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OF
SOUTH AFRICA



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BOARD NOTICE

BOARD NOTICE 74 OF 1999

FINANCIAL SERVICES BOARD

SHORT-TERM INSURANCE ACT, 1998

(ACT NO. 53 OF 1998)

RETURNS BY LLOYD'S TO REGISTRAR

I, Richard Gray Cottrell, Registrar of Short-term Insurance, hereby notify, in terms of section 58(1) read with paragraph 7 of Schedule 3, that Lloyd's or the Lloyd's representative shall furnish the Registrar, -

- (a) within a period of four months after the expiration of each calendar year of its business with a return relating to its business;

- (b) within a period of 60 days after the expiration of each quarter ending on 31 March, 30 June, 30 September, 31 December of each year, with a return in respect of the Lloyd's South African Trust.

This Board Notice is applicable to Lloyd's or the Lloyd's representative in respect of calendar years commencing on 1 January 1999.

The returns listed below must be an original accompanied by one copy submitted on A4 paper.

The returns referred to in paragraphs (a) and (b) above must contain the following information and be submitted in the following form:

1. Annual Statutory Return (Refer Annexure A)
2. Quarterly Return (Refer Annexure B)

R G COTTRELL
REGISTRAR OF SHORT-TERM INSURANCE

ANNEXURE A

FINANCIAL SERVICES BOARD - REGISTRAR OF SHORT TERM INSURANCE
P.O. Box 35655 Menlopark (Pretoria) 0102
Telephone (012) 428 8000 Fax (012) 347 0221 E-mail info@fsb.co.za

ANNUAL STATUTORY RETURN - LLOYD'S

ANNUAL STATUTORY RETURN IN TERMS OF SECTION 58 READ WITH PARAGRAPH 7
OF SCHEDULE 3 TO THE SHORT-TERM INSURANCE ACT, 53 OF 1998
FOR THE CALENDAR YEAR ENDED ON 31 DECEMBER: [REDACTED]

INDEX TO STATEMENTS IN RETURN**STATEMENT**

- 1 Information relating to underwriters at Lloyd's
- 2 Information relating to Lloyd's correspondents in South Africa
- 3 Short-term insurance conducted by underwriters at Lloyd's and Lloyd's correspondents in South Africa (section 58)
- 4 Lloyds South African Trust Fund (schedule 3 paragraph 7)
- 4(1) to 4(9) Statements of Assets
- 5 Lloyd's South African Transitional Trust Fund
- 6 Spread of Assets
- 7 Declaration by General Representative
- 8 Report by Auditors in terms of section 19(7)

STATEMENT 1**INFORMATION RELATING TO UNDERWRITERS AT LLOYD'S**

This statement must contain the following information for the calendar year of this return:
(Attach in the form of a schedule)

- 1) names of underwriters
- 2) names of syndicates
- 3) names of managing agents

STATEMENT 2**INFORMATION RELATING TO LLOYD'S CORRESPONDENTS IN S.A.**

This statement must contain the following information for the calendar year of this return:
(Attach in the form of a schedule)

- 1) names
- 2) physical and postal addresses and telephone numbers
- 3) indication of whether correspondent is a coverholder or open market correspondent.
- 4) kinds of policies each correspondent is authorised to issue
- 5) names of correspondents who's authorisation by Lloyd's to conduct business on behalf of underwriters at Lloyd's has been cancelled.

STATEMENT 3**SHORT-TERM INSURANCE BUSINESS CARRIED ON BY
UNDERWRITERS AT LLOYD'S IN THE REPUBLIC**
Calendar year ended 31 December:

0

Kinds of Policies	Gross Premium Written (a) R'000	Claims Paid R'000	Commission Paid (b) R'(000)	Other Moneys Paid (c) R'000
Business placed through South - African correspondents				
Property				
Transportation				
Motor				
Accident and health				
Guarantee				
Liability				
Engineering				
Miscellaneous				
TOTAL	0	0	0	0
Business not placed through South African correspondents				
Property				
Transportation				
Motor				
Accident & health				
Guarantee				
Liability				
Engineering				
Miscellaneous				
TOTAL	0	0	0	0
GRAND TOTAL	0	0	0	0

Notes:

- a) The amount shown in this column shall be the total premiums debited out to policyholders during the calendar year, less premium refunds.
- b) Commission paid to Lloyd's correspondents in South Africa.
- c) Other moneys paid to Lloyd's correspondents in South Africa.

Auditors

STATEMENT 4

LLOYD'S SOUTH AFRICAN TRUST FUNDS ('LSATF')

Calendar year ended 31 December:

0

	This year	Previous year
	R'(000)	R'(000)
(1) Gross Known Outstanding Claims		
(2) LESS: Credit for Reinsurance Ceded -as a % of item (1) (a)	0	0
(3) Net Known Outstanding Claims (1) - (2)	0	0
(4) Gross Premiums Written (b)		
(5) LESS: Reinsurance Premiums (c)	0	0
(6) Net Premiums	0	0
(7) IBNR @ 7% of item (6)	0	0
(8) TOTAL (d) (3) + (7)	0	0
Assets (e)		
Investment with Banks and Deposits		
Gilts (Bills, Bonds and Securities)		
Debentures		
Debtors (Claims against Persons and Entities)		
Shares, Depository Receipts and Units		
Land and Buildings		
Fixed Assets		
Derivative Instrument Exposure		
Other (specify)		
(9) TOTAL ASSETS	0	0
(10) Surplus/ (Deficit) (9)-(8)	0	0

Notes:

- (a) Reinsurance percentage agreed upon by the Registrar - % this year - % previous year
- (b) South African Premiums net of commission as taken down at Lloyd's policy signing office (premium for previous 12 months)
- (c) Reinsurance Premiums is calculated by multiplying the reinsurance percentage in note (a) with Gross South African Premiums Written.
- (d) Minimum amount to be invested in LSATF's as prescribed by paragraph 4 of Schedule 3 to the Act.
- (e) As per statements 4(1) to 4(8)

Declaration by General Representative-

I confirm that-

- 1) I have satisfied myself that the deficit reflected against item (10) above has been rectified (delete if surplus).
- 2) I have satisfied myself through information obtained from Lloyd's that underwriters at Lloyd's conducting business in South Africa have assets in aggregate in the LSATF's equal to the minimum amount as required in paragraph 4 of Schedule 3 to the Act.
- 3) I have satisfied myself through information obtained from Lloyd's that the assets of underwriters aggregated on a syndicate basis for each syndicate conducting business in South Africa are equal to the minimum amount as required in paragraph 4 of Schedule 3 to the Act aggregated on a syndicate basis for each such syndicate.

Name of General Representative

Signature of General Representative

Date

Auditors

STATEMENT 4.2

GILTS (BILLS, BONDS AND SECURITIES)

[EXCLUDING DERIVATIVE EXPOSURE]

Calendar year ended 31 December:

0

Description	This year			Previous year Totals R'000
	Total value* R'000	Quoted R'000	Unquoted R'000	
1 Deposits with the Corporation for Public Deposits	0			
2 Securities issued by, and loans to the Government of the Republic	0			
3 Securities and loans guaranteed by a Minister of the Republic	0			
4 Securities and loans issued, made or guaranteed by a body, council or institution in terms of the Provincial Government Act, 1961	0			
5 Securities issued by, and loans made to the Local Authorities Loans Fund Board in terms of Act 67 of 1984	0			
6 Securities and loans issued, made or guaranteed by the Rand Water Board	0			
7 Securities and loans issued, made or guaranteed by Eskom	0			
8 Securities and loans issued, made or guaranteed by, and deposits with the Land & Agricultural Bank	0			
9 Securities and loans issued, made or guaranteed in terms of the Legal Succession to the S.A. Transport Services Act, 9 of 1989	0			
10 Securities and loans not stated elsewhere, issued by or made to a body corporate established by a law of the Republic - if approved by the Registrar	0			
11 Securities issued by, and loans to a Government, local authority or body corporate established by a law of a territory forming part of the Republic but which before 27 April 1994 did not form part of the Republic - if approved by the Registrar	0			
18 Total in the Republic	0	0	0	0
19 Stock of and loans to other foreign governments, local authorities and institutions (Specify):	0			
19.1	0			
19.2	0			
19.3	0			
19.4	0			
19.5	0			
19.6	0			
20 GRAND TOTAL	0	0	0	0

* Note:

* Values include accrued interest,
except when -The interest is included in
debtors; orInterest is outstanding for more
than 12 months.

AUDITORS _____

STATEMENT 4.3
DEBENTURES

Calendar year ended 31 December:

0

[EXCLUDING DERIVATIVE EXPOSURE]

Attach schedules, in the same format, if lines are insufficient.			Year of maturity	Rate of interest %	Total value * R'000	This year				Previous year Totals R'000
Description						Domestic		Foreign		
						Convertible R'000	Non-convertible R'000	Convertible R'000	Non-convertible R'000	
1	Property companies (including associated companies which are property companies) (Specify):									
	(a) Quoted				0					
					0					
					0					
					0					
					0					
	Total - item 1(a)				0	0	0	0	0	
	(b) Unquoted				0					
					0					
					0					
					0					
					0					
	Total - item 1(b)				0	0	0	0	0	
	Total - property companies				0	0	0	0	0	
2	Associated companies (Specify):				0	0	0	0	0	
	(a) Quoted				0					
					0					
					0					
					0					
					0					
					0					
					0					
	(b) Unquoted				0					
					0					
					0					
					0					
					0					
	Total - associated companies				0	0	0	0	0	
3	Other companies (Specify):				0	0	0	0	0	
	(a) Quoted				0					
					0					
					0					
					0					
					0					
					0					
					0					
					0					
	(b) Unquoted				0					
					0					
					0					
					0					
					0					
	Total - other companies				0	0	0	0	0	
4	Asset-holding intermediaries (Specify):				0					
					0					
5	TOTAL DEBENTURES				0	0	0	0	0	

* Note:

* Values include accrued interest, except when -

The interest is included in debtors; or

Interest is outstanding for more than 12 months.

AUDITORS _____

STATEMENT 4.4

DEBTORS (CLAIMS AGAINST PERSONS AND ENTITIES)

Calendar year ended 31 December:

0

DEBTORS (CLAIMS AGAINST PERSONS AND ENTITIES)				[EXCLUDING DERIVATIVE EXPOSURE]			Any overdue capital re- payments R'000	Owing at end of this year R'000	Previous year totals R'000	% of minimum assets to be held	Notes :
Excluding mortgage bonds and outstanding premiums. Enter individual investments. Attach schedules, in the same format, if lines are insufficient. Description		Security furnished	Rate of interest %	Statutory values at end of this year (owing less overdue)							
				Total R'000	Domestic R'000	Foreign R'000					
1	Property companies (including associated property companies)										
	(a) Quoted			0						0.0%	* Attach latest audited financial statements if an unquoted invest- ment exceeds 5% of minimum assets to be held.
				0						0.0%	
				0						0.0%	
				0						0.0%	
				0						0.0%	
	(b) Unquoted *			0						0.0%	
				0						0.0%	
				0						0.0%	
				0						0.0%	
				0						0.0%	
	Total - property companies			0	0	0	0	0	0		** List all debtors which individually exceed 2,5% of minimum assets to be held. Others must be given as a total.
2	Associated entities										
	(a) Quoted			0						0.0%	
				0						0.0%	
				0						0.0%	
				0						0.0%	
	(b) Unquoted *			0						0.0%	
				0						0.0%	
				0						0.0%	
				0						0.0%	
	Total - associated entities			0	0	0	0	0	0		
3	Other debtors **										
				0						0.0%	
				0						0.0%	
				0						0.0%	
				0						0.0%	
				0						0.0%	
				0						0.0%	
				0						0.0%	
				0						0.0%	
				0						0.0%	
				0						0.0%	
	Total - other entities			0	0	0	0	0	0		
4	Asset-holding intermediaries									0.0%	AUDITORS:
				0							
5	TOTAL DEBTORS			0	0	0	0	0	0		

[EXCLUDING DERIVATIVE EXPOSURE]

C

"Specify" means : Show individual investments.

[illegible]

Attach the latest audited financial statements if an unquoted investment exceeds 5% of minimum assets to be held.

AUDITORS:

STATEMENT 4.5 (continued)
SHARES, DEPOSITORY RECEIPTS AND UNITS
[EXCLUDING DERIVATIVE EXPOSURE]

Calendar year ended 31 December:

0

Attach schedules in the format of this statement where space is insufficient.
 "Specify" means : Show individual investments.

Description	Percentage holding (Unquoted only) %	Total value* R'000	Domestic		Foreign		Previous year total value R'000	% of min. assets to be held
			Quoted R'000	Unquoted R'000	Quoted R'000	Unquoted R'000		
3 TOTAL items 1+2: Shares (brought forward)		0	0	0	0	0	0	
Units in unit trust schemes (excluding units in unit trust schemes in property shares or money market funds) (Specify)		0						0.0%
		0						0.0%
TOTAL item 3		0	0		0		0	0.0%
4 Shares in property companies (including associated companies which are property companies)		0						0.0%
(a) Ordinary - (i) Quoted		0						
(ii) Unquoted (Specify)		0						0.0%
		0						0.0%
		0						0.0%
(b) Preference - (i) Quoted		0						0.0%
(ii) Unquoted (Specify)		0						0.0%
		0						0.0%
		0						0.0%
TOTAL item 4		0	0	0	0	0	0	0.0%
5 Property Loan Stock		0						0.0%
6 Units in unit trust schemes in property shares		0						0.0%
7 Shares in associated companies		0						0.0%
(a) Ordinary - Quoted and unquoted (Specify)		0						0.0%
		0						0.0%
(b) Preference - Quoted and unquoted (Specify)		0						0.0%
		0						0.0%
		0						0.0%
TOTAL item 7		0	0	0	0	0	0	0.0%
8 TOTAL SHARES AND UNITS		0	0	0	0	0	0	

Notes :

* Values could include dividends declared but not received (cum dividend), or dividends could be included in Debtors.

Attach the latest audited financial statements if an unquoted investment exceeds 5% of minimum assets to be held.

AUDITORS:

STATEMENT 4.6
LAND AND BUILDINGS - FREEHOLD ONLY

Calendar year ended 31 December:

0

Enter individual properties. Attach schedules, in the same format, if lines are insufficient. Location and description		Statutory values at year end *			Valuation done by independent valuer		Year acquired	Cost of land, buildings and improve- ments R'000	Book value R'000	Amount of encum- brances R'000	During the year				
		This year			Previous year totals R'000	Year of valuation					Value per valuer R'000	Gross Income from letting R'000	Imputed rental value of space occupied R'000	Expenses incl. main- tenance & taxes R'000	
		Total R'000	Domestic R'000	Foreign R'000		Year of valuation									Value per valuer R'000
1	Wholly owner occupied	0													
		0													
		0													
		0													
		0													
		0													
		0													
		0													
		0													
2	Wholly let	0													
		0													
		0													
		0													
		0													
		0													
		0													
		0													
		0													
3	Partly owner occupied and partly let	0													
		0													
		0													
		0													
		0													
		0													
		0													
		0													
		0													
4	TOTAL LAND AND BUILDINGS	0	0	0	0	0		0	0	0	0	0	0		

*Notes: Refer to Schedule 2 to the Act for the basis of valuation.

AUDITORS: _____

STATEMENT 4.7

Calendar year ended 31 December:

0

FIXED ASSETS AND SUMMARIES OF OTHER ASSETS

FIXED ASSETS		Statutory values at year end			Acquired during the year R'000	Rate of depreci- ation %
		This year		Previous year totals R'000		
		Total R'000	Domestic R'000			
1	Computer equipment	0				
2	Other equipment (specify)					
		0				
		0				
		0				
		0				
3	Motor vehicles	0				
TOTAL FIXED ASSETS		0	0	0	0	

ASSETS - TRANSFERRED FROM OTHER STATEMENTS		Statement number	Statutory values at year end			
			This year			Previous year totals R'000
			Total R'000	Domestic R'000	Foreign R'000	
PROPERTY INVESTMENTS						
1	Quoted property companies					
	Debentures	4.3	0	0	0	0
	Debtors / loans	4.4	0	0	0	0
	Shares	4.5	0	0	0	0
2	Unquoted property companies					
	Debentures	4.3	0	0	0	0
	Debtors / loans	4.4	0	0	0	0
	Shares	4.5	0	0	0	0
3	Property Loan Stock	4.5	0	0	0	0
4	Units: Unit trust schemes in property shares	4.5	0	0	0	0
5	Land and buildings	4.6	0	0	0	0
TOTAL PROPERTY INVESTMENTS			0	0	0	0

ASSOCIATES AND ASSOCIATED ENTITIES						
	Debentures	4.3	0	0	0	0
	Debtors / loans	4.4	0	0	0	0
	Shares	4.5	0	0	0	0
TOTAL ASSOCIATES AND ASSOCIATED ENTITIES			0	0	0	0

AUDITORS _____

STATEMENT 4.8

Calendar year ended 31 December:

0

FOREIGN ASSETS: DEEMED TO BE DOMESTIC

*[INCLUDING DERIVATIVE EXPOSURE]**To be completed if the applicable portion of foreign assets is to be applied to spread of domestic assets (Statement 6).**Per Item 16(5) - Table to Schedule 1 to the Act.**These assets should have been included in "Foreign" in Statements 4.1, 4.2 and 4.5**but are to be re-entered here if they are to be included in Statement 6.*

	Enter details of individual investments.	Name of country or approved Stock Exchange	Total statutory value R'000	Deemed domestic for spreading R'000	Previous year totals R'000
1	Banks	Country			
	Total Banks		0	0	0
2	Margin deposits				
	Total margin deposits		0	0	0
3	Quoted Gilts approved by Registrar	Stock Exchange			
	Total quoted Gilts		0	0	0
4	Quoted Shares etc.: Regulated market				
5	Quoted Shares etc.: Stock exchange				
	Total quoted Shares etc		0	0	0
	OVERALL TOTAL		0	0	0
	15% of domestic liabilities:			0	

Overall total is limited to 15% of domestic liabilities. Reduce items above in the "deemed" column to comply.

AUDITORS _____

**STATEMENT 4.9
DERIVATIVE INSTRUMENT EXPOSURE**

Calendar year ended 31 December:

0

Kind of instrument		Exposure value*				Corresponding cash asset adjustment*	
	FUTURES	Domestic**		Foreign			
		R'000 Long	R'000 Short	R'000 Long	R'000 Short	R'000 Long	R'000 Short
1	Shares: ordinary						
2	Shares: preference						
3	Share Indices: ordinary						
4	Share Indices: preference						
5	Gilts						
	OPTIONS	Positive position	Negative position	Positive position	Negative position	Positive position	Negative position
6	Shares: ordinary						
7	Shares: preference						
8	Share Indices: ordinary						
9	Share Indices: preference						
10	Gilts						
11	Futures: Shares: ordinary						
12	Futures: Shares: preference						
13	Futures: Share Indices: ordinary						
14	Futures: Share Indices: preference						
15	Futures: Gilts						
TOTAL DERIVATIVE EXPOSURE VALUE		0	0	0	0	0	0

* Refer paragraphs 6, 7 and 8 of Regulation 3 and paragraphs 2(e), 2(f) and 2(j) of Schedule 2 to the Act for valuation of exposures and cash asset reductions.

** Including derivative instruments on foreign assets deemed to be domestic (refer item 16(5)(d) of the table to Schedule 1 to the Act.

Worldwide	
	R'000
Surplus net assets	
Aggregate derivative exposure	0
Aggregate derivative exposure not to exceed surplus net assets.	

Domestic	
	R'000
Surplus net assets	
Aggregate derivative exposure	0
Aggregate derivative exposure not to exceed surplus net assets.	

AUDITORS _____

STATEMENT 5

LLOYD'S SOUTH AFRICAN TRANSITIONAL TRUST FUND ('LSATTF')

Calendar year ended 31 December:

0

	This year		Previous year	
	R'(000)		R'(000)	
(1) Gross Known Outstanding Claims				
(2) LESS: Credit for Reinsurance Ceded -as a % of item (1) (a)	0	0	0	0
(3) Net Known Outstanding Claims (b)				
Assets				
Investment with Banks and Deposits				
Glits (Bills, Bonds and Securities)				
Debentures				
Debtors (Claims against Persons and Entities)				
Shares, Depository Receipts and Units				
Land and Buildings				
Fixed Assets				
Derivative Instrument Exposure				
Other (specify)				
(4) TOTAL ASSETS		0		0
(5) Surplus/(Deficit)		0		0

Notes:

(a) Reinsurance percentage agreed upon by the Registrar - % this year

- % previous year

(b) Minimum amount to be invested in LSATTF as prescribed by paragraph 4 of Schedule 3 to the Act.

Declaration by General Representative-

I confirm that in terms of Statement 5 above-

- 1) I have satisfied myself that the deficit reflected against item (5) above has been rectified (delete if surplus)
- 2) I have satisfied myself through information obtained from Lloyd's that underwriters at Lloyd's conducting business in South Africa have assets in aggregate in the LSATF's equal to the minimum amount as required in paragraph 4 of Schedule 3 to the Act.

Name of General Representative

Signature of General Representative

Date

Auditors

STATEMENT 6
SPREAD OF DOMESTIC ASSETS (INCLUDING FOREIGN ASSETS DEEMED TO BE DOMESTIC)
(STATUTORY)

Calendar year ended 31 December:

0

Domestic assets must exceed the following :		R'000	Domestic assets & Foreign deemed to be dom. per St 4.8	ADD Assets of asset-hold. intermed's (v.par3reg3) and linked investment policies R'000	LESS Individual excesses e.g. Banks, debtors, investments & property R'000	Sub-totals : Assets held, less individual excesses R'000	Maximum admissible for each item of this statement		Total dom. liabilities x greater of the 2 percentages	Admitted for each item (the lesser of previous column or subtotal)	NOTE - ITEMS 4 + 5, 13 + 14 : Admitted values are the lesser of the individual, or the total amounts in the previous column.
Minimum amount as required by paragraph 4 of Schedule 3 to the Act							Percentages				
Asset-holding intermediaries' liabilities (refer paragraph 4 of Regulation 3 to the Act)							Per Reg. 3 to the Act	Dispensations given **			
Total domestic liabilities		0					%	%	R'000	R'000	
Description of assets		R'000	R'000	R'000	R'000						
1	Mortgage bonds				0	-	-	-	-	-	Items 4+5: Individual 0 Total 0 Admitted 0
2	Debentures -non convertible*	0			0	-	-	-	-	-	Items 13+14 Individual 0 Total 0 Admitted 0
3	Any other debtors*	0			0	-	-	-	-	-	
	Sub total	0	0	0	0	25.0%		0	0		
4	Shares - Ordinary, and convertible deb's - Domestic*	0			0	50.0%		0	0		CALCULATION OF FURTHER EXCESSES AND FINAL ADMITTED VALUES R'000
5	Shares - Preference - Domestic*	0			0	40.0%		0	0		
	Sub total	0	0	0	0	65.0%		0	0		
6	Listed securities+shares - Foreign, deemed to be Dom.	0			0	15.0%		0	0		1 If items 6+14+18+20 exceed 15% of total domestic liabilities, the excess is 0
7	Outstanding short-term premiums	0			0	-		0	0		
8	Property investments	0			0	10.0%		0	0		2 If the admitted value of items 1 to 12 exceeds 70.0% of total domestic liabilities, the excess is 0
9	Associates and associated companies	0			0	5.0%		0	0		
10	Computer equipment	0			0	5.0%		0	0		
11	Other equipment and motor vehicles	0			0	2.5%		0	0		
12	Investment policies-non linked	0			0	-		0	0		
	Total of items 1 to 12	0	0	0	0	70.0%		0	0		
13	Margin deposits - Domestic	0			0	2.5%		0	0		3 Overall admitted assets: Total of the previous column, less 1 and 2 above 0
14	Margin deposits - Foreign, deemed to be Domestic	0			0	2.5%		0	0		
	Sub total	0	0	0	0	2.5%		0	0		
15	Cash				0	-	-	0	0		4 Surplus of overall admitted assets over total domestic liabilities*** 0
16	Krugerrands				0	10.0%		0	0		
17	Bank balances and deposits - Domestic	0			0	-		0	0		
18	Bank balances+deposits - Foreign, deemed to be Dom.	0			0	15.0%		0	0		
19	Securities - Domestic	0			0	-		0	0		
20	Securities - Foreign, deemed to be Domestic	0			0	15.0%		0	0		
	Total of items 13 to 20	0	0	0	0			0	0		
	Overall total	0	0	0	0				0		

* The figures in the following column exclude associated companies/entities, property companies/entities and asset-holding intermediaries.

** Date(s) of the dispensation(s):

*** If there is a shortfall of overall admitted assets over total domestic liabilities the auditors' attestation in statement 8 should be qualified.

AUDITORS:***

STATEMENT 7**DECLARATION BY GENERAL REPRESENTATIVE**
appointed in terms of section 57 of the Act

I, , (Name of General Representative) confirm that-

- 1) assets in statements 4 to 6 have been valued in terms of Part 1 of Schedule 2 to the Act.
- 2) I have satisfied myself that Statements 1 to 6 are properly drawn up and fairly presents the required information.
- 3) the information contained in statements 3 to 6 of this return to the best of my knowledge and belief was prepared in accordance to sections 29, 30, 31, 33, where applicable, and Schedules 1,2,3 and the applicable regulations under the Act.

Signature of General Representative


Date

Auditors

STATEMENT 8

Report of the independent auditors of Lloyd's ("insurer") to the Registrar of Short-term Insurance in compliance with section 19(7) of the Short-term Insurance Act, 1998, as amended ("Act")

Part 1

In compliance with section 19(7)(a), we have audited the assets reflected in statements 4 to 4(9) and 5 of the insurer's statutory return for the year ended 31 December 0 .
The statutory return is the responsibility of the general representative of the insurer in South Africa. Our responsibility is to express an opinion on the assets reflected in statements 4 to 4(9) and 5 of the return.

Scope

We conducted our audit in accordance with statements of South African Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance that the assets reflected in statements 4 to 4(9) and 5 of the insurer's return are free of material misstatement. An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the statements,
- assessing the accounting principles used and significant estimates made by management, and
- evaluating the overall presentation of the assets in the statements.

We believe that our audit provides a reasonable basis for our opinion.

Audit opinion

In our opinion, statements 4 to 4(9) and 5 of the insurer's statutory return fairly present, in all material respects, the assets of the insurer as at 31 December 0
in the manner required by section 31 and the regulations to the Act.

Part 2

In compliance with section 19(7)(a), we have performed certain procedures on the underwriting results and claims incurred but not paid included in statements 3,4 and 5 of the return for the year ended 31 December 0 . Our procedures were limited to those set out below.

Scope

1 Statement 3

- 1.1 We agreed the underwriting information for "South African short-term insurance policy" business placed through South African correspondents to the audited statements submitted by these correspondents. The completeness of these statements is the responsibility of the general representative of the insurer in South Africa.
- 1.2 We obtained confirmation from the auditors of Lloyd's of London that the underwriting information for business not placed through South African correspondents contained in statement 3 agrees with the summary of "South African short-term insurance policy" business extracted from the Lloyd's central systems.
- 1.3 We compared the information in statement 3 to the prior year and through enquiry and selective tests of detail obtained explanations for material changes from the prior year.

2 Statement 4

- 2.1 We obtained confirmation from the auditors of Lloyd's of London that the gross known outstanding claims amount in statement 4 agrees with the summary of "South African short-term insurance policy" business extracted from the Lloyd's central systems.
- 2.2 The auditors of Lloyd's of London selected from this summary a sample of gross known outstanding claims as at 31 December 0 for testing. The auditors obtained the physical claim files and agreed the information on the files to the outstanding claims estimates recorded on the Lloyd's central systems summary. We received a summary of the test results directly from the auditors of Lloyd's of London.
- 2.3 We compared the gross known outstanding claims as at 31 December 0 by class of business to the prior year and through enquiry and selective tests of detail obtained explanations for material changes from the prior year.
- 2.4 We ensured that the reinsurance percentage agreed by the Registrar of Insurance was used in calculating the net known outstanding claims and IBNR.

*As defined in schedule 3 to the Act.

STATEMENT 8 (continued)

3 Statement 5

- 3.1 We obtained confirmation from the auditors of Lloyd's of London that the gross known outstanding claims amount in statement 5 agrees with the summary of "South African short-term insurance policy" business extracted from Lloyd's central systems. The transitional provisions in paragraph 8 of schedule 3 to the Act were taken into account in identifying the "South African short-term insurance policy" business to be included in this statement.
- 3.2 The auditors of Lloyd's of London selected from this summary a sample of gross known outstanding claims as at 31 December 0 for testing. The auditors obtained the physical claim files and agreed the information on the files to the outstanding claims estimates recorded on the Lloyd's central systems summary. We received a summary of the test results directly from the auditors of Lloyd's of London.
- 3.3 We compared the gross known outstanding claims as at 31 December 0 by class of business to the prior year and through enquiry and selective tests of detail obtained explanations for material changes from the prior year.
- 3.4 We ensured that the reinsurance percentage agreed by the Registrar of Insurance was used in calculating the net known outstanding claims.

4 General

- 4.1 We reviewed reports covering the 0 year, issued by the auditors of Lloyd's of London, on "Lloyd's provision of underwriting transaction and settlement procedures". Our review was aimed at identifying any significant control weaknesses which could impact on the information included in statements 3,4 and 5.
- 4.2 The auditors of Lloyd's of London tested a sample of premium and claim transactions for "South African short-term insurance policy" business to ensure that they were correctly coded as South African business on the Lloyd's central systems.

The sample sizes for procedures 2.2 and 3.2 were 0 and 0 respectively. The sample sizes were not determined on a statistical basis to ensure that the samples were representative of the population of outstanding claims as at 31 December 0. The samples were selected to test the controls over the inputting of claims information on the Lloyd's central systems.

Our procedures revealed nothing which caused us to believe that statements 3,4 and 5 of the return for the year ended 31 December 0 need modification to fairly present the liabilities for claims incurred but not paid as at 31 December 0 and the underwriting results for the year then ended in accordance with the requirements of schedule 3 to the Act.

Because the above procedures (for part 2) do not constitute an audit made in accordance with statements of South African Auditing Standards, we do not express an opinion on the claims incurred but not paid as at 31 December 0 and the underwriting results for the year then ended.

Part 3

In compliance with section 19(7)(a) of the Act, we report that the information contained in statements 3 to 6 of the return and any annexures thereto has been prepared in accordance with the provisions of sections 29, 30, 31 and 33 and the schedules and regulations to the Act.

Part 4

In compliance with section 19(7)(b) of the Act:

- 1 We have set out in the attached supplementary statement, which we have initialled for identification purposes:

1.1 the means by which we have satisfied ourselves of the existence of the assets set out in statements 4 and 5, and

1.2 the means by which we have satisfied ourselves as to the reasonableness of the estimates made by the insurer in terms of schedule 2 to the Act.

- 2 We report that we are satisfied that the provisions of section 33 of the Act (regarding prohibitions concerning assets and liabilities) have been complied with.
- 3 We have confirmed, as required by section 31(b) of the Act, that the documents which essentially evidence the title of the insurer to the assets, are held in the Republic, or outside the Republic in such a manner and subject to such conditions as the Registrar may have determined, either by inspection of such documents or by the receipt of certificates from depositories.
- 4 We confirm that the provisions of section 31(c) of the Act (regarding encumbrance of assets and assets held on behalf of the insurer) have been complied with.
- 5 We confirm that we have complied with the provisions of section 19(5) of the Act.

ANNEXURE B

QUARTERLY RETURN in terms of paragraph 7 of Schedule 3 - LLOYD'S SOUTH AFRICAN TRUST FUNDS ('LSATF')

Return for the period:
to:

	This quarter end		Previous quarter end	
	R'(000)		R'(000)	
1) Gross Known Outstanding Claims				
2) LESS: Credit for Reinsurance Ceded - as a % of item (1) (a)	0		0	
3) Net Known Outstanding Claims		0		0
4) Gross Premiums Written (b)				
5) LESS: Reinsurance Premiums (c)	0		0	
6) Net Premiums Written	0		0	
7) IBNR @ 7% of item (6)		0		0
8) TOTAL (d)		0		0
Assets				
Investment with Banks and Deposits				
Gilts (Bills, Bonds and Securities)				
Debentures				
Debtors (Claims against Persons and Entities)				
Shares, Depository Receipts and Units				
Land and Buildings				
Fixed Assets				
Derivative Instrument Exposure				
Other (specify)				
9) TOTAL ASSETS		0		0
10) Surplus/ (Deficit)		0		0

Notes:

- (a) Reinsurance percentage agreed upon by the Registrar -% this quarter - % previous quarter
 (b) South African Premiums net of commission as taken down at Lloyd's policy signing office (premium for previous 12 months to be phased in from 1 January 1999).
 (c) Reinsurance Premiums is calculated by multiplying the reinsurance percentage in note (a) with Gross South African Premiums Written.
 (d) Minimum amount to be invested in LSATF's as prescribed by paragraph 4 of Schedule 3 to the Act.

Declaration by General Representative:

I confirm that-

- 1) I have satisfied myself that the deficit reflected against item (10) above has been rectified (delete if surplus)
- 2) I have satisfied myself through information obtained from Lloyd's that underwriters at Lloyd's conducting business in South Africa have assets in aggregate in the LSATF's equal to the minimum amount as required in paragraph 4 of Schedule 3 to the Act.
- 3) I have satisfied myself through information obtained from Lloyd's that the assets of underwriters aggregated on a syndicate basis for each syndicate conducting business in South Africa are equal to the minimum amount as required in paragraph 4 of Schedule 3 to the Act aggregated on a syndicate basis for each such syndicate.
- 4) I have satisfied myself through information obtained from Lloyd's South African auditors that assets have been valued in terms of Part 1 of Schedule 2 to the Act.

Name of General Representative

Signature of General Representative

Date

Keep South Africa Clean



Throw trash where it belongs

Hou Suid-Afrika Skoon



Gooi rommel waar dit hoort

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