**MEDIA STATEMENT**

**STANDING COMMITTEE ON AUDITOR-GENERAL AND SCOPA WELCOME 2020/21 PUBLIC FINANCIAL MANAGEMENT ACT AUDIT REPORT**

**Parliament, Wednesday, 8 December 2021 –**A joint meeting of the Standing Committee on the Auditor-General and the Standing Committee on Public Accounts (SCOPA) today received a briefing from the Auditor-General (AG) on the 2020/21 national and provincial government audit outcomes.

The committees welcomed the report and have committed, as part of their oversight mandate, to ensure that the relevant parties take accountability. The committees have noted with concern the increase in irregular expenditure to R166.8 billion and the 37 outstanding audits from several public entities and government departments.

The committees are also concerned with the repeat disclaimers at several entities, which calls into question their audit action plans. The committees, particularly SCOPA, now have a responsibility to schedule follow-up hearings with the departments and entities that need further probing.

It is concerning that state-owned entities are continuing to regress in financial performance and management, which demands intervention from the relevant departments, particularly the National Treasury. This audit report has revealed how urgent it is for the country to build financial stability in order to achieve effective financial management in both departments and state-owned entities.

**ISSUED BY THE PARLIAMENTARY COMMUNICATION SERVICES ON BEHALF OF THE CHAIRPERSON OF THE STANDING COMMITTEE ON THE AUDITOR-GENERAL, MR SAKHUMZI SOMYO AND THE CHAIRPERSON OF THE STANDING COMMITTEE ON PUBLIC ACCOUNTS, MR MKHULEKO HLENGWA**

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