

**IN THE HIGH COURT OF SOUTH AFRICA  
GAUTENG DIVISION, JOHANNESBURG**

Case No: 58950/2021

In the matter between:

**THE PRUDENTIAL AUTHORITY**

Applicant

And:

**3SIXTY LIFE LIMITED**

First respondent

**NATIONAL UNION OF METAL WORKERS OF SOUTH  
AFRICA**

Second respondent

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**SUPPORTING AFFIDAVIT**

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I, the undersigned

**PRAVESH HIRALALL**

state under oath that:

1. I am a Director in the Financial Services Division at Sizwe Ntsaluba Gobodo Grant Thornton Inc., 3Sixty Life Limited's (**3Sixty**)'s external audit firm (the **Auditors**).
2. I am duly authorised to depose to this affidavit on behalf of the Auditors.
3. Unless the context indicates otherwise, I have personal knowledge of the facts set out in this affidavit and they are, to the best of my belief, true and correct.

**ISSUES IDENTIFIED BY THE EXTERNAL AUDITORS OF 3SIXTY**

4. I am the leader of the team that was engaged to audit the financial statements of 3Sixty for the financial year ended 31 December 2020.

5. My team and I experienced challenges in obtaining information and samples of supporting documentation from 3Sixty for the conclusion of the audit of the financial statements for the financial year ended December 2020. In substantiation of this, I attach as annexure "**SNG1**" a copy of my letter to the Audit Committee of 3Sixty. The annexure to the letter is not attached, because it contains a number of excel spreadsheets and I do not want to unduly burden the court papers in this matter. 3Sixty is in possession of the annexure to the letter.
6. The audit of 3Sixty has been impeded by the lack of support provided by management of 3Sixty. My team and I have been unable to complete the evidence gathering procedures to support the audit opinion.
7. Instead of providing the support necessary for the completion of evidence gathering procedures, management specifically, the 3Sixty GSG Group CFO and the 3Sixty CFO, proposed to me how to go about auditing the accounts making up the financial statement line items.
8. In terms of International Standards on Auditing, in order to obtain reasonable assurance so as to express an independent audit opinion on a set of financial statements, auditors are required to obtain sufficient appropriate audit evidence to reduce audit risk to an acceptably low level and thereby enable the auditor to draw reasonable conclusions on which to base the auditor's opinion. Insufficient and/ or inappropriate audit evidence naturally impacts the audit opinion on the financial statements.
9. My team and I were also further impeded by management of 3Sixty seemingly constructing evidence to address audit queries. For example, the 3Sixty GSG Group CFO referred to a sub-ordination agreement that should be taken into account in the



31 December 2020 audit when such agreement had not been signed, even some 11 months after year end.

- 10. A further example, is the matter of the transfer of certain Doves properties to 3Sixty (the contemplated Internal Recapitalisation Plan). In an email, the Group CFO refers to 3Sixty recognising the property upon signature date of the agreements and resolutions as opposed to when the Deeds Registry registers the transfer of the properties from Doves to 3Sixty, as this is when 3Sixty will have control of the properties.
- 11. I am advised that Mr Msibi has alleged in an affidavit that the delay in finalising the audit of the financial statements of 3Sixty was caused by my team and I. This is denied. It is clear from what is set out earlier in this affidavit that we have been unable to complete the audit because management of 3Sixty has not cooperated with my team and I.

*Mandell*

**DEPONENT**

I hereby certify that the deponent knows and understands the contents of this affidavit and that it is to the best of the deponent's knowledge both true and correct. This affidavit was signed and sworn to before me at Douglasdale on this 22 day of February 2022, and that the Regulations contained in Government Notice R.1258 of 21 July 1972, as amended by R1648 of 19 August 1977, and as further amended by R1428 of 11 July 1989, having been complied with.

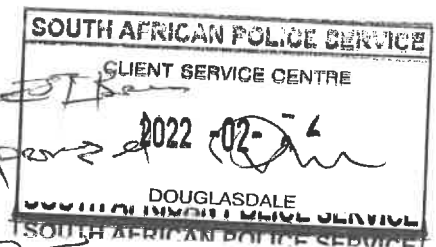
*[Signature]*

**COMMISSIONER OF OATHS**

Full names: [Signature]

Address: [Signature]

Capacity: [Signature]



**SNG Grant Thornton**  
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T: 011 231 0600

The Audit Committee  
3Sixty Life Limited  
91 Central Street  
Houghton  
Johannesburg  
2198

23 November 2021

Dear Audit Committee Members,

**3SIXTY LIFE LIMITED – AUDIT OPINION FOR THE YEAR ENDED 31 DECEMBER 2020**

The discussion with the Audit Committee on 18 November 2021 refers.

You will recall that we re-commenced the audit proper on 6 September 2021. We were, already, during the month of August auditing certain financial statement line items with staff that we were able to secure for the engagement during that month. On or around 30 August we shared with the Finance team the samples required for us to complete the audit. We also scheduled and had weekly meetings with the Finance team discussing the matters outstanding and what was still required for us to complete our evidence gathering procedures to support the audit opinion. These meetings continued throughout the months of September, October and early November.

The audit was, however, impeded by the lack of support necessary for us to complete our evidence gathering procedures.

You will understand that we perform our evidence gathering procedures to support the audit opinion on the financial statements and support not provided by management amounts to a scope limitation which naturally impacts the audit opinion on the financial statements.

We have accordingly included in the annexure, that accompanies this letter, per financial statement line item those matters that were taken into account in arriving at the audit opinion presented at the meeting held on 18 November 2021.

We will discuss the contents of this letter including the annexure when we next meet on 25 November 2021.

**Pravesh Hiralall**  
Director  
SizweNtsalubaGobodo Grant Thornton Inc.



Victor Sekese (Chief Executive)  
A comprehensive list of all  
Directors is available at the  
company offices or registered office

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