**MEDIA STATEMENT**

**SCOPA HAS REQUESTED SAA TO SUBMIT ROADMAP OUTLINING PLAN TO SUBMIT ANNUAL FINANCIAL STATEMENTS FOR 2017/18 AND 2018/19**

**Parliament, Wednesday, 13 November 2019 –**The Standing Committee on Public Accounts (Scopa) has informed South African Airways (SAA) that it has failed to comply with the law by failing to submit annual financial statements for two consecutive years, 2017/18 and 2018/19. The committee held a hearing with SAA as one of the culprits that have failed to submit annual financial statements.

The committee does not accept the assertion by SAA that it is not prepared to shoulder risks associated with a disclaimed audit opinion from the Auditor-General. SAA does not have the pleasure of choosing whether they want to follow the law or not. As a state-owned entity, SAA has an obligation to submit annual financial statements on time, despite the consequences, to enable Parliament to conduct its oversight.

Scopa has made it clear to SAA that it must come up with a detailed roadmap to show when it will submit the outstanding annual financial statements. Failure to draw up this roadmap will force Scopa to set a deadline for SAA to submit the financials. Non-submission of financials constitutes non-compliance with the Public Finance Management Act (PFMA) and also robs Parliament of its mandate to conduct oversight over SAA, as it cannot interrogate the performance of the entity through its annual report.

The committee asked SAA to submit several documents that the entity claims have led them to this point. Scopa has requested the Board to submit the legal opinion that states that business rescue is not an option for SAA. It also asked the Board for the annual report roadmap and the SAA’s restructuring plan. The committee has requested SAA to submit these by next week Wednesday, 20 November 2019 at 12:00.

Scopa has also scheduled an engagement with SAA, the Department of Public Enterprises, National Treasury and the Auditor-General to deal with all the matters that came up as reasons for non-submission. The committee has scheduled the meeting to take place on 27 November 2019 at 18:00. In that meeting, the committee expects progress reports and commitments on the issues raised today to finalise the roadmap to submission.

**ISSUED BY THE PARLIAMENTARY COMMUNICATION SERVICES ON BEHALF OF THE CHAIRPERSON OF SCOPA, MR MKHULEKO HLENGWA.**