



## Annual Report for the year ended 28 February 2019

### 1. Introduction

A total of R3 335 000 was paid to 23 KRT claimants in the financial year, compared to R4 514 248 paid to 22 claimants in the previous financial year.

As at end February 2019, a total of R105 844 210 had been paid by the trust to 1 507 claimants. Funds available for the payment of future claims amounted to R57 089 308.

The benefits paid during the financial year ended February 2019 included an inflation-based increase of 6.5% to the compensation benefits as well as a one-off increase of 15%, effective from 1 March 2018.

This decision was taken based on the statistical review of the Trust's projected beneficiary pay-outs as well as the financial sustainability of the Trust to 2026. The trustees have planned for an average 12-14 successful ARD4 (mesothelioma) claims a year for the remaining life of the trust. ARD4 claims paid have been slightly higher than projections over the past two years but are expected to reduce to planned levels over the remaining life of the trust.

### 2. Claim Statistics for the Financial Year

#### 2.1. Grant Applications Received

A total of 23 new grant applications (claims)<sup>1</sup> were received by the trust in the financial year, compared to 15 in the previous year. Of these, 17 were for occupational exposure and 6 for environmental exposure.

#### 2.2. Claims Paid by Category

Of the 23 claimants paid in the financial year 12 were ARD4 claimants, compared to 16 for the previous year. Six of the ARD4 mesothelioma claims paid were for environmental exposure. ARD4 claims accounted for 85% of the benefits paid in the financial year.

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<sup>1</sup>This figure excludes claims received from beneficiaries who previously applied and either did not qualify to receive a grant or, were compensated for asbestosis and subsequently developed a compensable asbestos related cancer and qualify to receive a second grant.

<b>Compensation Category<sup>2</sup></b>	<b>Number of Claims Paid</b>	<b>R-amount paid</b>
ARD1	9	R244 545
ARD2	0	R0
ARD3	2	R270 305
ARD4	12	R2 820 150
	<b>23</b>	<b>R3 335 000</b>

### 2.3. Claims Evolution

Of the 23 claimants compensated during the financial year, 5 had previously lodged a claim with the KRT. Their medical certification changed on receipt of new information as follows:

<b>Previous Medical Certification</b>	<b>New Medical Certification</b>	<b>Number of Claims</b>	<b>R-amount paid</b>
ARD1 to	ARD3	1	R147 015
No ARD	ARD1	1	R36 920
No ARD	ARD4	3	R599 190
		<b>5</b>	<b>R783 125</b>

### 3. Social Projects

As allowed by the Trust Deed, the KRT spent R734 036, a portion of interest earned on investments, on several social projects in the 2018/19 financial year, some of which were in collaboration with the ART. This included support for:

- The Asbestos Interest Group (AIG), which does important outreach and claims handling work for the trust;
- The Cancer Charity Workers (CCW) in Kuruman;
- The Kuruman Palliative Care Project, where Sister Phemelo Magabanyane and Sister Gomolemo Moetsi (the latter newly appointed in October 2018) continue to offer a compassionate and effective service to cancer sufferers;

<sup>2</sup> ARD1 = Asbestos dust disease (pneumoconiosis) with moderate lung function impairment; ARD2 = Asbestos dust disease (pneumoconiosis) with severe lung function impairment; ARD3 = Asbestos related lung cancer; ARD4 = Mesothelioma.

- Workshops in the greater Kuruman area aimed at improving the ARD diagnostic ability of medical health professionals;
- The trustees are collaborating with the National Institute for Occupational Health to establish the Phiroshaw Camay Asbestos Virtual Library. This will be an online library of Southern African literature concerned with asbestos; and
- Asbestos contamination in schools in Kuruman is alarming and the trust is researching both the problem and exploring possible solutions.

#### **4. Financial Results**

Trust income on cash balances and on investments for the year amounted to R5 890 187 (R5 910 239 the previous year). Annual expenditure, including expenses related to claims management, increased by 1.4% to R1 657 864 (R1 633 850 in the previous year).

I am indebted to my fellow trustees, Dr Markus Heitz and Richard Spoor, for their support and diligence; and thank the trustees and staff of the ART for their continued collaboration as we strive jointly to fulfil the obligations of the respective Trust Deeds.

**Brian Gibson**

**Chairman**