed between the two parties. A number of activities are in the pipeline and are geared towards ensuring that a sustainable social safety net is created where issues of road traffic accidents and work-related injuries are concerned.
Eswatini Nazarene Health institutions	Quarterly	• Email • Face-to-face • Telephone • Social	• Occasional supply shortages, addressed through updated treatment protocols • Periodic donation requests when resources are stretched	MoU reviewed and objectives updated to strengthen collaboration, aligning with the Fund's strategic goals.

Stakeholder	Frequency of engagement	Channel of engagement	Issues and concerns	Status and future targets
Good Shepherd Hospital	Quarterly	• Email • Face-to-face • Telephone • Social	• Similar supply challenges managed through adjustments in treatment plans. • Donation requests to meet pressing needs.	Review informed refreshed targets and objectives. Collaboration remains integral to the Fund's strategy.
Emergency Preparedness and Response Unit (EPR)	Once a year	• Face-to-face	• Engagement has been smooth, with minor challenges relating to correct costs of vehicle/ ambulance maintenance.	Challenges addressed by EPR leadership, including strengthening of safety protocols among ambulance drivers
Royal Eswatini Police Service (REPS)	Twice a year	• Face-to-face	• Opportunities exist to deepen engagement and strengthen commitment	Upcoming review will focus on collaboratively improving road traffic accident response and management practices.
Mkhiwa Clinic		• Face-to-face	• Enrolling the health institution into a partnership for treatment of RTA survivors.	MoU was signed recently for the purposes of formalising partnership for the treatment and rehabilitation of injured claimants.
Eswatini Posts and Telecommunications Corporation (EPTC)	Quarterly	• Email • Telephone	• Delivery of a decentralisation platform for the Fund through its national branch network	Formal MoU is expected to be signed to allow decentralised service delivery using EPTC's branch network across the country.
Fire and Emergency Services	Three times a year	• Face-to-face	• Internet access provided to support data sharing.	MoU formalised, with future targets focusing on improving accident response and injured claimant evacuation.

Sustaining Value continued

Managing our stakeholders continued

Engaging with our stakeholders – FY2024

Stakeholder	Frequency of engagement	Channel of engagement	Issues and concerns	Status and future targets
Mbabane Government Hospital	Quarterly	• Email • Face-to-face • Telephone • Social	• Resource allocation has improved supply availability. • Donations help address short-term resource gaps.	Support includes essential drug donations, with future efforts focused on reducing the backlog of orthopaedic cases to improve patient outcomes.
Public and claimants		• Community Engagement • Media	• Awareness of SMVAF mandate and developments taking place within the Fund	Delivery on the mandate as per legislation as well as unpacking causes of perceived delays and the settlement of backlog cases
SUFIAW	As and when required	• Formal meetings	• Staff welfare issues as well as the need for engagement when key decisions are taken	Key labour relations matters were: • The completion and approval of a cost-of-living increase as proposed by staff • Wellness issues.

Stakeholder	Frequency of engagement	Channel of engagement	Issues and concerns	Status and future targets
Eswatini Transport Council	As and when required	• Formal meetings	• Efforts to re-establish engagements with the newly appointed Council as well as working towards the signing of a MoU	Approval and signing of MoU to guide collaboration. The MoU was drafted and awaits approval from the Ministry of Transport.
Ministry of Health	As and when required	• Formal meetings	• Collaboration with hospitals at treatment level to improve the speed at which claims are concluded • Enhancing the Fund's drive towards offering superior customer experience	The Ministry committed to the finalisation and immediate signing of MoUs guiding the relationship between the Fund and all public hospitals Working relationship remains solid but still awaits formal MoU.

*For more on accident prevention, see page 88.

Sustaining Value continued

Preventing accidents

> We understand that for the Fund to fulfil its mandate whilst remaining a relevant and sustainable organisation, we need to go beyond the treatment, rehabilitation, and compensation of road crash victims, and proactively participate in interventions to help prevent the occurrence of road accidents. We see this as a key component of our Social and Relationship Capital.

Impacting

Capital/s

Strategic pillars

Stakeholders

Pub Claim

Strategising for greater safety

With our mandate being to compensate victims of road accidents, there is always the possibility of being overwhelmed by claims that are a direct result of traffic accidents primarily caused by negligent driving. The massive rate of claims flooding the Fund have the potential to extensively compromise our long-term sustainability, and we thus view it as imperative to implement programmes on accident prevention through education, together with relevant stakeholders.

With our Seamless Sincephetelo Strategy 2020/2024 completing its 'last mile' phase during the year under review, we fully established and elevated accident prevention and education as a collaborative leading initiative to combat road crashes in our roads.

We undertook this exercise with the knowledge that its effectiveness depended on collaboration with like-minded stakeholders in the road safety space. Our focus on accident prevention was also spurred by the United Nations Decade of Action Declaration to reduce accident rates by 50% by the year 2030. This initiated the '5 Pillars of Action' project, which aims to enable the success of the endeavour being measured.

Through our accident prevention and Public education department, we collaboratively undertook various programmes which were predominantly aligned with the pillars of the UN Decade of Action 2021–2030 initiative.

Our road traffic accident interventions – FY2024

Financial constraints determine the extent of our interventions, which can be very expensive. During the year under review, we spent E3 million of our allocated budget (E3.4 million) for all our programmes and interventions.

Area of focus	What we did
Festive season campaigns	Safer road user behaviour is one of the pillars of the UN Decade of Action 2021–2030, that encourages road users of all categories to be cautious and use the road as safely as possible, not only for their own safety but also for that of others. The festive season is one of those times in the year where behaviour on the road is casual and leads to numerous accidents, resulting in critical and even fatal injuries. We therefore initiated a festive season campaign and collaborated with stakeholders such as the Road Safety Council of Eswatini, Royal Eswatini Police Services, Fire and Emergency Services, and others to stage campaigns and provide education. Information centres were established and manned in all four regions of the country. Traffic was intercepted and given road safety information. This was followed by establishing major roadblocks for law enforcement to combat unruly behaviour and lack of vehicle roadworthiness. The exercise continued for three weeks up to New Year's Eve 2023. It is noteworthy that in the festive season of 2023/24, Eswatini experienced no fatalities on the road.
Vulnerable road users	There are three categories of road users: • Motorists • Passengers • Pedestrians • Cyclists Of these, passengers and pedestrians are categorised as vulnerable, in that their fate is always in the hands of motorists. They are joined in this by riders and cyclists as the road system is predominantly designed more for cars than for those who walk, ride, or cycle. The United Nations Decade of Action also calls for improved safety for vulnerable road users. We understand that in this category, school-going children on their way to and from school are most affected on our roads. Therefore, in collaboration with stakeholders, we spearheaded a back-to-school campaign. Several schools, whose proximity to the road has caused numerous accidents, were visited for sensitisation, education, and law enforcement. In total, over 6 000 pupils were reached, with the next step being the establishment of permanent scholar patrols at some of the most affected schools around the country. This campaign was followed by another, which focused on joggers and athletic clubs. These groups are often on the road both at dawn and dusk for physical fitness, and whilst there, they are exposed to speeding vehicles. We therefore approached several athletics clubs and initiated a month-long 'Reflect on the Run' campaign to encourage everyone on the road to wear reflective clothing, especially when it is dark, so that they can be easily discerned by drivers.

Sustaining Value continued

Preventing accidents continued

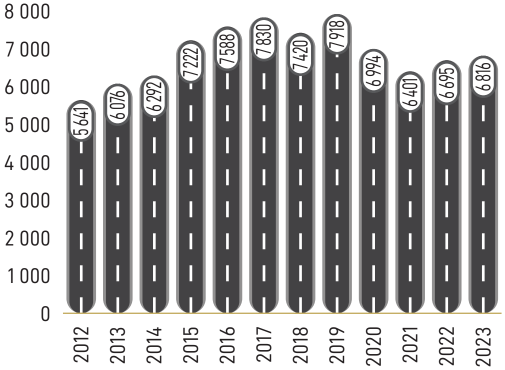
Our road traffic accident interventions – FY2024 continued

Area of focus	What we did
Media platforms	We recognise that consistency in road safety messaging is imperative, and we make daily use of media platforms such as radio, television, print media, and social media, not only to promote our physical campaigns, but also to disseminate information on a theme, chosen monthly, relating to: • accident prevention; • education; or • road safety. These platforms allow us to educate actual and would-be clients on the processes and procedures of the Fund, including post-crash intervention, should an accident occur with people injured or killed, despite all the efforts. With our case management programme, it is vital to disseminate information on how to access our services, including the processes to be followed for effective post-crash intervention and victim care. Our accident prevention and education department therefore serves as a link between the public and the Fund to: • create traffic accident awareness; • promote the means to change human behaviour toward better road use; • advocate for safer roads and roadworthy cars; • further collaborate effectively with all relevant stakeholders for the reduction of accidents significantly by 2030 as per the UN Decade of Action goals; and • improve the Fund's strategic sustainability by reducing the claims numbers. It is worth noting that one of the pillars of the United Decade of Action is improved post-crash care for those casualties of negligent driving.
Cattle ranging	Amongst our projects was one dealing with cattle ranging, where certain communities were observed to have lots of animals straying onto roads, causing traffic accidents. Volunteers from each of the targeted communities received a fixed quarterly stipend to control hazardous livestock on the road. The results have been positive, in that for over five years there has not been a single fatality caused by straying animals.
Road auditing	The auditing of roads was undertaken to pick up infrastructural defects that may cause accidents. Five major roads were audited, and an audit report was developed and shared with stakeholders for action.

Tracking our performance

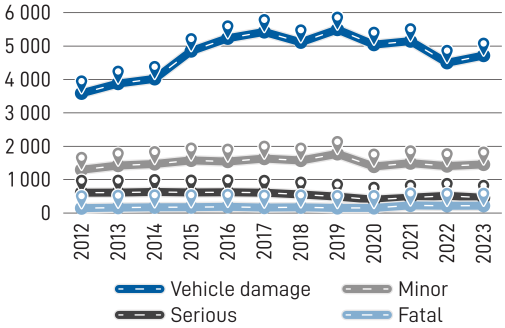
During the year under review, we continued to track reported road traffic accidents with the aim of monitoring the impact of the initiatives we have undertaken.

Road accidents per year – 2012 to 2023



- The five-year average number of reported accidents is 6 965.
- Reported accidents resulting in damage to property increased slightly by 2% from the previous financial year.

Reported accidents per outcome category



General accident indicators –2021 to 2023

	2021	2022	2023
Fatalities	229	213	221
Injuries	3 772	4 038	3 679
MVA claims	946	1 177	1 122
Vehicle population	274 176	274 176	274 176
Eswatini population	1 192 271	1 201 670	1 210 822
Indicators			
Fatalities per 10 000 vehicles	8.35	7.77	8.06
Fatalities per 100 000 persons	19.2	17.7	18.3
Injuries per 10 000 vehicles	137.6	147.3	134.2
Injuries per 100 000 persons	316.4	336.0	303.8

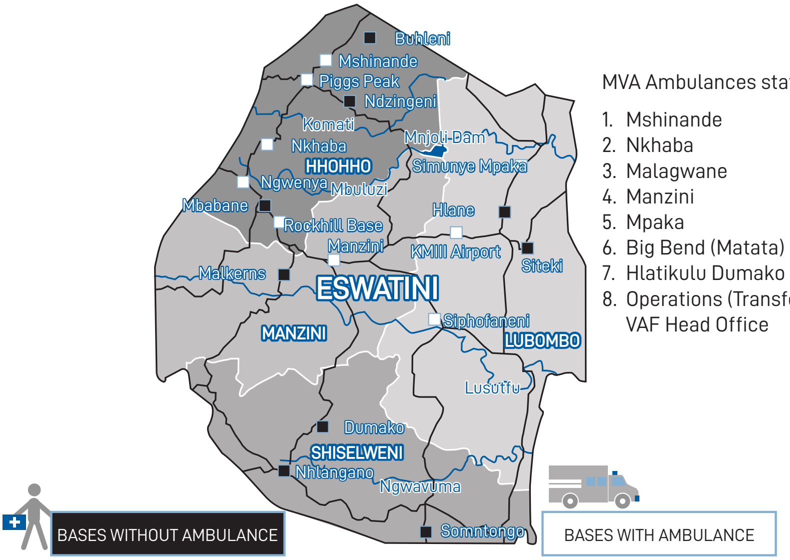
Sustaining Value continued

Preventing accidents continued

Adding value

During the year under review, we continued to add value by contributing towards expanding ambulance coverage to improve response time within one hour after the occurrence of an accident (Golden Hour).

EMERGENCY PREPAREDNESS AND RESPONSE UNIT (EPR) BASES BY REGION



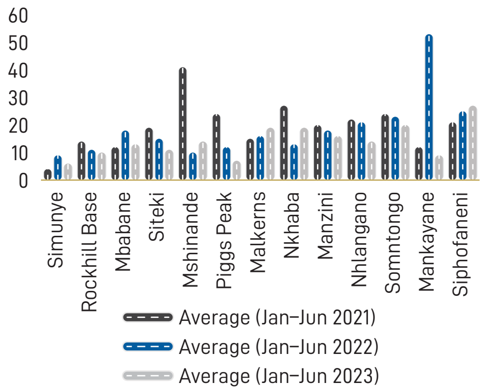
MVA Ambulances stationed at:

1. Mshinande
2. Nkhaba
3. Malagwane
4. Manzini
5. Mpaka
6. Big Bend (Matata)
7. Hlatikulu Dumako
8. Operations (Transfers) SM-VAF Head Office

Dispatch rates increased from 77% in 2022 to 88% in 2023

	Jan–Jun 2021	Jan–Jun 2022	Jan–Jun 2023
Alternative transport	35	148	90
Dispatched	591	498	641
Total	626	646	731

Average scene arrival time



Ensuring customer satisfaction

With one of our strategic pillars defining the centrality of our aim to be a customer-centric organisation, we strive to ensure that our customers receive the best possible service from us in the processing and managing of their claims. As such, determining our service delivery and measuring customer satisfaction is a key component of our Social and Relationship Capital.

Impacting

Capital/s

Strategic pillars

Stakeholders

Claim Pub

Our initiatives

During the year under review, we launched an integration project which focused on enhancing collaboration between client services, customer service, and case management.

The primary goal was to optimise the claims process, and thereby improve customer experience. Beyond customer satisfaction, however, the project prioritised employee engagement and wellness through workload analysis.

Our key achievements

Project	How we performed
Stagnant files reduction	A thorough review of the investigation process in February led to an impressive 77% reduction in stagnant files – from 556 to 128 at the investigation stage.
Payment process realignment	Approval for payment process realignment is a significant milestone. This will eliminate duplicate tasks, especially within client services and finance departments.
Standardisation of claims processing	The project has identified and documented claims processing standards, including investigation and quantum assessment criteria. Regular monitoring ensures adherence, reflecting our commitment to operational efficiency.

Measuring our performance over time

	FY			
	2021	2022	2023	2024
Average cost per claim	198 742	75 496	123 760	**163 071**
NPS	20.38	19	11	**-10.4**
Backlog	1 836	812	367	**259**

Sustaining Value continued

Education

We undertook several educational initiatives during the year under review, taking care to align them with the Fund's strategy, particularly regarding accident prevention and public awareness.

By focusing on public education around accident prevention and by ensuring claimants are well informed about the claims process, we aim both to reduce accidents and to improve service delivery.

For more on our awareness and education campaigns, see pages 89 and 96.

Our education projects – FY2024

Project	What we did
Public education campaigns	These were delivered through social media platforms, emphasising accident prevention and the SMVAF claim process. A 'Speed Awareness Month' campaign was launched, which focused on tips for managing speed and preventing road accidents. The campaign was shared through educational videos that reached a wide audience on Facebook and Instagram.
Social media content	Educational videos, such as the 'Do Not Speed' video, were widely viewed and shared. The initiative was part of a broader road safety education strategy to ensure the public understands the importance of adhering to traffic regulations and reducing road accidents.
Mall activations	These physical events provided information dissemination across the country's towns, ensuring that claimants and the general public could receive in-person guidance on road safety and the claims process.

The year also saw the return of the staging of the Ingwenyama Cup, and our role within the event as a key provider of benefits to the public.

For more on this participation, our involvement in supporting strategies for the health sector, see pages 77 and 95 and for our overall stakeholder engagement, see page 84.

Communicating our purpose

Impacting

Capital/s

Strategic pillars

Stakeholders

Pub Claim SUF

> Allied to our support for, and involvement with, the well-being of our communities is our determination to communicate our role and purpose, and our aim of making a difference to peoples' lives. This imperative forms an important part of our social and relationship capital and is undertaken by our communications department through educational and information campaigns that align with our strategy.

Increasing public awareness

Several key campaigns were initiated throughout the year under review, aimed at improving public awareness and enhancing road safety.

Our corporate social investment (CSI)

Impacting

Capital/s

Strategic pillars

Stakeholders

Pub

As a committed and responsible corporate citizen, we undertake ongoing initiatives among the communities we serve. The aim of these projects not only to improve awareness of our role among the people who make up our communities, but to improve their well-being by adding value to what we do in the fulfilment of our mandate. All our activities in pursuit of this forms an important part of our Social and Relationship Capital.

Overview

During the year under review, there has been a significant focus on community engagement and CSI projects. The Fund maintained strong relationships with key stakeholders in the road accident value chain. Regular engagements allowed our stakeholder managers to assess the needs of these groups while materially contributing to accident prevention and the treatment and rehabilitation of injured people.

Our CSI activities are intimately tied to our public communications, with much of what we do in both areas overlapping, particularly regarding road safety awareness, education, and health sector support.

*For more on our public communications, see page 96.

Our key initiatives – FY2024

Amongst our key initiatives for the year, we donated:

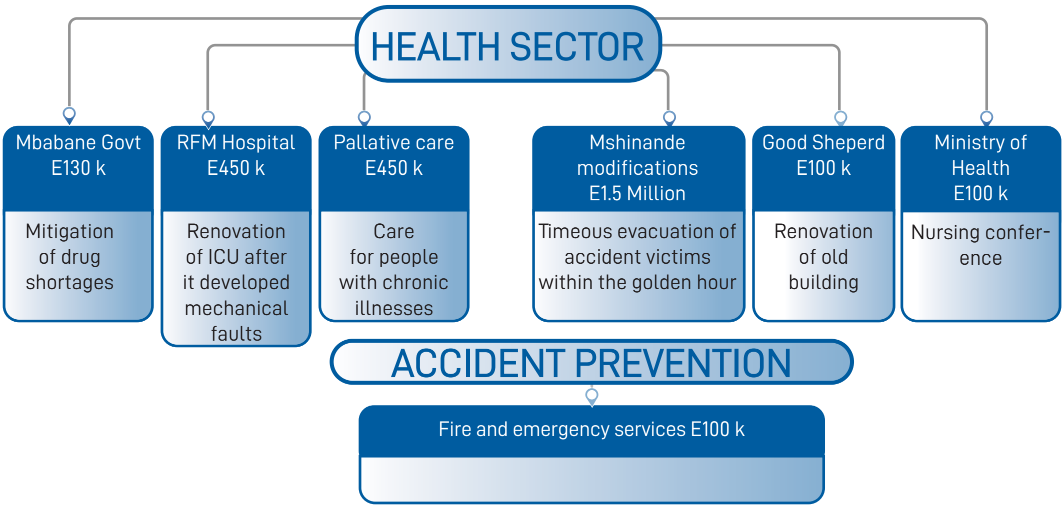
- E450 000 to RFM Hospital for repairs of its orthopaedic theatre;
- E100 000 to Mbabane Government Hospital to support their orthopaedic surgeries; and
- E100 000 to the National Fire and Emergency Services to purchase Jaws of Life equipment for accident rescue.

In addition, we allocated E1.5 million to the conversion of phase 1 of Mshinande Resuscitation Centre.

These projects significantly contributed towards:

- enhancing accident rescue operations;
- improving healthcare infrastructure for accident victims; and supporting accident prevention efforts.

How we assisted three key sectors in FY2024



Sustaining Value continued

Communicating our purpose

Focus areas for communications – FY2024

During the year under review, there were two broad areas of focus for our communications initiatives:

- **Road safety and accident prevention**
  The main focus for communications and education continued to be road safety, particularly accident prevention. This was evident in campaigns like 'Speed Awareness Month', which highlighted critical safety issues for drivers.
- **Claim process education**
  Educating the public on the claims process remained a priority, ensuring that claimants know what steps to take and what documents are required to ensure a smooth experience with SMVAF.

In addition, we continued to emphasise the maintenance and strengthening of our stakeholder relationships, particularly with emergency services and medical institutions, to improve the overall post-crash experience and align with the Customer Experience strategic pillar.

For more on stakeholder engagement, see page 84.

Our public awareness campaigns

Campaign	What we did
'Blow before You Go'	Held during the Bushfire Festival, this campaign is aimed at discouraging drink-driving. The Fund set up a breath-testing station at the venue's entrance/exit, encouraging drivers to test their alcohol levels. Over 200 individuals were tested, many of whom were found above the legal limit and advised against driving. Despite one road traffic accident involving festival-attendees, the campaign help raise awareness around safe driving practices.
Mall activations	Aimed at ensuring close proximity to claimants, mall activations were conducted across various towns for three months. The first wave took place at locations including: • Emphalwini Mall; • Mbabane Bus Rank; • Mahhala Shopping Centre; and • Matata Shopping Centre. These events disseminated information on the claims process and allowed the public to check the progress of their claims.
Ingwenyama Cup 'Help Us Help You'	The Ingwenyama Cup serves as a platform for both sports and cultural engagement, whilst also promoting road safety. The Fund used this tournament to drive home its accident prevention messages and educate the public on the claims process through both social and traditional media.

Campaign	What we did
Eswatini International Trade Fair (EITF)	The Fund participated in the 2023 Trade Fair, engaging the public on strategy, claims management, and accident prevention. The fair also served as a platform for stakeholders to check the status of their claims.
Caregivers' session	This session was an event hosted at Happy Valley that provided psychosocial support and appreciation for caregivers of claimants, with relevant medical professionals involved. The event was followed by a print media campaign highlighting the plight of caregivers as well as how communities can support those affected by severe injuries arising from road accidents.

Internal communication

During the year under review, we undertook several internal communication and motivational initiatives, as outlined below.

Initiative	What it meant
Long service awards	Employees who had served the Fund for 10, 15, 20, and 25 years were honoured during the long service awards ceremony. The event emphasised the importance of recognition for outstanding work, fostering employee satisfaction and motivation. For more on SMVAF culture, see page 58.
Breast and prostate cancer awareness event	A 'Pink Affair' event was organised to promote awareness of breast and prostate cancer, HIV/AIDS, and mental wellness. This event underscored the Fund's commitment to employee wellness. For more on employee wellness, see page 59.
Business review forums	The quarterly business review forum provides a platform for EXCO and staff members to engage in open discussions about strategy implementation, operational progress, and the Fund's budget. These engagements help motivate employees by keeping them informed and involved in organisational processes. For more on stakeholder engagement, see page 84.
Valentine's day celebration	Themed 'Love Begins with You', this event aimed to promote self-love and empathy among staff, incorporating motivational talks and team-building activities to foster a positive workplace environment.

Sustaining **Value** continued

Communicating our purpose continued

Distribution of information

In this financial year, we made use of a variety of distribution channels and methods to disseminate information. These included:

- **Physical campaigns**
  Mall activations, event booths (such as those used during the Ingwenyama Cup), and caregiver sessions.
- **Digital campaigns**
  Social media, through Facebook and Instagram, was a key distribution channel for accident prevention tips, public education, and campaign promotion.

Strengthening our brand and reputation

We implemented a marketing and brand-strengthening strategy during the year. Social media was significantly utilised to promote the brand and raise awareness about SMVAF services and accident prevention campaigns. Key strategies included:

- the use of digital platforms like Facebook, Instagram, and the official website, which had over 900 000 views;
- a focus on educational videos, such as a road-safety campaign for Speed Awareness Month, which received 809 views on Facebook; and
- videos promoting the Eswatini International Trade Fair and the Ingwenyama Cup boosted brand visibility by garnering thousands of views.

SECURING VALUE

OUR LEADERSHIP 101
OUR GOVERNANCE 108

Our leadership

Our Board

All our Board members were appointed in February 2022.

Gender diversity

60%

40%

Tenure

0–3 years **6**

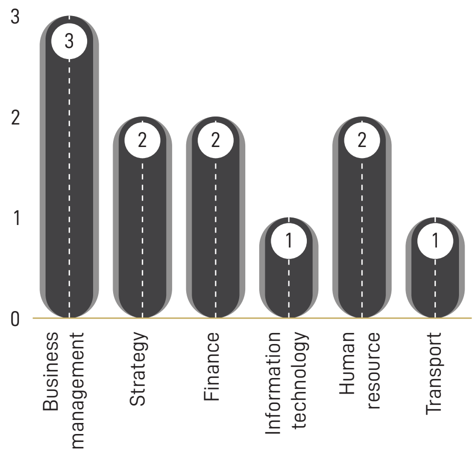
3+ years **2**

Age

41–50 **7**

51–60 **1**

Expertise



Securing Value continued

Our leadership continued

Our Board continued

Zithulele Gina – Chairperson

BA Law (UNESWA); LLB (UNESWA); MSc Leadership and Change (Leeds Beckett University)

Mr Gina has held senior management positions at the Central Bank of Eswatini (Head of Strategy and Communications); Swaziland National Provident Fund (Head of Corporate Communications); Coca-Cola Swaziland (HR Generalist); Swaziland Railway (HR Administrator) and the Swaziland Council of Churches (Legal Aid Officer). He has also served as Board Chairperson at Eswatini Railway. He is currently General Manager for Human Resources at the Central Bank of Eswatini.

Nomvuyo Dludlu

Advanced Certificate in French (University of Swaziland); BA Social Science (University of Swaziland); Postgraduate Diploma in Business Management (University of Natal); MBA (University of Natal); Certificate in Project Appraisal and Risk (Queen's University, Canada); Certificate in Senior Management Development Programming (University of Stellenbosch)

Mrs Dludlu was appointed Manager's Secretary at Standard Bank Swaziland prior to appointments at the Ministry of Finance where her last role was as Senior Finance Officer. She currently serves as Head of Corporate Planning at Eswatini Railway as well as part-time tutor and MBA dissertation supervisor at the Management College of Southern Africa (MANCOSA). In addition to her duties at SMVAF, she also holds memberships on the boards of Eswatini Post and Telecommunications and CIT College.

Thabile Nkosi

BA Economics and Statistics (UNESWA); Postgraduate certificate in Petroleum Economics and Policy (University of the Witwatersrand); MBA (ESAMI, Tanzania)

Mrs Nkosi served as Energy Officer, Principal Energy Officer, (Repetition), Senior Energy Officer, and Principal Energy Officer at Ministry of Natural Resources and Energy, prior to being appointed Director Energy at the Ministry of Natural Resources and Energy.

Ncobile Dlamini-Mngomezulu
BCom (Accounting) (UNESWA); PGCE (UNESWA); MBA (UNESWA)

Ms Dlamini-Mngomezulu served as Accounts Officer (Ministry of Education), Assistant Accountant (Treasury Department) prior to her current position as Senior Finance Officer (Ministry of Finance).

Xolani Ngwenya
O-Level Certificate

Mr Ngwenya has been a public transport business operator for 18 years and serves as Treasurer of the Eswatini Local Kombi Association – Mbabane Branch.

Sifiso Nxumalo
MSc Financial Analysis and Fund Management (Exeter University, UK)

After working in the roles of dealer at FNB Eswatini and Treasury and Financial Services Manager at Eswatini Post, Mr Nxumalo served as CEO at African Alliance Asset Management, Mvunonala Asset Management (RSA), and SANLAM Investment Management, Eswatini.

Bongani Zwane
BA Social Science (Statistics and Accounting) (UNESWA); Certificate – Management Development Programme (Stellenbosch University)

Mr Zwane worked at Barclays Bank and the Ministry of Finance prior to his current role as Managing Director at Engen, Eswatini. He also serves as Oil Industry Secretary.

Dr Harry VanderWal
Internal Medicine/ Paediatrics Combined Residency, (Wright State University School of Medicine, Dayton, Ohio)

Dr VanderWal is an American double qualified medical doctor specialising in both internal medicine and paediatrics. He is the co-founder and co-executive Director of The Luke Commission in Sidvokodvo and is also an associate faculty member at Boonshoft School of Medicine, Dayton, Ohio, in the USA.

Securing **Value** continued

Our leadership continued

Our Executive Committee (EXCO)

David Mfanimpela Myeni – CEO

BA (Social Science) Economics and Statistics (UNESWA); MSc Agriculture Economics (University of Reading, UK); Diploma in Business Management (Damelin); Graduate Certificate in Human Resources Management (University of Pretoria); MPhil Development Finance (University of Stellenbosch)

Prior to his appointment as CEO at SMVAF, Mr Myeni worked as an economist (Ministry of Economic Planning and Development), Mushroom Project Manager (UNDP Swaziland), Business Development Advisor IDEAA Project (WK Kellogg Foundation Africa Programme), SAFANS Programme Coordinator (World Vision Swaziland); Restructuring and Diversification Management Unit (GFA Consulting Group), Programme Director (Micro Finance Unit) and Chief Executive Officer (Centre for Financial Inclusion). He also serves as a member of the Immigration Advisory Committee at the Ministry of Home Affairs and as a member of the Board of Directors. He is the Chairperson of the ESEPARC and serves as Chairperson at MTN Fintech, Eswatini.

Sam Mzileni – Corporate Executive (CE)

BCom in Marketing Degree (UNESWA); MBA (UNISA) and holds a number of professional qualifications in Human Resources, Leadership, Operational Excellence and is a Chartered Marketer.

Prior to his appointment as CE at SMVAF, Mr. Mzileni worked as Senior Lead Consultant for MGM Capital; Eswatini Railway as Director Operations & Marketing; Eswatini Electricity Company where he served as Marketing Manager then Regional Manager (South), then Acting General Manager Customer Services before being Customer Services Manager. He worked as Retail and C&I Business Consultant and Commercial Business Advisor at Chevron (Swaziland) and at Nashua Swaziland as Sales Executive. Prior to being appointed Cash Loans Manager at LUSITANO, he worked at Eswatini Railways as Marketing Trainee, and as a teacher at Hluti Central High School.

Innocent Mxolisi Dlamini – Chief Operations Officer (COO)

BSc in Electronic Engineering (UNESWA); Master's in Business Leadership (UNISA); Master's in Information Technology (University of Pretoria); Management Development Programme; and Fundamentals of Risk Management (University of Stellenbosch); Strategic thinking and execution for growth (UCT Graduate Business School); Principles of Management (Wits School of Economics and Business Science); Strategic Leadership Programme (GIBS).

Mr Dlamini is a member of the Golden Key Society, Institute of Risk Management South Africa, and the Institute of Directors. He has held managerial positions in prominent organisations such as the Central Bank of Eswatini, ESWADE and Eswatini National Provident Fund (ENPF). Prior to joining the SMVAF, he consulted for the World Bank in the e-Government Procurement implementation project.

Martin Nkululeko Simelane – Chief Financial Officer (CFO)

Diploma in Accounting and Business Studies (DABS) (UNESWA); BCom (UNESWA); MBA (MANCOSA)

Prior to his current position as CFO at SMVAF, Mr Simelane held positions at Swaziland Building Society, Unitrans Swaziland (Pty) Ltd., and Swaziland Royal Insurance Corporation. He also serves as a Board Member at Inala Capital, Diabetes Eswatini (where he is also Chairman).

Senzokuhle Politeson Masuku – HoL

BA Law, LLB (UNISWA); MDP (University of Stellenbosch); Foundations of Medico-Legal Practice (University of Cape Town)

Prior to his appointment as Legal Advisor at SMVAF, Mr Masuku worked as Clerical Officer at Ministry of Justice; Teacher of English Language and Literature at Phumelele High School; and in various management positions at SMVAF as Claims Officer and Senior Claims Officer. He is also an admitted Advocate of the High Court of Eswatini.

Securing Value continued

Our leadership continued

Our management

Nokulinda Dube
Financial Manager – Business Support

Dumisa Dlamini
Accident Prevention and Public Education Manager

Phindile Jele-Mthethwa
Client Services Manager

Vacant
Internal Audit Manager

Tengetile Shongwe
Case Services Manager

Tengetile Masuku
Business Intelligence Manager

Fannie Dlamini
IT Manager

Mfundo Ngcobo
Investment Manager

Cindy Dludlu
Finance Manager – Financial Accounting

Nonhlanhla Lukhele
Human Resource Manager

Makhosi Magongo
Corporate Communications Manager

Nomcebo Nsibandze
Facilities Manager

Securing Value continued

Our governance

SMVAF was established by statute as a state-owned enterprise (SOE). As such, its governance constitutes a key part of our Human, Intellectual and Financial Capitals, and is undertaken with diligence, transparency in and in accordance with all pertinent governmental legislation and regulations.

Our governance framework

As a Public Enterprise, the Fund primarily relies on the following legislation for governance:

- Motor Vehicle Accident (MVA) Act of 1991 and Motor Vehicle Accident (Amendment) Act as Amended in 2011;
- Public Enterprises (Control and Monitoring) Act 8/1989; and
- Circulars issued by the Director of Public Enterprises in terms of the Act 8/1989.

In addition, the principles of King IV and policies approved by the Board apply as and when necessary.

Regulation

The Fund is regulated by the Public Enterprises Unit (PEU). This unit monitors all Eswatini public enterprises and operates within the Ministry of Finance. The PEU requires quarterly reports from the Fund, and issues guidelines to it as part of its control mechanisms for Fund investments, expansions, and strategy. No major Fund decision is taken or implemented without consultation with the PEU.

There is currently no regulatory solvency capital requirement for MVA in the country. Therefore, as published in Board Notice 169 of 2011 (BN169), SMVAF's solvency requirement is estimated in accordance with the previous South African regulations, which are considered as providing a useful and appropriate benchmark for the Fund.

Composition of the Board

The Fund subscribes to a unitary Board structure, consisting of Non-Executive Directors and an Executive Director, who is the Chief Executive Officer of the Fund.

The Board consists of a Chairman, the Ministry of Finance's representative and five other members appointed by the Minister, and Board members are appointed on the basis of their skills in different sectors of the Fund's business.

The Board consists of a majority of Non-Executive Directors as defined in the King IV Report on Corporate Governance. The composition of the Board reflects the need to protect the interests of the Fund's shareholders, stakeholders, as well as the demographics of Eswatini.

Board-shareholder relationship

The Board endeavours to familiarise itself with issues of concern to the shareholder, and evaluates economic, political, social and legal issues on a regular basis, as well as any other relevant external matters that may influence or affect the development of the business or the interests of the shareholder. If appropriate, the Board may obtain outside expert advice.

The Chairman

The Chairman of the Board is not an Executive Director, and whilst preferably independent, may be representative of stakeholders.

Board membership

Appointments to the Board are currently dealt with by the shareholder in terms of the Fund's legislation and the Public Enterprise (Control and Monitoring) Act of 1989.

Qualifications for a potential board include adequate strategic, analytical, communication and knowledge competencies. In general, members are required to:

- have the ability to make informed decisions;
- be entrepreneurial and/or intrapreneural;
- be able to appreciate the wider business picture and perspective;

- have integrity in personal and business dealings;
- be objective at all times about what is in the best interest of the Fund; and
- be able to appreciate the mandate of the Fund as set out in the enabling legislation.

Board tenure

Board members hold office for not less than three years and are eligible for reappointment at the expiry of their term of office. All Non-Executive Directors are subject to retirement by rotation and reappointment by the shareholder at least every three years, as prescribed by legislation. The tenure of the current Board will expire on 28 February 2025.

Induction of new members

An induction programme aimed at familiarising the newly appointed Directors with the business of the Fund is conducted systematically. Essential information about the Fund is made available to newly appointed Directors at the earliest opportunity.

Directors are also required to keep abreast of changes and trends in the general economic, political, social and legal climate.

A formal Board evaluation process is followed annually.

For more on our operating environment, see page 16.

Conflict of interest

At a member's first Board meeting after appointment, any personal interest which may conflict with those of his or her duties as a Director must be declared. No member of the Board may take part in the discussion of, at any Board meeting, or be present at, or vote upon, any matter in which he or she is conflicted, including but not limited to:

- any related person who is related within the third degree of affinity or consanguinity;
- any person who has a business or financial relationship with the Director; and
- any person who is a personal or family friend to the Director.

Directors are required to observe the legal requirements in respect of the declaration of interests and do everything reasonably possible to avoid a conflict of interest in the execution of their duties and responsibilities to the Fund.

In addition:

- No board member may publicly promote or oppose any political candidate, political organisation or cause, civic or cultural formation or any interest group using the Fund's name, goodwill or resources to wilfully misrepresent to anyone that the Fund promotes or opposes such a candidate, cause, or organisation.
- Non-Executive Directors should generally not provide professional or business services to the Fund on an ongoing basis. This notwithstanding, the Board may, for the purpose of a special assignment, engage the services of a Non-Executive Director in a specific field of expertise. In such a case, the terms of the engagement must be competitive, clearly recorded, and comply with all legal requirements with regard to disclosure.

Vacation of office

A Director is required to vacate his or her office as Director if he or she:

- is or becomes an insolvent under any law relating to the insolvency of persons;
- is or becomes of unsound mind;
- is absent from three consecutive meetings of the Board without leave of the Chairman and is not represented at any such meeting by an alternate Director who may have been appointed as such;
- is a party to, or participates in the profits of any contract with the Fund; or
- is, or has at any time, been under a sentence of imprisonment for a term of, or exceeding, six months (other than a suspended sentence which has not been enforced) imposed on him or her by a court in any country. If, however, in the opinion of the Minister the Director has been convicted in a foreign country of an offence which is of a purely political character, then this rule does not apply.

Securing Value continued

Our governance continued

Charter review

The Board reviews its charter annually or as necessary to ensure that it remains consistent with the Board's objectives and responsibilities and relevant legislation or other regulatory mechanisms.

Matters reserved for Board decision

Matters reserved for decision by the Board, on the basis of any recommendation as may be made from time to time by the committees of the Board and management, include those falling within the purview of the following areas pertaining to the Fund's mandate:

- Financial
- Statutory and administrative
- Regulatory
- Human resources

Risk management

The Board accepts responsibility for the total process of risk management within the Fund.

To this end, an effective ongoing process is in place to identify risks, measure their impact, and proactively manage them. The Board, in liaison with the Chief Executive Officer, sets the risk strategy. Formal risk assessments shall be taken at least annually. The Audit and Risk Committee is responsible for assisting the Board in reviewing the risk management process.

For more on risk management, see page 39.

Power to raise funds

The Board has the power to raise funds on conditions that it may determine by:

- obtaining overdrafts from banks with the consent of the Minister and subject to conditions he may impose; and
- accepting that any funds raised under this authority are chargeable upon, and payable out of, the revenue and assets of the Fund.

Remuneration of directors

Members of the Board are paid by the Fund according to determinations made by the Minister from time to time. The Board may at its discretion, pay from the Fund monies any reasonable expenses incurred by a member when engaged on Fund business.

Meetings and meeting attendance

Directors are required to make every endeavour to attend Board and Board Committee meetings.

- If a Director fails to attend three meetings in succession, without Chairman's approval, the Chairman is required to inform the responsible Minister.
- If a Director fails to attend three meetings in succession, the Chairman is required to notify the responsible Minister, with retainer fees suspended until reinstated by the Minister.

The Board quorum is five members, including the Chairperson. The Board may, from time to time, make standing orders providing for the proper control of its business and meetings. A schedule of regular meetings is provided to the Directors at the beginning of each year.

Significant matters discussed by the Board in FY2024

Date	Matters discussed
11 May 2023	**Approval of performance-based pay design** This document establishes salary scales and requirements for movements within notches. It was submitted to SCOPE through the Minister and was approved and implemented in the October 2023 payroll. **Investment policy statement (IPS) review** Alignment of IPS Amendment with the reclassification of investment portfolios by November 2023.
27 July 2023	Audited financial statements for 31 March 2023 This was a critical exercise to help determine the Board's strategic direction.
16 August 2023	• **The quarterly reports of the HRES, AR, FIP Committees** • **Finalisation of the Investment Policy Statement** • **Report on strategic option for incorporating the Workmen Compensation Fund** • **Appointment of Dr Sibusiso Mkhize as a board member of Ekuphileni Clinic, replacing Dr Sanelisiwe Dlamini** • **The selling of the old SMVAF Building situated at Gwamile Street in Mbabane** • **Discussions on the new contract for the Chief Operations Officer**
28 September 2023	**Expansion of Ekuphileni Clinic and approval of Ekuphileni-Indus joint venture project** The expansion of the clinic's services to help the clinic break-even was adopted as the Fund's strategy. Indus Healthcare was chosen as a partner in this strategic initiative.
9 November 2023	**Sale of SMVAF building at Gwamile street** Buyer had signed a Deed of Sale by November 2023.
15 February 2024	**Enterprise Resource Project** The SAP system was procured and by November 2023 the implementation of the system stood at 88%. **ESSPRA Audit** Following the recommendation of the Principal Secretary in the Ministry of Finance for the procurement audit of the Fund due to the irregular procurement of gift hampers that subjected the Fund to the PAC enquiry, the ESSPRA Audit Report was issued and the Board resolved that the update on the rectification of issues be adopted as standing item in the quarterly meetings of the Board.
27 March 2024	**Budget for FY2024/25** This was a critical exercise to allocate resources efficiently and effectively.

Securing Value continued

Board meeting attendance – FY2024

The Board met seven times during the year under review.

Member	11 May 2023	27 Jul 2023	16 Aug 2023	28 Sep 2023	9 Nov 2023	15 Feb 2024	27 Mar 2024
Zithulele Gina	✓	X	✓	✓	✓	✓	✓
Nomvuyo Dludlu	✓	✓	✓	✓	✓	✓	✓
Thabile Nkosi	✓	✓	✓	✓	✓	✓	✓
Ncobile Dlamini-Mngomezulu	✓	✓	✓	✓	✓	✓	✓
Xolani Ngwenya	✓	✓	✓	✓	✓	✓	✓
Sifiso Nxumalo	✓	✓	X	✓	✓	✓	✓
Bongani Zwane	✓	✓	✓	✓	✓	✓	X
Dr Harry VanderWal	✓	X	✓	X	X	X	✓

Our Board committees

The Board appoints committees which meet as and when required to attend to matters of administration or ordinary business. Committees consist of the Chairperson, and at least two other members of the Board, and report their decisions to the next full meeting of the Board for ratification. Where appropriate committees make recommendations to the Board.

From time to time the Board may also establish *ad hoc* special purpose committees to examine or have the delegated authority to deal with specific issues on behalf of the Board.

Each committee has a Board-approved charter or terms of reference defining its purpose, role and responsibilities as well as the committee's membership, operations, and reporting requirements.

Committees do not take action or make decisions on behalf of the Board unless expressly or impliedly delegated to do so by the Board. Meetings procedures for committees are governed by their respective approved charters/terms of reference.

The committees undertake an annual review of their objectives and activities, which are also reviewed by the Board.

Audit and Risk Committee (AR Com)

Members

Mrs Thabile Nkosi – Chairperson
Mr Bongani Zwane
Dr Harry VanderWal
Mrs Ncobile Dlamini-Mngomezulu

Responsibilities	Key focus areas – FY2024	Achievements against focus areas
Oversight of: • **Fund assurance functions and services, including external audit, internal audit and finance** • **Integrity of annual financial statements** • **Risk management** • **Effectiveness of the CFO and the finance function** • **Effectiveness of internal financial controls, including approval of annual operational and capital budgets** • **Compilation and submission of statutory reports to the PEU** • **All IT, Finance and Procurement policies**	• Review and approval of the internal audit report to management from the approved internal audit and risk management plan • Quarterly monitoring of the implementation of the Top 10 risks • Effective closure of all issues in the 2022 and 2023 report to management from both internal and external audits reports to management • Approval of the Internal Audit Charter • Approval and implementation of the Annual Internal Audit and Risk Management Plan • Approval of the 2022/2023 Operational and Capital Budget by March 2023 • Ensuring that the 2022/2023 annual financial statements are prepared and ready for submission to the shareholder within the statutory deadlines	The AR Com • Reviewed and approved all three internal audit reports issued during the reporting period in accordance with the approved Internal Audit and Risk Management Plan • Monitored the implementation of the approved Internal Audit and Risk Management Plan which was 95% complete by March 2024 • Closely monitored the implementation of the actions for the mitigation of the Top 10 strategic risks throughout the reporting period • By March 2024, an average of 80% of all issues raised from both the internal and external audit reports to management had been closed out • The Annual Internal Audit and Risk Management Plan was approved • The Enterprise-wide Risk Register was approved by the Board • The 2023/2024 Operational and Capital Budget was approved by the Board

The AR Com met six times during the year under review.
Every committee member attended all meetings.

Securing Value continued

Our governance continued

Human Resources, Ethics and Social Committee (HRES Com)

Members

Mrs Nomvuyo Dludlu – Chairperson
Mr Zithulele Gina
Mr Xolani Ngwenya

Responsibilities	Key focus areas – FY2024	Achievements against focus areas
Oversight of: • **All human resource issues and policies** • **Remuneration for the executive and employees** • **Recruitment of members of the executive** • **Review of the Fund's strategic plan** • **Development of a high-performance organisational culture, and review of the executive management performance agreements** • **Organisational ethics, responsible corporate citizenship and stakeholder management**	• Consideration and approval of annual performance scorecards for the CEO and setting of performance and assessment of EXCO • Consideration of the updated organisational structure for the Fund and development of the new strategy • Manpower cost increases for employees • Consideration of the quarterly HR Report • Performance-based pay design	• Performance assessments in FY2024 for the CEO and EXCO • Approval of FY2024 performance scorecards for the CEO and EXCO • Review and approval • Quarterly HR Reports for periods ending 31 March 2024 • Monitor strategy performance • Delivery of Seamless Sincephetelo Strategy

Every committee member attended all meetings.

Finance, Investment and Projects Committee (FIP Com)

Members

Mrs. Ncobile Dlamini-Mngomezulu – Chairperson
Mr Sifiso Nxumalo
Mrs Nomvuyo Dludlu

Responsibilities	Key focus areas – FY2023	Achievements against focus areas
Oversight of: • **Investment policy strategy implementation** • **Performance of investment assets** • **Performance of investment managers** • **Monitoring investment portfolio returns and compliance** • **Advising the Board on investment decisions** • **Project evaluation and approval**	Consideration of: • Investments and projects requests from management • Diversify portfolio • Rebalance portfolio • Monitor progress of projects	• Investment Quarterly reports were consistently presented and noted without major issues arising from them • Acquisition and renovation of Crisovik • Review and approval of policies

Every committee member attended all meetings.

FINANCIAL STATEMENTS

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Directors' responsibility statement

for the year ended 31 March 2024

Directors' responsibility statement

The directors are responsible for the preparation and fair presentation of the consolidated financial statements of Sincephetelo Motor Vehicle Accidents Fund and its subsidiary comprising the statements of financial position at 31 March 2024, the statements of comprehensive income, changes in reserves and cash flows for the year then ended, and the notes to the consolidated financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with IFRS ® Accounting Standards and in the manner required by the Motor Vehicle Accidents Act of 1991.

The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error and for maintaining adequate accounting records and an effective system of risk management as well as the preparation of the supplementary schedules included in these consolidated financial statements.

The directors have made an assessment of the ability of Sincephetelo Motor Vehicle Accidents Fund and its subsidiary to continue as a going concern and have no reason to believe that the business will not be a going concern in the year ahead.

The auditor is responsible for reporting on whether the consolidated financial statements are fairly presented in accordance with the applicable financial reporting framework.

Approval of consolidated financial statements

The consolidated financial statements of Sincephetelo Motor Vehicle Accidents Fund and its subsidiary as set out on pages 117 to 180, were approved by the Board of Directors on 31/03/2025 and are signed on its behalf by:

Chairman

Board member

Chief Executive Officer

Independent auditor's report

To the Members of Sincephetelo Motor Vehicle Accidents Fund

Our opinion

We have audited the consolidated and separate financial statements of Sincephetelo Motor Vehicle Accidents Fund and its Subsidiary (Group and Company) which comprise the directors' report, the statements of financial position as at 31 March 2024, the statements of comprehensive income, the statements of changes in equity and the statements of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies as set out on pages 117 to 180.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Sincephetelo Motor Vehicle Accident Fund and its subsidiary as at 31 March 2024, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with IFRS ® Accounting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the organisation in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to the audits of financial statements in Eswatini and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information is the statement of responsibility by the board of directors. The other information does not include the financial statements and our auditors' report thereon.

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

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

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Organisation.
- Conclude on the appropriateness of the Organisation's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

SNG Grant Thornton

SNG Grant Thornton Chartered Accountants (Eswatini)

09 April 2025

Report of the Directors

for the year ended 31 March 2024

The directors have pleasure to submit its report together with the fund's consolidated financial statements for the year ended 31 March 2024.

State of the Fund's Affairs

The Fund has been able to execute its statutory mandate as stipulated in the Motor Vehicle Accidents Act of 1991, as amended and has for the year ended 31 March 2024 recorded a net deficit of **E35 449 776** (Group); and **E26 561 116** (Fund).

Financial Results

As at 31 March 2024 the Fund's assets exceeded its liabilities by **E10 541 190** (Group) and **E44 991 394** (Fund) (2023: Group: E46 628 704; Fund: E71 552 510).

Going Concern

The directors believe that the organisation has adequate financial resources to continue operating for the next twelve months from the date of issue of these consolidated financial statements and accordingly the consolidated financial statements have been prepared on a going concern basis. In view of the Group's continued loss making position, the directors through management have devised strategies to ensure that the Group has adequate resources to continue operations into the foreseeable future.

Events after the reporting date

The Directors are not aware of material event which occurred after the reporting date and up to the date of this report.

Board of directors

The following were board members during the period ended 31 March 2024. Their term ended on 28 February 2025 and were re-appointed by the Ministry for a three year tenure.

Mr Z Gina	Non-executive Chairman
Mr S Nxumalo	Non-executive Member
Mr X Ngwenya	Non-executive Member
Mrs N Dlamini-Mngomezulu	Non-executive Member
Ms T Nkosi	Non-executive Member
Ms N Dludlu	Non-executive Member
Mr B Zwane	Non-executive Member
Dr Harry VanderWal	Non-executive Member
Mr D Myeni	Chief Executive Officer

Board secretary:

Mr S Masuku	Head of Legal

Bankers

First National Bank Eswatini Limited
Nedbank Eswatini Limited
Standard Bank Eswatini Limited
Swaziland Building Society
Eswatini Development and Savings Bank

Business and postal address of the Fund

Business address	**Postal address**
Sincephetelo MVA Office Park	P O Box 4239
Mbhilibhi Street	Mbabane
Mbabane	Eswatini
Eswatini	H100

Auditors

SNG Grant Thornton Chartered Accountants (Eswatini)

Business address	**Postal address**
Umkhiwa House	P O Box 331
Lot 95	Mbabane
Kal Grant Street	H100
Mbabane	

Legal Advisors

Postal address	**Physical address**
Howe Masuku Nsibandze	Lot 429
P O Box 1298	Corner Ben Dunn
Mbabane	Lomadvokokola Street
H100	Queensgate, Mbabane
Eswatini	Eswatini

Investment managers

Postal address	**Physical address**
African Alliance Eswatini Limited P O Box 5727 Mbabane H100 Eswatini	Nedbank Centre 2nd Floor Swazi Plaza Mbabane Eswatini
Stanlib Asset Management Limited P O Box A294 Swazi Plaza H101 Eswatini	South Wing Building 2nd Floor Mbabane Office Park Mbabane Eswatini
Sanlam Investment Management P O Box 8392 Mbabane H100 Eswatini	Floor Fincorp Building Corner of Gwamile and Dabede Street Mbabane Eswatini

Investment advisors

Postal address	**Physical address**
Imbewu Yesive Investments	Embassy House
P O Box 7051	Dr Sishayi Road
Mbabane	Mbabane
H100	Eswatini
Eswatini	

Actuaries

Postal address	**Physical address**
Deloitte & Touche	Deloitte & Touche
Actuarial & Insurance Solutions	5 Magwa Crescent
Private Bag X6	Waterfall City
Gallo Manor, 20152	2090
Gauteng	South Africa
South Africa	

Report of actuaries to the Board of Directors of Sincephetelo Motor Vehicle Accidents Fund

for the year ended 31 March 2024

We hereby certify that:

- we have undertaken an actuarial valuation of the outstanding claims provision of the Sincephetelo Motor Vehicle Accidents Fund as at 31 March 2024.
- the valuation, on accepted actuarial principles, reveals the total outstanding claims amount, which allows for outstanding reported as well as incurred but not reported claims.

Statement of Assets, Liabilities and Excess Assets

	2024 E'000	**2023** E'000
Assets (net of non-technical liabilities)	**620 414**	606 857
Claims liabilities	**(607 224)**	(535 304)
Surplus	**13 190**	71 553

Published Reporting Valuation Methods and Assumptions

The discounted value of the outstanding claims liability is estimated to be E607.2 Million (2023: E535.3 Million). This figure includes an amount for the non-undertakings and undertakings liabilities, gross large claims and their respective expected reinsurance recoveries as well as indirect claims handling expenses.

The liability is calculated on an inflated and discounted basis, i.e. explicit allowance for future claims inflation and anticipated investment returns was made.

The valuation results shown in this report were derived on a best estimate basis, and include no deliberate bias for either over-estimation or under-estimation. However, the future experience of the Fund and hence the valuation is subject to uncertainty. Deviation from the estimates are normal and to be expected and (given the nature of schemes such as the Motor Vehicle Accidents Fund) are more likely to result in solvency deteriorations than improvements.

The relatively small number of claims may cause a high level of volatility in the experience of the Fund. This volatility in turn causes an increase in the uncertainty of the result.

This report is prepared in the context of the governing legislation as it stands as at the valuation date and as such does not take into account any future legislative changes. A detailed report has been submitted to the board of directors.

Katlego Thaba
BComm (Hons) FFA FASSA
Director Actuarial and Insurance Solutions
Deloitte and Touche

Consolidated and separate statements of comprehensive income

for the year ended 31 March 2024

		GROUP		FUND	
	Note	2024 E	2023 E	2024 E	2023 E
Revenue					
Net fuel levies	1	**156 466 139**	144 042 454	**156 466 139**	144 042 454
Revenue		**156 466 139**	144 042 454	**156 466 139**	144 042 454
Other operating income	2	**54 742 840**	25 257 308	**43 717 785**	12 334 647
Other operating income before benefits and claims expenses		**211 208 979**	169 299 762	**200 183 924**	156 377 101
Benefits and claims expenses	3	**(126 618 197)**	(164 610 095)	**(129 417 528)**	(164 610 095)
Net deficit after benefits and claims expenses		**84 590 782**	4 689 667	**70 766 396**	(8 232 994)
Re-insurance proceeds		**4 926 361**	1 503 254	**4 926 361**	1 503 254
Operating and administrative expenses	4	**(154 511 261)**	(124 308 022)	**(130 867 033)**	(102 276 636)
Operating deficit	4	**(64 994 118)**	(118 115 101)	**(55 174 276)**	(109 006 376)
Investment income	6	**29 544 344**	21 285 105	**28 613 160**	20 814 358
Deficit for the year		**(35 449 774)**	(96 829 996)	**(26 561 116)**	(88 192 018)

Consolidated and separate statements of financial position

for the year ended 31 March 2024

		GROUP		FUND	
		2024	**2023**	**2024**	**2023**
	Notes	E	E	E	E
ASSETS					
Non-current assets					
Property, plant and equipment	7	**182 927 518**	181 283 056	**137 614 920**	132 104 430
Investment property	8	**51 375 859**	40 054 477	**77 386 363**	66 064 981
Intangible assets	9	**15 362 980**	855 044	**15 362 980**	804 263
Investment in subsidiary	10	**–**	–	**10 000 000**	10 000 000
Loans to subsidiary	11	**–**	–	**64 069 282**	46 390 171
Financial assets - Investments	12	**223 145 345**	92 931 403	**223 145 345**	92 931 403
Right of Use Assets	13	**984 638**	1 679 676	**984 638**	1 679 676
		473 796 340	316 803 656	**528 563 528**	349 974 924
Current assets					
Inventory		**453 431**	446 323	**–**	–
Loans to subsidiary	11	**–**	–	**21 084 371**	17 597 146
Fuel levy and other receivables	14	**47 337 652**	40 119 594	**23 611 142**	25 292 166
Financial assets – Investments	12	**82 726 899**	207 033 745	**82 726 899**	207 033 745
Cash and cash equivalents	15	**31 025 873**	41 249 451	**13 119 136**	30 024 648
		161 543 855	288 849 113	**140 541 548**	279 947 705
Total assets		**635 340 195**	605 652 769	**669 105 076**	629 922 629

		GROUP		FUND	
		2024	2023	2024	2023
	Notes	E	E	E	E
EQUITY AND LIABILITIES					
Accumulated surplus		**10 019 038**	45 745 640	**44 469 242**	71 030 358
Other reserves		**522 152**	883 064	**522 152**	522 152
Total reserves		**10 541 190**	46 628 704	**44 991 394**	71 552 510
Non-current liabilities					
Undertaking liabilities	20	**399 050 931**	328 276 707	**399 050 931**	328 276 707
Outstanding claims liabilities	21	**78 464 659**	128 036 444	**78 464 659**	128 597 140
Borrowings	16	**–**	8 000 000	**–**	8 000 000
Lease liability	17	**312 125**	1 252 237	**312 125**	1 252 237
		477 827 715	465 565 388	**477 827 715**	466 126 084
Current liabilities					
Undertaking liabilities	20	**23 157 447**	23 391 000	**23 157 447**	23 391 000
Outstanding claims liabilities	21	**108 165 619**	55 038 860	**108 165 619**	55 038 860
Borrowings	16	**8 181 233**	8 245 145	**8 181 233**	8 245 145
Trade and other payables	18	**5 917 622**	2 641 843	**5 367 210**	1 599 076
Provision for employee benefits	19	**609 257**	3 395 425	**474 346**	3 223 550
Lease liability	17	**940 112**	746 404	**940 112**	746 404
		146 971 291	93 458 677	**146 285 967**	92 244 035
Total liabilities		**624 799 005**	559 024 065	**624 113 682**	558 370 119
Total equity and liabilities		**635 340 195**	605 652 769	**669 105 076**	629 922 629

Consolidated and separate statements of changes in reserves

for the year ended 31 March 2024

	GROUP			FUND		
	Accumulated Surplus E	Other Reserves E	Total Reserves E	Accumulated Surplus E	Other Reserves E	Total Reserves E
Year ended 31 March 2024						
At the beginning of the year	**45 745 640**	**883 064**	**46 628 704**	**71 030 358**	**522 152**	**71 552 510**
*Adjustment**	**(276 828)**	**(360 912)**	**(637 740)**	**–**	**–**	**–**
Transfers (to)/ from other reserves	**–**	**–**	**–**	**–**	**–**	**–**
Deficit for the year	**(35 449 774)**	**–**	**(35 449 774)**	**(26 561 116)**	**–**	**–**
At the end of the year	**10 019 038**	**522 152**	**10 541 190**	**44 469 242**	**522 152**	**44 991 394**
Year ended 31 March 2023						
At the beginning of the year	142 710 433	748 267	143 458 700	159 357 174	387 354	159 744 528
Transfers (to)/ from other reserves	(134 797)	134 797	–	(134 798)	134 798	–
Deficit for the year	(96 829 996)	–	(96 829 996)	(88 192 018)	–	(88 192 018)
At the end of the year	45 745 640	883 064	46 628 704	71 030 358	522 2	71 552 510

*** Prior year Clinic profit variances.**

Consolidated and separate statements of cash flows

for the year ended 31 March 2024

		GROUP		FUND	
		2024	**2023**	**2024**	**2023**
	Notes	E	E	E	E
Cash flows used in operating activities					
Cash utilised in operations	23	**(1 796 988)**	(45 703 455)	**(8 446 858)**	(51 780 355)
Investment income	23.1	**2 518 247**	14 094 089	**1 587 064**	13 623 343
Finance costs – lease liability	17, 23.2	**(112 382)**	(160 802)	**(112 382)**	(160 802)
Finance cost paid – loans	23.2	**(1 063 079)**	(1 485 917)	**(1 063 079)**	(1 485 917)
Net cash flows used in operating activities		**(454 204)**	(33 256 085)	**(8 035 255)**	(39 803 731)
Cash flows used in investing activities					
Acquisition of property, plant and equipment	7	**(6 088 324)**	(16 442 102)	**(5 189 207)**	(15 584 622)
Acquisition of intangibles	9	**(15 715 926)**	–	**(15 715 926)**	–
Proceeds on sale of assets		**21 489**	3 770	**21 489**	3 770
Acquisition of investments	12	**(88 654 509)**	(65 000 000)	**(88 654 509)**	(65 000 000)
Redemption of investments	12	**109 659 445**	73 500 000	**109 659 445**	73 500 000
Net cash flows used in investing activities		**(777 825)**	(7 938 332)	**121 292**	(7 080 852)
Cash flows used in financing activities					
Lease payments	17	**(746 404)**	(641 801)	**(746 404)**	(641 801)
Decrease in borrowings		**(8 245 145)**	–	**(8 245 145)**	–
Net cash flows used in financing activities		**(8 991 549)**	(641 801)	**(8 991 549)**	(641 801)
Net decrease in cash and cash equivalents		**(10 223 578)**	(41 836 218)	**(16 905 512)**	(47 526 385)
Cash and cash equivalents at the beginning of year		**41 249 451**	83 085 669	**30 024 648**	77 551 033
Cash and cash equivalents at the end of the year	15	**31 025 873**	41 249 451	**13 119 136**	30 024 648

Material accounting policies

for the year ended 31 March 2024

1 General Information

The Fund was established by an Act of Parliament under the Motor Vehicle Accidents Act No.13 of 1991, as amended as an instrument by which the Government of Eswatini compensates road accidents victims who suffered bodily injuries or loss of support following a death of breadwinners. In 2011, the Fund started profiling of cases of damages with treatment and rehabilitation being given top priority in personal injury claims.

The Fund commenced operations under the fuel levy system on the 1st January 1988.

Commencing 1 April 2022, the Fund established the Clinic (formerly a division of the Fund) as a separate entity registered as a company in Eswatini named as Sincephetelo Clinic (Proprietary) Limited trading as Ekuphileni Clinic. The Clinic is registered under the Eswatini Companies Act, 2009. The Fund has 100% ownership of the Clinic commencing 1 April 2022.

1.1 Consolidated financial statements

The consolidated financial statements include the assets and liabilities of the Fund and Clinic. The consolidated financial statements have been authorised for issue by the board of directors on **31 March 2025**.

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2 Basis of Presentation

These consolidated financial statements are prepared in accordance with IFRS ®Accounting Standards and in the manner required by the Motor Vehicle Accidents Act No. 13 of 1991, as amended. They have been prepared under the historical cost convention, except for those financial assets and financial liabilities which have been stated at fair value through profit or loss in the statement of comprehensive income.

The preparation of consolidated financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements have been disclosed in the consolidated financial statements.

The accounting policies have been consistently applied to all years presented and all amounts are shown in Emalangeni unless otherwise stated and forwarded to the nearest one Lilangeni.

The consolidated financial statements are presented in Emalangeni, rounded to the nearest one Lilangeni, the Fund's functional currency.

2.1 Changes in accounting policy and disclosures

(a) Adoption of new and amended standards effective for the current financial period

Certain new accounting standards and interpretations have been published and are mandatory for 31 March reporting periods.

A number of the other new standards are also effective from 1 April 2023, but they do not have a material effect on the financial statements.

(b) New standards and interpretations not yet adopted

A number of new standards and amendments to standards and interpretations issued but not yet effective for 31 March 2024 year end and have not been applied in preparing these financial statements. The Group intends to adopt and apply these standards on their respective effective dates.

The standards are anticipated to have an impact on the Group; however, management is still assessing the impact of this new standards to financial statements. The standards that are not yet effective are as follows:

Standard	Executive summary and Impact	Effective date
IFRS 17, 'Insurance contracts'	Annual periods beginning on or after 1 January 2023	The IASB issued IFRS 17, 'Insurance contracts', and thereby started a new epoch of accounting for insurers. Whereas the current standard, IFRS 4, allows insurers to use their local GAAP, IFRS 17 defines clear and consistent rules that will significantly increase the comparability of financial statements. For insurers, the transition to IFRS 17 will have an impact on financial statements and on key performance indicators.
IFRS 17, Insurance contracts Amendments	Annual periods beginning on or after 1 January 2024 (Published June 2020)	In response to some of the concerns and challenges raised, the Board developed targeted amendments and a number of proposed clarifications intended to ease implementation of IFRS 17, simplify some requirements of the standard and ease transition. The amendments relate to eight areas of IFRS 17, and they are not intended to change the fundamental principles of the standard or unduly disrupt implementation already underway.

Material accounting policies continued

for the year ended 31 March 2024

2 Basis of presentation continued

2.1 Changes in accounting policy and disclosures continued

(b) New standards and interpretations not yet adopted continued

Standard	Executive summary and Impact	Effective date
Amendment to IAS 1, 'Presentation of Financial Statements' on Classification of Liabilities as Current or Non-current	Annual periods beginning on or after 1 January 2024 (Published Jan 2020)	The amendment clarifies that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. A number of requirements are required to be met in conjunction with this amendment.
Narrow scope amendments to IAS 1 'Presentation of Financial Statements', Practice statement 2 and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'	Annual periods beginning on or after 1 January 2024. Earlier application is permitted. (Published February 2022)	The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish changes in accounting policies from changes in accounting estimates.
Amendments to IAS 12, Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	Annual periods beginning on or after 1 January 2024. Earlier application is permitted. (Published May 2022)	The amendments require companies to recognise deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences.

Forthcoming requirements

- Lack of exchangeability-Amendments to IAS 21 The effects of Changes in Foreign Exchange rates Effective 01 January 2025
- Amendments to the classification and Measurement of Financial instruments-Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures Effective 01 January 2026
- IFRS 18-Presentation and Disclosure of Financial Statements
- IFRS 19-Subsidiaries without Public Accountability: Disclosures

3 Significant accounting policies

3.1 Insurance contracts

3.1.1 Claims incurred

Claims incurred comprise claims and related expenses incurred during the year and changes in the provisions for outstanding claims, including provisions for claims incurred but not reported and related external and internal expenses, together with any other adjustments to claims from previous years.

3.1.2 Outstanding claims provision

Provision is made at the year-end for the estimated cost of claims incurred but not settled at the reporting date, including the cost of claims incurred but not yet reported (commonly referred to as Claims IBNR) and claims incurred but not enough reported (IBNER) to the Fund and the cost of claims reported but not yet settled as at the reporting date. Claims outstanding are determined as accurately as possible on the basis of a number of factors, which include previous experience in claims patterns, claims settlement patterns and trends in claims frequency.

Further, the outstanding claims provision is calculated taking the following elements into account:

- Estimates of additional claims payments that may be required on claims that have already been reported to the Fund and are still open;
- Estimates of additional claims payments that may be required on claims that have already been reported to the Fund and are closed, but could be reopened in the future; and;
- Estimates of external claims handling expenses, i.e. legal and medical experts, assessors and other experts – excluding the Fund's overhead administrative costs.
- Indirect claim handling expenses.

The estimates of the outstanding claims provision were produced on a 'going concern' basis, and the outstanding claims estimate is reflected in the consolidated financial statements at a discounted value, based on expected monetary values at the expected time of payment of those claims. Reserves for internal or indirect claim handling expenses (e.g. administration costs) are specifically included in the estimates. The outstanding claims provision is calculated gross of any reinsurance recoveries. A separate estimate is made of the amounts that will be recoverable from reinsurers based upon the gross provisions and having due regard to collectability.

Material accounting policies continued

for the year ended 31 March 2024

3 Significant accounting policies continued

3.1 Insurance contracts continued

3.1.2 Outstanding claims provision continued

Incurred but not reported claims

Provision is made in the claim's liabilities under insurance contracts for the estimated cost at the end of the year of claims incurred but not reported (IBNR) at that date. The liability is calculated using the four methods; Basic Chain Ladder (BCL), Initial Estimated Loss (IEL) method, Bornhuetter-Ferguson (BHF) and Payments Per Claim Incurred (PPCI) method. Thereafter the most appropriate method is selected given the observed claims development. A stochastic claims reserving technique (bootstrapping) is then used to determine a range of likely outcomes for the outstanding claims liability. These liabilities are then discounted to allow for the time value of money. Outstanding claims and benefit payments are stated gross of reinsurance.

3.2 Reinsurance contracts held

3.2.1 Reinsurance premiums

The Fund procured reinsurance cover for the purposes of limiting its net loss potential in years prior to the implementation of the Motor Vehicle Accidents (amendment) Act of 2011. The reinsurance policies do not release the Fund from its direct obligations to its claimants, as the duty to compensate the claimants remains with the Fund in spite of the fact that the reinsurance cover has been procured.

The Fund did not renew its cover, hence there are no reinsurance premiums payable in the current year.

The Fund does not recognise reinsurance assets except for claims which have already been lodged with reinsurers, due to uncertainty regarding the successful realisation of the claims. All claims that were incurred while the Fund was covered have been recognised in the Fund's liabilities as a recovery from the re-insurer.

3.2.2 Reinsurance claims

The expected benefits to which the Fund is entitled under its reinsurance contracts held are recognised as reinsurance assets. These assets consist of balances due from reinsurers (classified within loans and receivables) that are dependent on the present value of expected claims and benefits arising net of expected premiums payable under the related reinsurance contracts. Amounts recoverable from or due to reinsurers are measured consistently with the amounts associated with the reinsured contracts and in accordance with the terms of each reinsurance contract.

Reinsurance assets include balances due from reinsurance companies for ceded insurance liabilities. Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision or settled claims associated with the reinsured policy. The cost of reinsurance related to long term contracts is accounted for over the life of the underlying insurance policies using assumptions consistent with those used to account for the underlying policies. Premiums ceded and benefits reimbursed are presented in the statement of comprehensive income and statement of financial position on a gross basis.

Reinsurance assets are assessed for impairment at each reporting date. If there is reliable objective evidence, as a result of an event that occurred after its initial recognition, that amounts due may not be recoverable, the Fund reduces the carrying amount of the reinsurance asset to its recoverable amount and recognises that impairment loss in the statement of comprehensive income.

3.3 Property, plant and equipment

Items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Current policies do not extend to recognition and measurement of land. Land is not depreciated.

Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives. The Group reviewed plant and equipment depreciation estimates in relation to the depreciation rates as follows:

	2024	**2023**
Buildings	**4%**	4%
Office furniture and equipment	**10%**	10%
Motor vehicle	**20%**	20%
Computer equipment and software	**20%**	20%
Medical equipment	**8.3%**	8.3%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other (losses)/gains – net' in the income statement. When revalued assets are sold, the amounts included in other reserves are transferred to retained earnings.

The Group holds work in progress. Work in progress mainly entails construction projects in place at year end. The Group capitalises work-in-progress once works are complete for the structure being constructed. Work in progress is measured at cost. Work in progress is depreciated once it is capitalised.

Material accounting policies continued

for the year ended 31 March 2024

3 Significant accounting policies continued

3.4 Investment property

Investment property, principally comprising freehold and leasehold land and buildings, is held for long-term rental yields with third parties.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs.

The group depreciates Investments Properties using straight-line method at 4% per annum

After initial recognition Investment property is carried at cost less accumulated depreciation and accumulated impairment losses in accordance with IAS 40. The accounting policy in note 3.3 therefore applies to the investment property.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment and its costs and accumulated depreciation and accumulated impairment loss are reclassified as is for accounting purposes of subsequent recording considering that the Group holds its property, plant and equipment subsequently at costs less accumulated depreciation and accumulated impairment loss. Property that is being constructed or developed for future use as investment property is classified as property, plant and equipment and stated at cost until construction or development is complete, at which time it is reclassified and subsequently accounted for as investment property.

If an item of property, plant and equipment becomes an investment property because its use has changed, it is transferred and recognised as investment property at cost less accumulated depreciation and impairment loss in line with the property plant and equipment balances.

3.5 Financial instruments

3.5.1 Financial Assets

Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component or financial liability) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Financial assets

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL.

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

All financial assets not classified and measured at amortised cost as described above are measured at FVTPL. On initial recognition the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated–e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Material accounting policies continued

for the year ended 31 March 2024

3 Significant accounting policies continued

3.5 Financial instruments continued

3.5.1 Financial Assets continued

Classification and subsequent measurement continued

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on fair value basis are measured at FVTPL.

Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Group considers:

- contingent events that would change the amount and timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

Subsequent measurement

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment loses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit and loss.

3.5.2 Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held for trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expenses, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Interest expense is recognised in profit or loss. Any gain on derecognition is also recognised in profit or loss.

3.5 Financial instruments continued

3.5.3 Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transition in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all of substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

3.5.4 Offsetting

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.6 Impairment

3.6.1 Impairments on financial assets

The Group recognises loss allowances for ECLs on:

- Financial assets measured at amortised cost.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following which are measured at 12-month ECLs.

- debt securities that are determined to have low credit risk at the reporting date and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument has not increased significantly since initial recognition)

Material accounting policies continued

for the year ended 31 March 2024

3 Significant accounting policies continued

3.6 Impairment continued

3.6.1 Impairments on financial assets continued

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group historical experience and informed credit assessment and including forward looking information.

The Group assumes that the credit risk on financial asset has increased significantly it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held), or
- the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting dated for a shorter period if the expected life of the instrument is less than 12 months.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost. A financial asset is 'credit-impaired' when one or more events that have detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation, or
- the disappearance of an active market for a security because of financial difficulties.

3.6 Impairment continued

3.6.1 Impairments on financial assets continued

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from gross carrying amount of the assets.

Write-off

The Group writes off a receivable when there is information indicating that the counterparty is in severe difficulty and there is no realistic prospect of recovery e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceeding. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Financial assets not classified as at FVTPL were assessed at each reporting date to determine whether there was objective evidence of impairment.

Objectives evidence that financial assets were impaired included:

- default or delinquency by a debtor;
- restructuring of an amount due to the Group on terms that the Group would not consider otherwise;
- indications that a debtor or issuer would enter bankruptcy;
- adverse charges in the payment status of borrowers or issuers;
- the disappearance of an active market for security because of financial difficulties, or
- observable data indicating that there was a measurable decrease in the expected cash flows from a Group of financial assets.

The Group considered evidence of impairment to these assets at both an individual asset and a collective level. All individually significant assets were individually assessed for impairment. Those found not to be impaired were then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that were not individually significant were collectively assessed to impairment. Collective assessment was carried out by grouping together assets with similar risk characteristics.

Material accounting policies continued

for the year ended 31 March 2024

3 Significant accounting policies continued

3.6 Impairment continued

3.6.1 Impairments on financial assets continued

Write-off continued

An impairment loss was calculated as the difference between an assets carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses were recognised in profit or loss and reflected in an allowance account. When the Group considered that there were no realistic prospects of recovery of the asset, the relevant amounts were written off. If the amount of impairment loss subsequently decreased and the decrease was related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss was reversed through profit or loss.

3.6.2 Non-financial assets

At reporting date, the Group reviews the carrying amounts of its non-financial assets (other than investment property) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Reversal of impairment

An impairment loss recognised in prior years for assets other than goodwill is reversed if there is a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount as a reversal in impairment loss. This reversal shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

The impairment reversal is recognised immediately on the Statement of comprehensive income.

3.7 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

The Group recognises a provision for onerous contracts when the expected benefits to be derived from a contract are less than the unavoidable costs of meeting the obligations under the contract.

Restructuring provisions comprise lease termination penalties and employee termination payments and are recognised in the period in which the Group becomes legally or constructively committed to payment. Costs related to the ongoing activities of the Group are not provided in advance.

Provisions are discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

3.8 Revenue recognition

Fuel levies

The main income received by the Group is a levy that is based on fuel sales known as the Motor Vehicle Accidents Fund Levy. The Levy income is a charge levied on fuel throughout the country and the rate of the Levy per litre is determined by the Ministry of Finance in consultation with the Minister of Natural Resources and Energy.

The Group recognises revenue from fuel levies when the amount of revenue can be reliably measured, and it is probable that future economic benefits will flow to the Group. Fuel levy revenue is recognised at a point in time in line with IFRS 15.

Revenue is measured at the fair value of the consideration received or receivable.

3.8.1 Other Income

Clinic revenue

Clinic revenue comprises; consultations, radiology, investigation, pharmacy, neurology, physiotherapy, speech and hearing, and x-ray.

Revenue is recognised at a point in time when the Clinic transfers control of goods and services to the customer. This is measured based on agreed rates with medical aid providers with no significant financing components.

Private clients are charged at 5% discount from the agreed rates with medical funds.

Clinic revenue is classified under other income of the Group.

Material accounting policies continued

for the year ended 31 March 2024

3 Significant accounting policies continued

3.8 Revenue recognition continued

3.8.1 Other Income continued

Investment income

Investment income comprises interest income and fair value gains on funds invested.

Interest income is recognised on a time-proportion basis using the effective interest rate method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income.

Rental income

Rental income from investment property are recognised in the statement of income on a straight line basis over the term of each lease in accordance with IFRS 16.

3.9 Leases

3.9. 1 The Group as lessee

A lease liability and corresponding right-of-use asset are recognised at the lease commencement date, for all lease agreements for which the Group is a lessee, except for short-term leases of 12 months or less, or leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed lease payments, including in-substance fixed payments, less any lease incentives;
- lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option; and
- penalties for early termination of a lease, if the lease term reflects the exercise of an option to terminate the lease.

The related payments are recognised as an expense in the period incurred and are included in operating expenses. The lease liability is presented as a separate line item on the Statement of Financial Position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) when:

- there has been a change to the lease term, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;

3.9 Leases continued

3.9. 1 The Group as lessee continued

- there has been a change in the assessment of whether the Group will exercise a purchase, termination or extension option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- there has been a change to the lease payments due to a change in a rate, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used);
- a lease contract has been modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised payments using a revised discount rate. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of use asset or is recognised in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Right-of-use assets

Lease payments included in the measurement of the right of use comprise the following:

- the initial amount of the corresponding lease liability;
- any lease payments made at or before the commencement date;
- any initial direct costs incurred;
- less any lease incentives received.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. However, if a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. Depreciation starts at the commencement date of a lease.

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

Each part of a right-of-use asset with a cost that is significant in relation to the total cost of the asset is depreciated separately. The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

3.10 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For purposes of the statement of cash flows, cash and cash equivalents comprise cash on hand, deposits held at call with Groups, other short-term highly liquid investments with original maturities of three months or less. Cash is held at amortised cost.

Material accounting policies continued

for the year ended 31 March 2024

3 Significant accounting policies continued

3.11 Employee benefits

(a) Pension obligations

The Group has a pension scheme in accordance with the local conditions and practices. The scheme is a defined contribution plan.

The Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(b) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to a termination when there is a detailed formal plan to terminate the employment of current employees without possibility of withdrawal. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer.

(c) Statutory obligations

Provision is not made for statutory termination obligations in terms of the Employment Act, 1980. It is considered that the Group's contributions to the pension fund exceed the contributions required by the employment act which can be recovered against such statutory obligations, at present.

3.12 Taxation

The Fund is exempt from taxation in terms of the provision of section 5 (2) of The Motor Vehicle Accidents Act No.13 of 1991 as amended.

Conversely, the Clinic which is a subsidiary is subject to tax and its tax is defined below.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The clinic measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

3.13 Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance. Intangible assets are measured initially at cost and subsequently at cost less accumulated amortisation and impairments.

Intangible assets include qualifying costs incurred in the development of the SAP computer software. The computer software is amortised over a period of five years on a straight-line basis.

The gain or loss on disposal of an intangible asset is recognised in the statement of comprehensive income in the year in which it arises.

3.14 Undertakings liability

The liability of undertakings is in respect of future medical costs, future loss of earnings and loss of support claims, where future medical, future loss of earnings and loss of support expenses are anticipated. The Group has undertaken to meet these expenses in the future as and when they are incurred. The Group estimates the present value of future costs and the necessary funds are deposited into separate interest bearing accounts from which payments are made.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate.

Key assumptions in applying accounting policies

Key assumptions derive estimates which require management's most complex or subjective judgements. The Group's management decide on assumptions that can materially affect the reported amounts of assets and liabilities within the next financial year. These estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The most significant assets and liabilities which typically require such assumptions are fair value of investments and the outstanding claims provision.

Material accounting policies continued

for the year ended 31 March 2024

3 Significant accounting policies continued

3.14 Undertakings liability continued

Key assumptions in applying accounting policies continued

a) Outstanding claims provision and undertaking liabilities

The estimation of the ultimate liability arising from claims incurred but not settled at the reporting date is the Group's most critical accounting estimate. There are several sources of uncertainty that need to be considered in the estimate of the liability that the Group will ultimately pay for such claims. The provision for outstanding claims is actuarially determined on an annual basis. The measurement of the obligations in respect of this liability requires actuarial estimates and valuations. An actuary is engaged to perform these calculations.

The Group establishes a claim liability account, which is estimates of future payments for reported (known) claims, reported claims that do not have enough information (Incurred But Not Enough Reported, 'IBNER') and unreported claims (Incurred But Not Reported, 'IBNR') with respect to events which could result in an expense to the Group. Provisioning is a complex process dealing with uncertainty requiring the use of informed estimates and judgements. Any changes in the estimates are reflected in the income statement in the period in which estimates are changed.

Delays occur in notification of claims and a substantial measure of experience and judgement is involved in assessing outstanding liabilities, the ultimate cost of which cannot be known with certainty as of the statement of financial position date.

The liability for claims is determined on the basis of information currently available; however it is inherent in the nature of the business that the ultimate liability may vary as a result of subsequent developments.

In the current year the Group has assumed an annual inflation of approximately 3.4% per annum. The IBNR calculation was discounted using a real discount rate of 2.5% per annum.

Each year at 31 March, the Group performs an actuarial valuation of the outstanding claims liability.

3.15 Key assumptions in applying accounting policies

Outstanding claims provision is made in the claim's liabilities under insurance contracts for the estimated cost at the end of the year of claims incurred but not reported (IBNR) at that date. The liability is calculated using the four methods; Basic Chain Ladder (BCL), Initial Estimated Loss (IEL) Method, Bornhuetter-Ferguson (BHF) and Payments Per Claim Incurred (PPCI) method. Thereafter the most appropriate method is selected given the observed claims development. A stochastic claims reserving technique (bootstrapping) is then used to determine a range of likely outcomes for the outstanding claims liability. These liabilities are not discounted due to the short-term nature of outstanding claims. Outstanding claims and benefit payments are stated gross of reinsurance.

Summary of economic assumptions

(i) Inflation

Historical inflation (CPI index) figures supplied by the Group to inflate past claims to present day values were used. The inflation rate over the inter-valuation period was 5.8% year-on-year for end of March 2024.

Future inflation was allowed for at a rate of 5.6% p.a. In the previous valuation, 5% was used. The real discount rate (i.e. excess of the discount rate over inflation) is approximately 2.5% p.a.

3.15 Key assumptions in applying accounting policies

(ii) Discount rate

The discount rate was set at 8.1% p.a. and the real discount rate has been set at a rate of 2.5% p.a.

Sensitivity analysis – non undertakings outstanding claims

In this section we illustrate the sensitivity of the valuation result to isolated changes in the valuation basis. The sensitivities shown below were performed on the non-undertakings outstanding claims.

Test		E000's	% Change
	Discounted outstanding claims liability as at 31 March 2024	186 630	
1	Decrease in discounted rates by 1%	187 020	0.2%
2	Reduced indirect claims handling expense ratio by 5%	185 092	(0.8%)

From the table above it can be seen that the valuation results are not materially affected by the changes in the discount rate and indirect claims handling expenses as defined by the different sensitivity tests.

The results may be summarised as follows:

- (Test 1) Decrease discount rates by 1%
- (Test 2) Reduce indirect claims handling expense ratio by 5%

Sensitivity analysis – undertakings outstanding claims

In this section we illustrate the sensitivity of the valuation result to isolated changes in the valuation basis. The sensitivities shown below were performed on the undertakings outstanding claims liability:

Test		E000's	% Change
	Discounted outstanding claims liability as at 31 March 2023	351 961	
1	Increase take-up rates by 1%	352 892	0.3%
2	Increase real discounted rates by 1% (decrease inflation by 1%)	351 160	(0.2%)
3	Increase average IBNR claim amount by 5%	356 575	1.3%

Inflating cash flows at a lower inflation rate reduces the present value of liability. The important assumption in the escalation and discounting process is the real discount rate. The real discount rate used for the current valuation is 2.5%. Increasing the real discount rate to 3.5% reduces the liability by 2.0%. We conclude that the valuation results are not materially affected by the changes in the key assumptions as defined in the sensitivity tests.

The results may be summarised as follows:

- (Test 1) Increase take up rates by 1%
- (Test 2) Increase real discount rates by 1% (decrease inflation by 1%).
- (Test 3) Increase average IBNR claim amount by 5%.

Material accounting policies continued

for the year ended 31 March 2024

3 Significant accounting policies continued

3.15 Key assumptions in applying accounting policies continued

(b) Basis for determining fair values of investments

The fair values of quoted investments in active markets are based on current bid prices. If the market for a financial asset is not active, the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions or other valuation techniques commonly used by market participants.

4 Risk management framework and objectives

The Board acknowledges its responsibility for establishing and communicating appropriate risk and control policies and ensuring that adequate risk management processes are in place. The Group has a Board of Directors which deals with the various aspects on policies for accepting risks, including selection and approval of risks to be insured, use of limits and avoiding undue concentrations of risk to ensure the appropriate risk classification.

Responsibility for the Board of Directors

The Group's board of directors is appointed by the Minister of Finance and is in place to assist the management in discharging its risk management obligations. The principal objectives of the Group's board of directors in terms of risk management are to:

- Review the Group's risk philosophy, strategy, policies and processes recommended by executive management;
- Review compliance with risk policies and with the overall risk profile of the Group;
- Review and assess the integrity of the process and procedures for identifying, assessing, recording and monitoring of risk;
- Review the adequacy and effectiveness of the Group's risk management function and its implementation by management;
- Ensure that material corporate risks have been identified, assessed and receive attention.

A significant part of Group's business involves the acceptance and management of risk. Primary responsibility for risk management at an operational level rests with the executive management. The Group's risk management processes, of which the systems of internal, financial and operating controls are an integral part, are designed to control and monitor risk throughout the Group. For effectiveness, these processes rely on regular communication, sound judgement and a thorough knowledge of the products and markets by the people closest to them. Management is tasked with integrating the management of risk into the day-to-day activities of the Group.

5 Financial risk management

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including cash flow interest rate risk and price risk), credit risk and liquidity risk. The organisation's overall risk management programme focuses on the unpredictability of consumer and financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by management under policies approved by the board of directors. Management identifies, and evaluates risks in close co-operation with the Group's board of directors. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as interest rate risk, credit risk, use non-derivative financial instruments, and investment of excess liquidity.

(a) Market risk

Market risk includes currency risk, interest rate risk and equity price risk. From time to time financial instruments are entered into to reduce this exposure to market risk

(i) Currency risk

Currency risk is the risk that the financial instruments that are denominated in foreign currency will fluctuate due to changes in foreign exchange rates.

The Group is not exposed to currency risk at the reporting date as there were no financial instruments that are denominated in foreign currency. The Group operates in Eswatini only.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument or an insurance contract will fluctuate due to changes in market interest rates.

The Group continuously assesses the market expectations within South Africa and Eswatini interest rate environments.

The Group's exposure to market risk for changes in interest rates relates primarily to the Group's investments. As part of the process of managing the Group's interest rate risk, interest rate characteristics of new investments are positioned according to expected movements in interest rates.

The following financial instruments will be directly impacted by changes in market interest rates: financial assets at fair value through profit or loss, cash and cash equivalents, and undertaking liabilities.

A change of 50 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

Material accounting policies continued

for the year ended 31 March 2024

5 Financial risk management continued

5.1 Financial risk factors continued

(a) Market risk continued

(ii) Interest rate risk continued

The monetary sensitivity analysis to changes in interest rates on assets is performed on the same basis as for 2024 and 2023:

	GROUP		FUND	
	2024	**2023**	**2024**	**2023**
	E	E	E	E
Financial assets (note 12)	**305 872 244**	299 965 148	**305 872 244**	299 965 148
Cash and cash equivalent (note 15)	**31 025 873**	41 249 451	**13 119 136**	30 024 648
Base assets	**336 898 117**	341 214 599	**318 991 380**	329 989 796
Increase of 50 basis points	**1 684 492**	1 706 073	**1 594 957**	1 649 949
Decrease of 50 basis points	**(1 684 492)**	(1 706 073)	**(1 594 957)**	(1 649 949)

(iii) Price risk

Equity price risk

The Group is currently exposed to equity price risk because at the statement of financial position date there were investments held by the Group that were classified either as available for sale or at fair value through profit and loss.

Commodity Price risk

The Group is not exposed to commodity price risk.

(b) Credit risk

Credit risk is the risk that counterparty to a financial instrument will fail to discharge an obligation and cause the Group to incur a financial loss.

Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents and deposits with Groups and financial institutions, as well as credit exposures to oil companies for fuel levy receivables, including outstanding receivables and committed transactions.

For banks and financial institutions, deposits are only placed with high credit quality financial institutions. As there is no independent rating, risk control to assess the credit quality of its clients, taking into account its financial position, past experience and other factors, the Group only deal with reputable and international oil companies and reputable and international medical aid providers.

The banks and investment managers on which deposits are placed by the Group are:

- First National Bank Eswatini Limited
- Nedbank Eswatini Limited
- Standard Bank Eswatini
- Swaziland Building Society
- Eswatini Development and Savings Bank
- African Alliance Eswatini Limited (Investment Managers)
- Stanlib Asset Management Limited (Investment Managers)
- Sanlam Investment Management (Investment Managers)

The oil companies from which the Group's fuel levy receivables are collectable are:

- Galp Energia Swaziland (Proprietary) Limited
- Engen Swaziland (Proprietary) Limited
- Total Swaziland (Proprietary) Limited
- Puma Swaziland (Proprietary) Limited
- Gas and Oil Industries
- Fuelex

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments and reinsurance contracts.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Group maintains flexibility in funding by maintaining availability under committed credit lines.

Ultimate responsibility for liquidity risk management rests with the board of directors, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements.

The Group manages liquidity risk by maintaining sufficient cash reserves and by matching financial assets and liabilities as far as is practical. The Group remains confident that the available cash resources and short-term investments will be sufficient to meet its funding requirements.

Reinsurance is also used to manage liquidity risk.

Note 22 (b) analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide compensation in terms of the Motor Vehicle Accidents Fund Act No. 13 of 1991, as amended.

Material accounting policies continued

for the year ended 31 March 2024

5 Financial risk management continued

5.1 Financial risk factors continued

(c) Liquidity risk continued

Due to the nature of its operations, the Group does not have to maintain or adjust the capital structure, as it is a Fund established by the Act of Parliament under the Motor Vehicle Accidents Fund Act No. 13 of 1991 as the instrument by which the Government of Eswatini compensates to road accident victims who have suffered bodily injuries or loss of support following the death of breadwinners.

Consistent with other Funds, the Group does not monitor capital on the basis of the gearing ratio.

5.2 Fair value estimation

The Group does not have financial instruments traded in active markets (such as trading and available-for-sale securities) which are fair valued based on quoted market prices at the statement of financial position date.

Furthermore, the Group does not have financial instruments that are traded in an active market which their fair values are determined by using valuation techniques.

The carrying value less impairment provision of fuel levy receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

For financial assets held at fair value through profit or loss that is, equity linked investments, the fair value is determined from the investment managers statements as this are shown at their fair values at each month-end.

6 Insurance risk management

The Group accepts insurance risk as it is mandated by legislation to compensate victims of road accidents for injuries suffered as a result of motor vehicle accidents. The Group is exposed to uncertainty surrounding the timing, frequency and severity of claims under these contracts.

7 Comparative figures

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

Notes to the consolidated financial statements

for the year ended 31 March 2024

	GROUP 2024 E	GROUP 2023 E	FUND 2024 E	FUND 2023 E
1 Fuel levies				
Timing of revenue recognition:				
At a point in time				
Revenue	**156 466 139**	144 042 454	**156 466 139**	144 042 454
The analysis of fuel levies per oil fund in respect of fuel imported and sold in the country:				
Engen Swaziland (Proprietary) Limited	**39 511 519**	33 239 561	**39 511 519**	33 239 561
Total Swaziland (Proprietary) Limited	**45 728 015**	44 058 091	**45 728 015**	44 058 091
Galp Energia Swaziland (Proprietary) Limited	**48 651 406**	45 175 705	**48 651 406**	45 175 705
Puma Energy Swaziland (Proprietary) Limited	**32 169 818**	29 088 451	**32 169 818**	29 088 451
Fuelex	**686 737**	213 861	**686 737**	213 861
Gross fuel levies	**166 747 495**	151 775 669	**166 747 495**	151 775 669
Refunds to Eswatini Railways	**(10 281 356)**	(7 733 215)	**(10 281 356)**	(7 733 215)
	156 466 139	144 042 454	**156 466 139**	144 042 454
2 Other operating income				
Clinic revenue	**15 746 987**	17 501 732	**–**	–
Rental income	**4 990 184**	3 937 841	**7 656 630**	3 882 706
Profit/Loss on disposal of assets	**21 489**	5 890	**21 489**	5 890
Other income	**328 373**	3 811 845	**2 383 859**	8 446 051
Reversal of impairment	**33 655 807**	–	**33 655 807**	–
	54 742 840	25 257 308	**43 717 785**	12 334 647
3 Benefits and claims expenses				
Reported claims charged during the year	**72 366 763**	108 030 927	**75 166 094**	108 030 927
Actuarial movement in undertaking liabilities	**17 459 000**	18 219 481	**17 459 000**	18 219 481
Actuarial movement in outstanding claims liabilities	**36 792 434**	38 359 687	**36 792 434**	38 359 687
	126 618 197	164 610 095	**129 417 528**	164 610 095

Notes to the consolidated financial statements continued

for the year ended 31 March 2024

4 Operating Deficit

The following items have been charged in arriving at the operating deficit:

	GROUP		FUND	
	2024	2023	2024	2023
	E	E	E	E
Actuarial fees	**739 571**	753 266	**739 571**	753 266
Auditors Remuneration	**645 438**	774 467	**847 499**	585 631
Consultancy Fees	**2 285 306**	2 419 667	**2 614 445**	1 955 488
Depreciation (note 7, 8 and 12)	**22 585 306**	19 163 476	**18 841 046**	15 098 083
Electricity	**2 121 533**	1 974 578	**1 689 536**	1 568 343
Insurance	**1 395 048**	1 694 413	**1 200 677**	1 172 633
Stakeholder engagements and initiatives	**3 635 563**	2 136 209	**3 635 563**	2 050 640
Directors Fees	**459 030**	585 792	**459 030**	467 487
Director expenses	**1 862 085**	1 797 174	**1 693 926**	1 743 781
PEU loan guarantee fees	**1 361 980**	1 282 071	**1 361 980**	1 282 071
Printing and stationery	**714 803**	617 570	**485 257**	540 933
Rates Expense	**954 620**	684 846	**954 620**	684 846
Repairs and maintenance	**5 155 608**	5 057 869	**3 658 452**	1 996 779
Licence fees	**12 899 699**	7 295 190	**12 610 201**	7 185 145
Legal Expenses	**2 043 562**	919 829	**2 043 562**	919 829
Employee benefit expenses (note 5)	**56 640 866**	50 711 929	**46 996 721**	41 803 445
Security	**949 544**	799 959	**901 499**	750 767
Staff welfare	**1 917 374**	804 319	**1 859 885**	804 319
Strategic projects	**1 046 325**	1 245 950	**1 000 722**	1 245 950
Travelling Expenses	**1 284 252**	1 773 848	**6 663**	1 685 399
Training	**2 611 265**	5 178 024	**2 412 704**	4 896 971
Telephone expenses	**2 628 203**	2 441 766	**2 253 900**	2 141 392
Clinic consumables	**2 543 271**	1 800 730	**–**	–
Road safety	**1 118 913**	1 365 221	**1 118 913**	1 365 221
Reversal of impairment loss	**(33 655 807)**	–	**(33 655 807)**	–

	GROUP		FUND	
	2024	**2023**	**2024**	**2023**
	E	E	E	E

5 Employee benefit expense

Salaries and wages	**45 922 574**	41 601 827	**37 662 900**	34 060 072
Other benefits	**1 687 524**	1 355 702	**1 693 865**	1 303 192
Post-retirement benefits contributions	**5 777 462**	4 840 021	**5 035 318**	4 075 338
Medical aid contributions	**3 221 775**	2 914 379	**2 604 638**	2 364 843
	56 609 335	50 711 929	**46 996 721**	41 803 445

6 Investment income

Dividend income	**2 348 760**	2 570 598	**2 348 760**	2 570 598
Interest income	**18 660 565**	15 445 310	**18 660 565**	15 445 310
Fair value (losses)/gains	**7 127 745**	1 073 032	**7 127 745**	1 073 032
Interest income from deposits with banks	**1 905 944**	2 167 070	**974 761**	1 696 323
Expected credit losses – financial assets held at amortised cost	**(498 670)**	29 095	**(498 671)**	29 095
	29 544 344	21 285 105	**28 613 160**	20 814 358

Notes to the consolidated financial statements continued

for the year ended 31 March 2024

7 Property, plant and equipment

	GROUP	
	Motor vehicle E	Freehold land and buildings E
Year ended 31 March 2024		
Carrying value at beginning of the year	**9 853 194**	**117 753 352**
Additions	**1 800 714**	**–**
Transfer from Work-in-Progress	**–**	**243 787**
Reallocation to Intangibles and IP	**–**	**(3 525 925)**
Disposals	**–**	**–**
Reversal of impairment charge	**–**	**22 959 700**
Depreciation charge	**(2 643 263)**	**(6 274 939)**
Carrying value at end of the year	**9 010 645**	**131 155 975**
Year ended 31 March 2024		
Cost	**21 878 964**	**202 060 649**
Accumulated depreciation and impairment	**(12 868 319)**	**(70 904 673)**
Carrying value at end of the year	**9 010 645**	**131 155 975**
Year ended 31 March 2023		
Carrying value at beginning of the year	5 523 900	122 692 265
Additions	6 402 137	–
Transfer to Investment Property	–	–
Disposals	–	–
Depreciation charge	(2 072 844)	(4 938 913)
Carrying value at end of the year	9 853 193	117 753 352
Year ended 31 March 2023		
Cost	20 102 828	205 342 787
Accumulated depreciation and impairment	(10 249 635)	(87 589 435)
Carrying value at end of the year	9 853 193	117 753 352

GROUP

Land E	Equipment E	Computer equipment and software E	Medical equipment E	Work in progress E	Total E
8 312 324	**12 279 266**	**3 300 024**	**21 949 216**	**7 835 681**	**181 283 056**
–	**47 770**	**1 417 633**	**–**	**43 854**	**3 309 971**
–	**–**	**–**	**–**	**(243 787)**	**–**
–	**–**	**–**	**–**	**(5 118 810)**	**(8 644 735)**
–	**(16 281)**	**(425 640)**	**–**	**–**	**(441 921)**
–	**–**	**–**	**–**	**–**	**22 959 700**
–	**(2 056 398)**	**(1 027 455)**	**(3 536 499)**	**–**	**(15 538 553)**
8 312 324	**10 254 357**	**3 264 562**	**18 412 717**	**2 516 938**	**182 927 518**
8 312 324	**33 865 594**	**8 932 956**	**54 261 608**	**2 516 938**	**292 531 322**
–	**(23 611 237)**	**(5 668 394)**	**(35 848 892)**	**–**	**(135 614 308)**
8 312 324	**10 254 357**	**3 264 562**	**18 412 717**	**2 516 938**	**182 927 518**
9 089 396	14 697 628	2 597 785	24 312 174	1 326 453	180 239 601
–	600 272	1 765 414	1 165 051	6 509 228	16 442 102
(777 072)	–	–	–	–	(777 072)
–	(47 207)	–	–	–	(47 207)
–	(2 971 427)	(1 063 175)	(3 528 009)	–	(14 574 368)
8 312 324	12 279 266	3 300 024	21 949 216	7 835 681	181 283 056
8 312 324	33 266 146	9 192 106	54 261 608	7 835 681	338 313 480
–	(20 986 880)	(5 892 082)	(32 312 392)	–	(157 030 424)
8 312 324	12 279 266	3 300 024	21 949 216	7 835 681	181 283 056

Notes to the consolidated financial statements continued

for the year ended 31 March 2024

7 Property, plant and equipment

	FUND	
	Motor vehicle E	Freehold land and buildings E
Year ended 31 March 2024		
Carrying value at beginning of the year	**9 853 194**	**91 742 849**
Additions	**1 800 714**	**–**
Transfer from Work-in-Progress	**–**	**243 787**
Reallocation to Intangibles and IP	**–**	**(3 525 925)**
Disposals	**–**	**–**
Reversal of impairment charge	**–**	**22 959 700**
Depreciation charge	**(2 643 263)**	**(6 274 939)**
Carrying value at end of the year	**9 010 645**	**105 145 472**
Year ended 31 March 2024		
Cost	**21 878 964**	**162 762 939**
Accumulated depreciation and impairment	**(12 868 319)**	**(57 617 467)**
Carrying value at end of the year	**9 010 645**	**105 145 472**
Year ended 31 March 2023		
Carrying value at beginning of the year	5 523 900	96 681 762
Additions	6 402 137	–
Reallocation between assets classes PPE	–	–
Disposals	–	–
Depreciation charge	(2 072 843)	(4 938 913)
Carrying value at end of the year	9 853 194	91 742 849
Year ended 31 March 2024		
Cost	20 102 828	161 402 389
Accumulated depreciation and impairment	(10 249 634)	(69 659 540)
Carrying value at end of the year	9 853 194	91 742 849

FUND

	Land	Equipment	Computer equipment and software	Medical equipment	Work in progress	Total
	E	E	E	E	E	E
	8 312 324	9 911 275	2 811 754	1 643 035	7 829 999	132 104 430
	–	7 507	1 255 643	–	49 536	3 113 400
	–	–	–	–	(243 787)	–
	–	–	–	–	(5 118 810)	(8 644 735)
	–	(16 281)	(422 201)	–	–	(438 482)
	–	–	–	–	–	22 959 700
	–	(1 598 233)	(774 751)	(188 207)	–	(11 479 393)
	8 312 324	8 304 268	2 870 445	1 454 828	2 516 938	137 614 920
	8 312 324	28 940 591	8 044 764	1 943 234	2 516 938	234 399 754
	–	(20 636 323)	(5 174 319)	(488 406)	–	(97 784 834)
	8 312 324	8 304 268	2 870 445	1 454 828	2 516 938	137 614 920
	9 089 396	12 216 696	2 422 032	657 702	1 346 599	127 938 087
	–	238 438	1 295 596	1 165 051	6 483 400	15 584 622
	(777 072)	–	–	–	–	(777 072)
	–	(47 207)	–	–	–	(47 207)
	–	(2 496 652)	(905 874)	(179 718)	–	(10 594 000)
	8 312 324	9 911 275	2 811 754	1 643 035	7 829 999	132 104 430
	8 312 324	28 443 969	8 394 218	1 943 234	7 829 999	236 428 961
	–	(18 532 694)	(5 582 464)	(300 199)	–	(104 324 531)
	8 312 324	9 911 275	2 811 754	1 643 035	7 829 999	132 104 430

Notes to the consolidated financial statements continued

for the year ended 31 March 2024

8 Investment property

	GROUP E	FUND E
Year ended 31 March 2023		
Carrying value at the beginning of the year	42 640 518	68 651 022
Reclassification from PPE	777 072	777 072
Depreciation charge	(3 363 113)	(3 363 113)
Carrying value at the end of the year	40 054 477	66 064 981
Year ended 31 March 2023		
Cost	67 820 563	111 760 960
Accumulated depreciation and impairment	(27 766 086)	(45 695 979)
Carrying value at end of the year	40 054 477	66 064 981
Year ended 31 March 2024		
Carrying value at the beginning of the year	**40 054 477**	**66 064 891**
Reclassification from PPE	**4 304 374**	**4 304 374**
Reversal of impairment loss	**10 696 107**	**10 696 107**
Depreciation charge	**(2 730 746)**	**(3 679 099)**
Carrying value at the end of the year	**51 375 859**	**77 386 363**
Year ended 31 March 2024		
Cost	**67 820 563**	**111 760 959**
Accumulated depreciation and impairment	**(16 444 704)**	**(34 374 596)**
Carrying value at end of the year	**51 375 859**	**77 386 363**

The investment property comprises of the following (fair values disclosed):

- 2nd and 3rd floors being let out by the Fund in the SMVA Office Park, on Mbhilibhi Street (The Fund apportioned the floors that are being held for letting, to the total floor area of the office park in determining the value of the Investment Property. Fair values of the property are determined on regular intervals) – E 53 383 652.
- Ekuphileni Clinic space located at the SMVA Office Park, on Mbhilibhi Street – E 47 551 416.
- Lot 43, Mbabane Township (CBD), Gwamile street building, Mbabane – E 17 435 633.
- Lot 521, Mbabane Township, Mbhilibhi street, Mbabane – E 9 578 970

All investment property valuations were performed by Swaziland Realty Consultants (Proprietary) Limited in the 2024 financial year using the income approach.

	GROUP E	FUND E
9 Intangible Assets		
Year ended 31 March 2023		
Carrying value at the beginning of the year	1 340 762	1 204 955
Depreciation charge	(485 718)	(400 692)
Carrying value at the end of the year	855 044	804 263
Year ended 31 March 2023		
Cost	4 405 505	3 648 504
Accumulated depreciation and impairment	(3 550 461)	(2 844 241)
Carrying value at end of the year	855 044	804 263
Year ended 31 March 2024		
Carrying value at the beginning of the year	**855 044**	**804 263**
Additions	**20 834 736**	**20 834 736**
Reclassification from PPE	**–**	**–**
Disposals	**(855 044)**	**(804 263)**
Depreciation charge	**(5 471 756)**	**(5 471 756)**
Carrying value at the end of the year	**15 362 980**	**15 362 980**
Year ended 31 March 2024		
Cost	**20 834 736**	**20 834 736**
Accumulated depreciation and impairment	**(5 471 756)**	**(5 471 756)**
Carrying value at end of the year	**15 362 980**	**15 362 980**

Notes to the consolidated financial statements continued

for the year ended 31 March 2024

	GROUP 2024 E	GROUP 2023 E	FUND 2024 E	FUND 2023 E
10 Investment in subsidiary				
Sincephetelo Clinic (Proprietary) Limited trading as Ekuphileni Clinic	**–**	–	**10 000 000**	10 000 000

The Fund holds 100% of the share capital of Sincephetelo Clinic (Proprietary) Limited which equates to 10 million shares at E1 per share.

11 Loans to subsidiary

	GROUP 2024 E	GROUP 2023 E	FUND 2024 E	FUND 2023 E
Non-current				
Sincephetelo Clinic (Proprietary) Limited	**–**	–	**64 069 282**	46 390 171
Current				
Sincephetelo Clinic (Proprietary) Limited	**–**	–	**21 084 371**	17 597 146

The Fund has provided start-up capital to the clinic in form of cash, inventory, property, plant and equipment and intangible assets previously held by the clinic division. At each financial period, the Fund is obligated to Fund the Clinic's budget shortfall as per the approved budget. The Fund has waived the clinic's obligation to repay the loan in the short-term until a time when the Clinic can generate positive cash flows. This is anticipated post the 2024/2025 financial period.

The Clinic is, however, obligated to pay its working capital obligations to the Fund in the short term as economic benefits accrue to it in line with the Memorandum of Understanding between the Fund and the Clinic. The working capital obligations include; Management fees, Clinic space rental and motor vehicle usage charges.

This is an interest free loan payable in the normal course of business by the Clinic to the Fund.

	GROUP		FUND	
	2024	2023	2024	2023
	E	E	E	E

12 Financial assets

Non-current				
Old Mutual Life Assurance Eswatini shares	**10 121 328**	10 620 000	**10 121 328**	10 620 000
Swaziland Building Society-Permanent shares	**–**	12 594 166	**–**	12 594 166
Eswatini Government treasury bonds	**102 178 802**	70 000 000	**102 178 802**	70 000 000
Stanlib Eswatini	**43 612 986**	–	**43 612 986**	–
Sanlam	**67 514 992**	–	**67 514 992**	–
Expected Credit losses	**(282 763)**	(282 763)	**(282 763)**	(282 763)
	223 145 345	92 931 403	**223 145 345**	92 931 403
Current				
Eswatini Government treasury bonds	**20 519 057**	43 237 748	**20 519 057**	43 237 748
Nedbank structured facility	**25 240 411**	25 275 685	**25 240 411**	25 275 685
Swaziland Building Society fixed deposits	**13 657 706**	20 979 414	**13 657 706**	20 979 414
Swaziland Building Society interest receivable	**–**	201 162	**–**	201 162
Stanlib Eswatini	**–**	34 640 425	**–**	34 640 425
Sanlam Eswatini	**–**	61 857 786	**–**	61 857 786
Swaziland Building Society call account	**23 309 725**	20 841 525	**23 309 725**	20 841 525
	82 726 899	207 033 745	**82 726 899**	207 033 745
Total financial assets	**305 872 244**	299 965 148	**305 872 444**	299 965 148
Reconciliation of Financial Assets				
Opening Balance	**299 956 987**	301 274 130	**299 956 987**	301 274 130
Acquisition of Financial Investments	**88 654 509**	65 000 000	**88 654 509**	65 000 000
Capitalized Interest and dividend Income	**20 397 022**	6 088 889	**20 397 022**	6 088 889
Fair value gains	**7 021 842**	1 073 032	**7 013 672**	1 073 032
Withdrawals from Investments	**(109 659 445)**	(73 500 000)	**(109 659 445)**	(73 500 000)
Management fee refund	**–**	–	**–**	–
Impairment loss/reversal on investments	**(498 671)**	29 097	**(498 671)**	29 097
Total financial assets	**305 872 244**	299 965 148	**305 872 244**	299 965 148

Notes to the consolidated financial statements continued

for the year ended 31 March 2024

12 Financial assets continued

	GROUP		FUND	
	2024 E	2023 E	2024 E	2023 E
Financial Assets – Restricted funds				
The following portions of the Eswatini Government treasury bonds have been held as restricted funds as these have been ceded, through promissory notes (PN 3 and PN 4), to the repayment of the loans held with the African Alliance group:				
SG 026 - Promissory Note (PN 3)	**8 000 000**	8 000 000	**8 000 000**	8 000 000
SG 030 - Promissory Note (PN 4)	**8 000 000**	8 000 000	**8 000 000**	8 000 000

Refer to the list of Eswatini Government Bonds below for the redemption amounts of the above bonds.

Government Treasury Bonds

The Group invested in the bonds as follows:

- SG 026 - E10 000 000 on 31 August 2016. Maturity date – 31 August 2024. Interest – 9% per annum.
- SG 027 - E50 000 000 on 31 October 2016. Maturity date – 31 October 2026. Interest – 10.75% per annum.
- SG 030 - E20 000 000 on 30 June 2017. Maturity – 30 June 2024. Interest – 10.25% per annum.
- SG 075- E20 000 000 in 2024. Maturity-31 May 2026. Interest – 10% per annum.
- SG 076- E30 000 000 in 2024. Maturity-31 May 2028. Interest-10.25% per annum.

Valuation of Old Mutual Eswatini equity shares (15% stake)

The investment value of Old Mutual Life Assurance Company (Swaziland) (Pty) Ltd was estimated to be E99.5M investment as at 31 December 2023. Applying a minority discount of 15% and marketability discount of 15% translates to an equity value on a non-marketable and controlling basis to E67.47M. Taking into account SMVAF 15% equity stake brings the value on non-marketable and non-controlling basis to E10.12M, signifying a 5% decrease in value from the previously estimated value of E10.62M at the time of acquisition. Based on the valuations done by Old Mutual Eswatini, the Group believes it is more realistic and in line with Old Mutual Life Assurance Company (Eswatini)'s financial performance over the 4-year period dating back to 2016 and favorable financial performance expected in the 2022 – 2024 financial periods.

	GROUP 2024 E	GROUP 2023 E	FUND 2024 E	FUND 2023 E

13 Right-of-use assets

	GROUP 2024 E	GROUP 2023 E	FUND 2024 E	FUND 2023 E
Balance as at 1 April	**1 679 676**	2 374 714	**1 679 676**	2 374 714
Depreciation	**(695 038)**	(695 038)	**(695 038)**	(695 038)
Balance as at 31 March	**984 638**	1 679 676	**984 638**	1 679 676
The statement of comprehensive income shows the following amounts relating to leases:				
Depreciation charged for right of use asset	**695 038**	695 038	**695 038**	695 038
The right of use asset relates to the lease of office space occupied by the Fund in Manzini for the Client Services Branch.				

14 Fuel levy and other receivables

	GROUP 2024 E	GROUP 2023 E	FUND 2024 E	FUND 2023 E
Fuel levies	**15 202 212**	13 331 112	**15 202 212**	13 331 112
Clinic receivables	**24 081 226**	17 396 156	**–**	–
Prepayments and sundry debtors	**10 152 624**	11 638 099	**8 006 928**	11 638 099
Staff loans and advances	**402 002**	322 955	**402 002**	322 955
Total before IFRS 9 adjustment	**49 838 064**	42 688 322	**23 611 142**	25 292 166
Expected credit losses	**(2 500 412)**	(2 568 728)	**–**	–
Total fuel levy and other receivables	**47 337 652**	40 119 594	**23 611 142**	25 292 166

The board of directors believes that the above values of fuel levy and other receivables approximate fair value.

There is no concentration of credit risk with respect to fuel levy and other receivables, as the Fund's fuel levies are less than 30 days past due and are not considered impaired. These relate to oil companies for whom there is no recent history of default. Accordingly, no impairment has been provided.

The Group does not hold any collateral as security.

Fuel levy receivables that are less than one month past due are not considered impaired. As of 31 March 2024, there were no fuel levy receivables that were past due as such no impairment has been provided. Clinic receivables have been considered impaired as at 31 March 2024 as shown by the expected credit losses above calculated based on the simplified approach of calculating expected credit losses under IFRS 9.

Notes to the consolidated financial statements continued

for the year ended 31 March 2024

	GROUP		FUND	
	2024 E	2023 E	2024 E	2023 E
15 Cash and cash equivalents				
Cash on hand	**9 169**	11 826	**8 206**	11 346
Cash at bank	**18 983 069**	40 871 131	**1 077 296**	29 646 808
Short-term deposits – Money market funds	**12 033 635**	366 494	**12 033 634**	366 494
	31 025 873	41 249 451	**13 119 136**	30 024 648
16 Borrowings				
Balances due African Alliance:				
Non-current				
Principal amount	**–**	8 000 000	**–**	8 000 000
Current				
Principal amount	**8 000 000**	8 000 000	**8 000 000**	8 000 000
Unrealised finance charges	**181 233**	245 145	**181 233**	245 145
Total current	**8 181 233**	8 245 145	**8 181 233**	8 245 145
	8 181 233	16 245 145	**8 181 233**	16 245 145

The Group acquired working capital loans from African Alliance amounting to E34 Million. E26Million has already been paid to African Alliance in the 2022/2022 financial period with E8 Million payable in 2025.

The Group has ceded all its rights of any nature whatsoever against the Government of Eswatini in respect of the following bonds as follows:

1. SG026 – E8 000 000 of the total principal amount of E10 000 000. Maturity date – 31 August 2024.
2. SG030 – E8 000 000 of the total principal amount of E20 000 000. Maturity date – 30 June 2024.

	GROUP		FUND	
	2024 E	2023 E	2024 E	2023 E

17 Lease liability

	GROUP 2024 E	GROUP 2023 E	FUND 2024 E	FUND 2023 E
Non-current liability	**312 125**	1 252 237	**312 125**	1 252 237
Current liability	**940 112**	746 404	**940 112**	746 404
	1 252 237	1 998 641	**1 252 237**	1 998 641
Maturity analysis of lease liabilities				
Less than one year	**1 424 887**	746 404	**1 424 887**	746 404
One year to five years	**–**	1 424 887	**–**	1 424 887
Less future finance charges	**(172 650)**	(172 650)	**(172 650)**	(172 650)
	1 252 237	1 998 641	**1 252 237**	1 998 641
Reconciliation of lease liability				
Opening balance	**1 998 641**	2 640 442	**1 998 641**	2 640 442
Interest expense capitalised for the period	**112 382**	160 802	**112 382**	160 802
Lease payments – capital	**(746 404)**	(641 801)	**(746 404)**	(641 801)
Lease payments – interest	**(112 382)**	(160 802)	**(112 382)**	(160 802)
Balance at year end	**1 252 237**	1 998 641	**1 252 237**	1 998 641

The lease liability relates to the lease of office space occupied by the Fund in Manzini for the Client Services Branch.

18 Trade and other payables

	GROUP 2024 E	GROUP 2023 E	FUND 2024 E	FUND 2023 E
Trades payables	**5 894 731**	2 255 313	**5 341 417**	1 017 411
Other payables	**22 891**	386 530	**25 793**	581 665
	5 917 622	2 641 843	**5 367 210**	1 599 076

Notes to the consolidated financial statements continued

for the year ended 31 March 2024

19 Provision for employee benefits

GROUP

	Leave Pay E	Service Gratuity E	Other Service Benefits E	Total E
Year ended 31 March 2024				
Balance as at 31 March 2023	**368 883**	**46 995**	**2 979 547**	**3 395 425**
Charged to statement of comprehensive income	**284 709**	**5 480**	**–**	**290 189**
Paid during the year	**(44 335)**	**(52 475)**	**(310 983)**	**(407 793)**
Reversed during the year	**–**	**–**	**(2 668 564)**	**(2 668 564)**
Balance as at 31 March 2024	**609 257**	**–**	**–**	**609 257**
Year ended 31 March 2023				
Balance as at 31 March 2022	368 883	46 995	6 123 959	6 539 837
Charged to statement of comprehensive income	–	–	(3 144 412)	(3 144 412)
Paid during the year	–	–	–	–
Balance as at 31 March 2023	368 883	46 995	2 979 547	3 395 425

FUND

	Leave Pay E	Service Gratuity E	Other Service Benefits E	Total E
Year ended 31 March 2024				
Balance as at 31 March 2023	**158 106**	**46 995**	**3 018 449**	**3 223 550**
Charged to statement of comprehensive income	**316 240**	**5 480**	**–**	**321 720**
Paid during the year	**–**	**(52 475)**	**(349 885)**	**(402 360)**
Reversed during the year	**–**	**–**	**(2 668 564)**	**(2 668 564)**
Balance as at 31 March 2024	**474 346**	**–**	**–**	**474 346**
Year ended 31 March 2023				
Balance as at 31 March 2022	158 106	46 995	6 123 959	6 329 060
Charged to statement of comprehensive income	–	–	(3 105 510)	(3 105 510)
Paid during the year	–	–	–	–
Balance as at 31 March 2023	158 106	46 995	3 018 449	3 223 550

20 Undertakings liabilities

	GROUP 2024 E	GROUP 2023 E	FUND 2024 E	FUND 2023 E
Undertakings liabilities	**422 208 378**	351 667 707	**422 208 378**	351 667 707
The reconciliation of undertaking liabilities is as follows:				
Discounted undertaking claims reserve	**264 078 000**	200 438 000	**264 078 000**	200 438 000
IBNR and IBNER claims reserve	**92 286 000**	91 696 000	**92 286 000**	91 696 000
Other provisions	**1 614 378**	12 172 707	**1 614 378**	12 172 707
Allowance for indirect claims handling expenses	**64 230 000**	47 361 000	**64 230 000**	47 361 000
Balance at the end of the year	**422 208 378**	351 667 707	**422 208 378**	351 667 707

The liability of undertaking is in respect of future medical costs and loss of support claims, where future medical and loss of support expenses are anticipated. The liability is the present value of future costs. The same actuarial principles, assumptions and methodology used in the estimation of outstanding claims liability's incurred but not reported (IBNR) were applied in the estimation of the undertaking liabilities. The maturity analysis is included in note 22.b)

21 Outstanding claims liabilities

	GROUP 2024 E	GROUP 2023 E	FUND 2024 E	FUND 2023 E
Outstanding claims liabilities	**186 630 278**	183 075 304	**186 630 278**	183 636 000
Gross outstanding reported claims	**96 970 278**	94 122 304	**96 970 278**	94 683 000
Gross IBNR reserve	**97 750 000**	49 563 000	**97 750 000**	49 563 000
Provision for changes in estimates	**–**	45 935 000	**–**	45 935 000
Effect of discounting on total claims reserve	**(38 840 000)**	(40 895 000)	**(38 840 000)**	(40 895 000)
Allowance for indirect claims handling expenses	**30 750 000**	34 350 000	**30 750 000**	34 350 000
Balance at the end of the year	**186 630 278**	183 075 304	**186 630 278**	183 636 000

The maturity analysis is included in note 22.b)

The liability as at 31 March 2024 is about 16.07% above the liability as at 31 March 2023.

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for the year ended 31 March 2024

The Fund establishes a claims liability account, which is an estimate of future payments for reported (known) claims and unreported claims (Incurred But Not Reported, 'IBNR') with respect to events which could result in an expense to the Fund. Provisioning is a complex process dealing with uncertainty requiring the use of informed estimates and judgements. Any changes in the estimates are reflected in the income statement in the period in which estimates are changed.

Delays occur in notification of claims and a substantial measure of experience and judgement is involved in assessing outstanding liabilities, the ultimate cost of which cannot be known with certainty as of the balance sheet date. The liability for claims is determined on the basis of information currently available; however, it is inherent in the nature of the business that the ultimate liability may vary as a result of subsequent developments.

The rate of claims inflation selected needs to take account of the nature of the liability and, where discounted reserves are held, be consistent with the discount rate that is selected.

Historical inflation (CPI index) figures supplied by the Fund to inflate past claims to present day values were used. The inflation rate over the inter-valuation period was 4.66% year-on-year for end of March 2024.

Future inflation was allowed for at a rate of 5.21% p.a. In the previous valuation, 5% was used. The real discount rate (i.e. excess of the discount rate over inflation) is now 2.12% p.a.

Discount rate

The discounted liability represents the net present value of all future payments, calculated at a specific discount rate.

The discount rate was set at 7.33% p.a (2023: 8.1%). and the real discount rate has been set at a rate of 2.12% p.a.

Discounting cash flows at a higher discount rate reduces the present value of the liability. The important assumption in the escalation and discounting process is the real discount rate. The real discount rate used for the current valuation is 2.12%.

The outstanding claims liability represents the value of the Fund's obligations, under the terms of the existing legislation to compensate people injured as a result of motor vehicle accidents (or their dependants in the case of fatalities).

Projection of future claims notification

The ultimate claim numbers have been projected using a Bornhuetter-Ferguson projection method. The projection builds on the number of claims that have already been notified to the Fund, to estimate the number of claims that will be notified in future in respect of accidents that already have occurred up until the valuation date. These claims are also known as Incurred But Not Reported claims (IBNR claims).

Summary of assumptions and methodology

A brief description of this methodology is discussed below.

Methodology

(a) Payments Per Claim Incurred (PPCI)

The PPCI method models the claims process by assuming that the payments will develop in a predictable pattern over time. The method requires assumptions regarding:

- The ultimate number of claims incurred for each accident year
- The average claim size
- The distribution of payments over time
- Future claims inflation rate(s)

For the latest accident year, this method essentially estimates the number of claims that will ultimately be reported for the year, and the average claim size.

(b) Bornhuetter-Ferguson projection of claim numbers

As noted above, the PPCI method requires a projection of the number of claims that will ultimately be reported for each year's accidents. The Bornhuetter-Ferguson (BHF) method has been used to do this projection.

The BHF method uses an independent measure to determine the likely ultimate number of claims for each accident year. The independent measure used for the analysis was sales of petrol and diesel.

(c) Basic Chain Ladder (BCL) or Link-ratio method

Link ratios are calculated between the development years of each of the accident years in the triangle and are combined as weighted average development factors for each development year. Such a set of development factors are called Basic Chain-ladder development factors.

The derived development factors are used to project the claims expected to emerge in the future development periods.

Once the claims have been projected and the ultimate level of claims established, the difference between the ultimate projected claims and claims paid to date represents the amount of claims reserve required (i.e. OCR + IBNR + IBNER).

Notes to the consolidated financial statements continued

for the year ended 31 March 2024

22(a) Analysis of financial assets and liabilities by measurement

Financial assets and financial liabilities are measured in an ongoing basis either at fair value or amortised cost. The summary of significant accounting policies describes how the classes of financial instruments are measured and how income and expenses, including fair value gains are recognised. The following table analyses the carrying amounts of the financial assets and liabilities by category:

	GROUP				
	Financial Assets – FVTPL E	Financial Assets – Amortised Cost E	Financial Liabilities – FVTPL E	Financial Liabilities – Amortised Cost E	Total E
31 March 2024					
Financial assets					
Investments	**144 559 033**	**161 313 211**	**–**	**–**	**305 872 244**
Fuel levy and other receivables	**–**	**37 185 028**	**–**	**–**	**37 185 028**
Cash and cash equivalents	**–**	**31 025 873**	**–**	**–**	**31 025 873**
	144 559 033	**229 524 113**	**–**	**–**	**374 083 145**
Financial liabilities					
Outstanding claims liabilities	**–**	**–**	**–**	**186 630 278**	**186 630 278**
Undertaking liabilities	**–**	**–**	**–**	**422 208 378**	**422 208 378**
Borrowings	**–**	**–**	**–**	**8 000 000**	**8 000 000**
Trade and other payables	**–**	**–**	**–**	**5 917 622**	**5 917 622**
Lease liability	**–**	**–**	**–**	**1 252 237**	**1 252 237**
	–	**–**	**–**	**624 008 515**	**624 008 515**
31 March 2023					
Financial assets					
Investments	119 914	180 052	–	–	299 966
Fuel levy and other receivables	–	28 482	–	–	28 482
Cash and cash equivalents	–	41 249	–	–	41 249
	119 914	249 783	–	–	369 697
Financial liabilities					
Outstanding claims liabilities	–	–	–	183 075	183 075
Undertaking liabilities	–	–	–	351 668	351 668
Borrowings	–	–	–	16 245	16 245
Trade and other payables	–	–	–	2 642	2 642
Lease liability	–	–	–	1 999	1 999
	–	–	–	555 629	555 629

22 (a) Analysis of financial assets and liabilities by measurement continued

	FUND				
	Financial Assets – FVTPL E	Financial Assets – Amortised Cost E	Financial Liabilities – FVTPL E	Financial Liabilities – Amortised Cost E	Total E
31 March 2024					
Financial assets					
Investments	**144 559 033**	**161 313 211**	**–**	**–**	**305 872 244**
Fuel levy and other receivables	**–**	**15 604 214**	**–**	**–**	**15 604 214**
Investment in subsidiary	**–**	**10 000 000**	**–**	**–**	**10 000 000**
Loan to subsidiary	**–**	**85 153 653**	**–**	**–**	**85 153 653**
Cash and cash equivalents	**–**	**13 119 136**	**–**	**–**	**13 119 136**
	145 559 033	**285 190 215**	**–**	**–**	**429 749 247**
Financial liabilities					
Outstanding claims liabilities	**–**	**–**	**–**	**186 630 278**	**186 630 278**
Undertaking liabilities	**–**	**–**	**–**	**422 208 378**	**422 208 378**
Loans	**–**	**–**	**–**	**8 000 000**	**8 000 000**
Trade and other payables	**–**	**–**	**–**	**5 367 210**	**5 367 210**
Lease liability	**–**	**–**	**–**	**1 252 237**	**1 252 237**
	–	**–**	**–**	**623 458 103**	**623 458 103**
31 March 2023					
Financial Assets					
Investments	119 914	180 052	–	–	299 966
Fuel levy and other receivables	–	13 654	–	–	13 654
Investment in subsidiary	–	10 000	–	–	10 000
Loan to subsidiary	–	63 987	–	–	63 987
Cash and cash equivalents	–	30 024	–	–	30 024
	119 914	297 717	–	–	417 631
Financial liabilities					
Outstanding claims liabilities	–	–	–	183 636	183 636
Undertaking liabilities	–	–	–	351 668	351 668
Loans	–	–	–	16 245	16 245
Trade and other payables	–	–	–	1 599	1 599
Lease liability	–	–	–	1 999	1 999
	–	–	–	555 147	555 147

Notes to the consolidated financial statements continued

for the year ended 31 March 2024

22 (b) Liquidity analysis

	GROUP			
	Less than 1 year or available/ payable on demand E	More than 1 year but less than 5 years E	More than 5 years E	Total E
31 March 2024				
Financial assets				
Investments	**305 872 244**	**–**	**–**	**305 872 244**
Fuel levy and other receivables	**37 185 028**	**–**	**–**	**37 185 028**
Cash and cash equivalents	**31 025 873**	**–**	**–**	**31 025 873**
Total assets	**374 083 145**	**–**	**–**	**374 083 145**
Financial and insurance liabilities				
Outstanding claims liabilities	**78 464 659**	**108 165 619**	**–**	**186 630 278**
Undertaking liabilities	**23 157 447**	**40 255 000**	**358 825 9315**	**422 208 378**
Borrowings	**8 000 000**	**–**	**–**	**8 000 000**
Trade and other payables	**5 917 622**	**–**	**–**	**5 917 622**
Lease liabilities	**1 252 237**	**–**	**–**	**1 252 237**
	116 791 965	**148 420 619**	**358 825 931**	**624 008 515**
31 March 2023				
Financial assets				
Financial assets	207 033 745	92 931 403	–	299 965 148
Fuel levy and other receivables	28 481 495	–	–	28 481 495
Cash and cash equivalents	41 249 451	–	–	41 249 451
Total assets	276 764 691	92 931 403	–	369 696 094
Financial and insurance liabilities				
Outstanding claims liabilities	55 038 860	128 036 444	–	183 075 304
Undertaking liabilities	23 391 000	52 968 000	275 308 707	351 667 707
Borrowings	8 245 145	8 000 000	–	16 245 145
Trade and other payables	2 641 843	–	–	2 641 843
Lease liabilities	746 404	1 424 887	–	2 171 291
	90 063 252	190 429 331	275 308 707	555 801 290

22(b) Liquidity analysis continued

	FUND			
	Less than 1 year or available/ payable on demand E	More than 1 year but less than 5 years E	More than 5 years E	Total E
31 March 2024				
Financial assets				
Investments	**305 872 244**	**–**	**–**	**305 872 244**
Investment in subsidiary	**–**	**10 000 000**	**–**	**10 000 000**
Loans to subsidiary	**–**	**85 153 653**	**–**	**85 153 653**
Fuel levy and other receivables	**15 604 214**	**–**	**–**	**15 604 214**
Cash and cash equivalents	**13 119 136**	**–**	**–**	**13 119 136**
Total assets	**334 595 594**	**95 153 653**	**–**	**429 749 247**
Financial and insurance liabilities				
Outstanding claims liabilities	**78 464 659**	**108 165 619**	**–**	**186 630 278**
Undertaking liabilities	**23 157 447**	**40 255 000**	**358 825 9315**	**422 208 378**
Loans	**8 000 000**	**8 000 000**	**–**	**8 000 000**
Trade and other payables	**5 367 210**	**–**	**–**	**5 367 210**
Lease liabilities	**1 252 237**	**1 424 887**	**–**	**1 252 237**
	116 241 553	**157 845 506**	**358 825 931**	**623 458 103**
31 March 2023				
Financial assets				
Investments	207 033 745	92 931 403	–	299 965 148
Investment in subsidiary	–	10 000 00	–	10 000 000
Loans to subsidiary	17 597 146	46 390 171	–	63 987 317
Fuel levy and other receivables	13 654 067	–	–	13 654 067
Cash and cash equivalents	30 024 648	–	–	30 024 648
Total assets	268 309 606	149 321 574	–	417 631 180
Financial and insurance liabilities				
Outstanding claims liabilities	55 038 860	128 597 140	–	183 636 000
Undertaking liabilities	23 391 000	52 968 000	275 308 707	351 667 707
Loans	8 245 145	8 000 000	–	16 245 145
Trade and other payables	1 599 076	–	–	1 599 076
Lease liabilities	746 404	1 424 887	–	2 171 291
	89 020 485	190 990 027	275 308 707	555 319 219

Notes to the consolidated financial statements continued

for the year ended 31 March 2024

23 Cash utilised in operations

	GROUP		FUND	
	2024	2023	**2024**	2024
	E	E	E	E
Deficit for the year	**(35 449 774)**	(96 829 996)	**(26 561 116)**	(88 192 018)
Adjustments for:				
Depreciation (note 7, 8 and 12)	**22 585 306**	19 163 476	**18 481 046**	15 098 083
Expected credit losses on investments	**498 671**	(29 097)	**498 671**	(29 097)
Investment income	**(20 566 510)**	(17 612 381)	**(19 635 326)**	(17 141 635)
Dividend income	**(2 348 760)**	(2 570 598)	**(2 348 760)**	(2 570 598)
Fair value gains on investments	**(7 127 745)**	(1 073 032)	**(7 127 745)**	(1 073 032)
Profit/loss from sale of PPE	**(21 489)**	(5 886)	**(21 489)**	(5 886)
Finance cost – loans	**1 063 079**	1 488 000	**1 063 079**	1 488 000
Finance cost – lease liability	**112 382**	160 802	**112 382**	160 802
Payroll provisions incurred in the period	**–**	(3 144 412)	**–**	(3 105 510)
Reversal of impairment	**(33 655 807)**	–	**(33 655 807)**	–
	(74 910 646)	(100 453 124)	**(69 195 065)**	(95 370 891)
Net changes in working capital	**73 113 659**	54 749 669	**60 748 207**	43 590 536
(Increase)/decrease in fuel levy and other receivables	**(7 218 058)**	(21 637 910)	**1 681 024**	(15 602 218)
(Increase)/decrease in inventory	**(7 108)**	(446 321)	**–**	–
(Decrease)/increase in trade and other payables	**3 457 012**	(4 416 499)	**3 949 366**	(4 609 727)
Increase in undertaking liabilities	**70 540 671**	224 932 959	**70 540 671**	224 932 959
Decrease/increase in outstanding claims liability	**3 554 974**	(143 682 560)	**2 994 278**	(143 472 599)
Intercompany receivable	**–**	–	**(21 166 336)**	(17 657 879)
Decrease in other provisions	**2 786 168**	–	**2 749 204**	–
Cash utilised in operations	**(1 796 988)**	(45 703 455)	**(8 446 858)**	(51 780 355)

	GROUP		FUND	
	2024 E	2023 E	**2024** E	2023 E

23 Cash utilised in operations continued

23.1 Investment income

Interest income for the year (note 6)	**22 915 269**	20 182 978	**21 984 086**	19 712 231
Interest income capitalised to investments (note 12)	**(20 397 022)**	(6 088 889)	**(20 397 022)**	(6 088 889)
Interest received	**2 518 247**	14 094 089	**1 587 064**	13 623 343

23.2 Finance costs paid – loans

Finance charge for the year	**1 175 461**	1 488 000	**1 175 461**	1 488 000
Finance charge outstanding liability	**(112 382)**	(249 228)	**(112 382)**	(249 228)
Finance costs paid – loans	**181 233**	247 145	**181 233**	247 145
	1 244 312	1 485 917	**1 244 312**	1 485 917

Notes to the consolidated financial statements continued

for the year ended 31 March 2024

24 Related party transactions

The Fund was established by an Act of Parliament as an instrument by which the Government of Eswatini compensates road accidents victims who suffered bodily injuries or loss of support following death of breadwinners.

24.1 Related party transactions:

	GROUP 2024 E	GROUP 2023 E	FUND 2024 E	FUND 2023 E
a) Board of Directors' compensation	**627 189**	585 792	**459 030**	467 487
Board of Directors' fees	**627 189**	585 792	**627 189**	467 487
b) Key management's salaries				
Basic salary	**6 138 797**	3 400 864	**4 189 120**	3 089 123
Gratuity	**–**	–	**–**	–
Provident fund	**1 218 084**	806 603	**828 349**	605 028
Medical aid	**453 046**	268 894	**329 664**	212 722
ENPF contributions	**16 235**	10 585	**11 100**	8 575
Housing allowance	**834 555**	605 028	**834 555**	605 028
Leave allowance	**50 000**	60 000	**50 000**	60 000
Travel/Car allowance	**1 488 634**	993 348	**1 001 465**	741 380
Uniform allowance	**–**	60 000	**–**	60 000
Other allowances	**120 000**	91 500	**102 000**	73 500
Utilities	**189 970**	150 051	**189 970**	150 051
	10 509 321	6 446 873	**7 536 223**	5 605 407
c) Other income				
Rent received	**–**	–	**2 747 000**	2 568 000
Car usage	**–**	–	**264 000**	264 000
Management fees	**–**	–	**1 800 000**	1 800 000
	–	–	**4 811 000**	4 632 000

The Fund engages the Clinic to treat and rehabilitate its claimants in line with the Fund's operating model and mandate. The Clinic charges the Fund for services rendered at a discount of 20% of the tariffs set by SwaziMed.

The Fund has a lease agreement with Ekuphileni Clinic for the Clinic building. The monthly charge for the year was E200 000 per month excluding value-added-tax. This agreement is for a period of 3 years with the annual escalation rate of the lease amount at 7% in line with the Fund's lease agreements.

The Fund further entered into a Memorandum of Understanding (MoU) with the Clinic for the provision of two motor vehicles to the clinic at a monthly charge of E22 000. The Fund bears all the cost of running these two motor vehicles. Furthermore, the Clinic pays the Fund a monthly fee of E150 000 as management fees for services the Fund provides to the Clinic under the MoU. This includes payroll, finance, procurement, internal audit, human resources management, etc.

24 Related party transactions continued

24.1 Related party transactions continued

	GROUP 2024 E	GROUP 2023 E	FUND 2024 E	FUND 2023 E
(d) Other transactions				
Clinic services payments	–	–	**2 799 331**	7 907 198
Loan advance payment	–	–	**6 272 197**	12 798 899

24.2 Related party balances:

	GROUP 2024 E	GROUP 2023 E	FUND 2024 E	FUND 2023 E
Non-current balances				
Investment in subsidiary	–	–	**10 000 000**	10 000 000
Loans to subsidiary	–	–	**64 069 282**	46 390 171
	–	–	**74 069 282**	56 390 171
Current balances				
Loans to subsidiary	–	–	**21 084 371**	17 597 146
	–	–	**21 084 371**	17 597 146
Total	–	–	**95 153 653**	73 987 317

The Fund made a E10 million investment into the Clinic subsidiary to acquire all the Clinic's share capital. The Fund further provided items of property, plant and equipment, intangible assets and working capital in the form of receivables and payables, cash and cash equivalents, and inventory balances held whilst a division of the Fund, at the inception of the Clinic's operations. The Fund further provides working capital needs as per the Clinic's approved budget for each year. These amounts are reflected under the non-current balances as these will be paid when the Clinic is self-sufficient which is predicted to be post the 2024/2025 period.

The current balance reflects working capital liabilities due to the Fund from the Clinic in the short-term as part of working capital management. This reflects salaries, management fees, rental for Clinic's space, and car usage charges.

Notes to the consolidated financial statements continued

for the year ended 31 March 2024

25 Commitments and contingencies

25.1 Commitments

As at 31 March 2024, the Group had no commitments.

25.2 Contingencies

The Fund has contingent liabilities in respect of legal claims arising in the ordinary course of its operations. These arise in relation to disputes over the amount payable by the Fund. However, it is not anticipated that any material additional liabilities will arise from contingent liabilities. These have been deemed immaterial as at 31 March 2024 to the period before the signing and issue of these consolidated financial statements.

26 Going concern

The Board of Directors is cognisant of the deficit posted by the Fund in the year under review (31 March 2024) and for the past two financial periods (2022 and 2023). The Board has come up with a transformation strategy aimed at maximising delivery of the mandate as well as improve the financial performance and position of the Fund in the long-term.

2024/28 Strategy for Financial Sustainability

The Fund has developed a comprehensive strategy for the period 2024-2028 aimed at restoring financial sustainability. Key components of this strategy include:

- **Aggressive investment Strategy:** The Fund plans to adopt a more aggressive investment approach to generate higher returns, which will contribute to covering its financial shortfall.
- **Review of Benefit Structure:** A thorough review of the Fund's benefit structure will be undertaken to ensure that it is aligned with the current financial situation and that benefits provided to members are sustainable in the long term.
- **Review of Operating Model:** The Fund is examining its operating model to identify opportunities to reduce claims expenses and administrative costs.

27 Events after the reporting date

The Directors are not aware of material event which occurred after the reporting date and up to the date of this report that could require adjustment or disclosure on these financial statements.

Glossary

AI	Artificial Intelligence
AR Com	Audit and Risk Committee
BCL	Basic Chain Ladder
BHF	Bornhuetter-Ferguson
BI	Business Intelligence
CBE	Central Bank of Eswatini
CEO	Chief Executive Officer
Claims IBNER	Claims Incurred but Not Enough Reported
Claims IBNR	Claims Incurred but Not Yet Reported
COLA	Cost of Living Adjustment
CPDEP	Chevron Project Development Evaluation Process
CPI	Consumer Price Index
CRM	Customer Relationship Management
CSI	Community Social Investment
CSI	Corporate Social Investment
CSR	Corporate Social Responsibility
EITF	Eswatini International Trade Fair
ENPF	Eswatini National Provident Fund
EPR	Emergency Preparedness Response
EPTC	Eswatini Posts and Telecommunications Corporation
ERM	Enterprise Risk Management
ERP	Enterprise Resource Planning
EVP	Employee Value Proposition
EXCO	Executive Committee
FIP Com	Finance, Investment and Projects Committee
GDP	Gross Domestic Product
HR	Human Resources
HRES Com	Human Resources, Ethics and Social Committee
ICT	Information and Communictaion Technology
ICU	Intensive Care Unit
IEL	Initial Estimated Loss
IESBA	International Ethics Standards Board for Accountants
IFRS	International Financial Reporting Standards
IIA	Institute of Internal Auditors
IPPF	Internal Professional Practice Framework
IPS	Investment Policy Statement
ISAs	International Standards on Auditing
IT	Information Technology
King IV	King IV Code on Corporate Governance
KPIs	Key Performance Indicators
LPS	Loss Prevention System
MANCOSA	Management College of Southern Africa
MASA	Marketing Association of South Africa
MOU	Memorandum of Understanding
MTPL	Motor Third Party Liability
MVA	Motor Vehicle Accident
NPS	Net Promoter Score
OHS	Occupational Health and Safety
PEU	Public Enterprises Unit
PMS	Performance Management System
PPCI	Payments Per Claim Incurred
QMS	Quality Manangement System
REPS	Royal Eswatini Police Service
ROI	Return on Investment
RTA	Road Traffic Accident
SACU	South African Customs Union
SADC	Southern African Development Community
SARB	South African Reserve Bank
SMVAF	Sincephetelo Motor Vehicle Accidents Fund
SOE	State Owned Enterprise
UN	United Nations
US	United States

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