Notes to the financial statements continued

for the year ended 30 JUNE 2021

32. Related party transactions

32.1 Directors

Details relating to directors' emoluments are disclosed in Note 23. There are no loans to directors.

The directors' shareholdings are disclosed on pages 7 and 8 of the Annual Financial Statements. Transactions by the directors with Group entities are listed below.

Relationships with directors in the Group

WAD Holdings Proprietary Limited – Mr WH Britz (Executive Director) holds 50% of WAD Holdings Proprietary Limited.

WAD Holdings Proprietary Limited is the 100% shareholder of Northern Lights Trading 172 Proprietary Limited.

32.2 Transactions with related parties

During the period the Group entered into the following related party transactions:

	Group	
	June 2021 R'000	June 2020 R'000
Directors		
Medical aid contributions paid by directors – to schemes administered by Medscheme Holdings Proprietary Limited	486	301
Mr MJ Madungandaba (70%) and Dr ATM Mokgokong (30%) control Namane Financial Services – consulting and marketing fees paid to Namane Financial Services	14	156
Mr MJ Madungandaba (42%) and Dr ATM Mokgokong (30%) control Mesure Facilities Management Proprietary Limited – management fees and other expenses paid to Mesure Facilities Management Proprietary Limited. The fees represent outsourced facilities management for the AfroCentric Group that represent the following categories:	62 784	67 996
– Salaries	11 087	12 501
– Cleaning and security	21 042	19 842
– Refurbishments, projects and capex	5 787	6 635
– Utilities	23 593	27 052
– Other	1 275	1 966
Mr MJ Madungandaba (41.91%) and Dr ATM Mokgokong (17.96%) collectively control Skynet South Africa Proprietary Limited – courier fees paid to Skynet South Africa	–	4
Mr MJ Madungandaba (8.29%) and Dr ATM Mokgokong (3.55%) have an interest in Jasco Electronics Holdings Limited – IT service fees paid to Jasco Electronics Holdings Limited	2 464	21 810
Mr MJ Madungandaba, Dr ATM Mokgokong and Dr ND Munisi are directors of Community Medical Proprietary Limited – purchases from Community Medical Proprietary Limited	–	1 619
Activo Health Proprietary Limited – rental costs paid to Northern Lights Trading 172 Proprietary Limited	1 158	563
AfroCentric Distribution Services Proprietary Limited – rental costs paid to Northern Lights Trading 172 Proprietary Limited	4 321	4 039
Pharmacy Direct Proprietary Limited – rental costs paid to Northern Lights Trading 172 Proprietary Limited	1 926	1 884
Fastpulse Employee Solutions Proprietary Limited – rental costs paid to Northern Lights Trading 172 Proprietary Limited	129	–
Related entities		
Intercompany recovery costs		
Sanlam Limited – intercompany recovery expenses paid to AfroCentric Distribution Services Proprietary Limited	(12)	–

Notes to the financial statements continued

for the year ended 30 JUNE 2021

32. Related party transactions continued

32.3 Transactions with entities in the group

	Company	
	June 2021 R'000	June 2020 R'000
Balances		
AfroCentric Health Proprietary Limited loan account	(14 327)	(9 767)
Interest charged		
Interest paid to AfroCentric Health Proprietary Limited	(1 035)	(7)
Interest received from AfroCentric Health Proprietary Limited	–	6 049
Dividends received		
Dividends received from ACT Healthcare Assets Proprietary Limited	199 795	56 012
32.4 Key management personnel compensation		
Short-term employee benefits	24 650	18 929
Share-based payments	9 824	5 014

Key management personnel comprise Executive Directors within the AfroCentric Health Proprietary Limited Group.

32.5 Intergroup guarantees

The following Group companies have provided cross guarantees to the AfroCentric Health Proprietary Limited bankers, for facilities offered to that Company:

- Medscheme Holdings Proprietary Limited
- Aids for AIDS Management Proprietary Limited
- AfroCentric Technologies Proprietary Limited
- Klinikka Proprietary Limited

33. Pensions and other retirement obligations

The Group has made provision for pension and provident schemes covering substantially all employees. All eligible employees are members of defined contribution schemes administered by third parties. The assets of the schemes are held in administered trust funds separated from the Group's assets. Scheme assets primarily consist of listed shares, bonds and cash. The South African funds are governed by the Pensions Fund Act of 1956.

Medscheme Provident Fund and Medscheme Employee Provident Fund

These funds are defined contribution plans. Contributions are fully expensed during the year in which they are funded. Contributions of 7.6% of retirement funding remuneration are paid by the employer and contributions paid by the employee range between 0% and 12% of retirement funding remuneration. In the interest of the employee members of these funds, the trustees are encouraged to obtain an independent actuarial assessment of the performance of the funds.