**SABC POSTS FINANCIAL LOSSES IN FIRST QUARTER OF 2019/20 FINANCIAL YEAR**
The South African Broadcasting Corporation (SABC) has posted financial losses amounting to R192.3 million in the first quarter of the 2019/20 financial year and owed service providers R1.8 billion. This is despite the public broadcaster achieving 90% performance in addressing the findings raised by the Auditor-General in the 2017/18 financial year.

The report on SABC was made during a presentation to the Portfolio Committee on Communications by the department on its first quarter performance. The department informed the committee that SABC has recorded a bank balance of only R116.7 million in the quarter under review.

“The entity has managed to achieve 53% of its key targets in the first quarter, which is attributed to cash flow challenges,” said Ms Stella Ndabeni-Abrahams, Minister of Communications.

Minister Ndabeni-Abrahams, however, told the committee that National Treasury has set aside R3.2 billion to bail out SABC, saying that the money will be transferred in instalments, as and when the pre-conditions set out by Treasury are met.

She said that her department has acquired the services of a strategic and technical government advisory entity, Gtac, to assist the SABC with technical requirements that will allow the public broadcaster to meet the pre-conditions set out by National Treasury.

In the current financial year, the Minister is responsible for budget vote 32, in the name of the Department of Telecommunications and Postal Services, and vote 3, in the name of Department of Communications.

The two departments have since been merged by President Cyril Ramaphosa in the sixth administration of government after May 2019 general elections. The Minister said a process of merging them to fall under a single budget vote will be fully completed by the end of March next year.

Under vote 32, the department has achieved 95% of its key targets and 50% under vote 3 in the period under review.

Justice Molafo
3 September 2019