

**DEPARTMENT: PUBLIC ENTERPRISES**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION FOR A WRITTEN REPLY**

**QUESTION 2636**

**2636. Mr R A Lees (DA) to ask the Minister of Public Enterprises:**

(1) (a) On what date will the annual reports, including the detailed financial statements, of (i) SA Airways, (ii) Denel, (iii) Transnet, (iv) Eskom and (v) Alexkor for the 2019-20 financial year be tabled in the National Assembly and (b) what are the reasons for the delay in publication of the annual reports;

(2) whether any measures are being considered to speed up the auditing processes, the annual reports and financial statements of public enterprises in order to meet the statutory deadlines; if not, what is the reason for this lack of consideration; if so, on what date can full implementation of considered measures be expected? NW3350E

**Reply:**

1(a)(i) SA Airways: The Minister wrote to the Speaker of Parliament and the Chairperson of National Council of Provinces on 23 November 2020, informing Parliament that SA Airways is under business rescue. The Auditor-General suspended the audit when the airline was placed in business rescue. The audit will be finalised once the airline recommences operations and the annual report and annual financial statements will thereafter be tabled.

 (ii) Denel: The Minister wrote to the Speaker of Parliament and the Chairperson of National Council of Provinces on 30 November 2020. The Department wrote to Parliament as soon as Denel had confirmed to the Department that it was unable to finalize its audit challenges with its external auditors, the Auditor General of South Africa (AGSA), prior to 30 November 2020. Denel Board and Management are engaging with the AGSA to resolve certain audit ISSUES. It is anticipated that the annual financial statements and integrated report will be tabled in January 2020 or as soon as possible thereafter, once the above- mentioned issues are resolved.

(iii) Transnet’s 2020 Integrated Report and audited Annual Financial Statements were tabled by the Minister in Parliament on 09 November 2020. The Portfolio Committee on Public Enterprises received a briefing from Transnet on 18 November 2020.

(iv) Eskom’s Integrated Report and audited Annual Financial Statements were tabled by the Minister on 12 November 2020. The Portfolio Committee on Public Enterprises received a briefing from Eskom on 25 November 2020.

(v) Alexkor: The Minister wrote to the Speaker of Parliament and the Chairperson of National Council of Provinces on 30 November 2020, to inform Parliament that Alexkor would not be in a position to table its Annual Financial Statements, Integrated Report and Audit Report due to serious going concern and other audit concerns. The Department wrote to Parliament once it was able to confirm with Alexkor that it was unable to finalize its audit challenges with its external auditors and prepare its AGM documentation prior to 30 November 2020. It is anticipated that the annual financial statements and integrated report will be tabled in January 2020 or as soon as possible thereafter, once the above- mentioned concerns are resolved.

2As indicated above Denel, Alexkor, and SAA would not be able to submit the 2020 Integrated Reports and audited annual financial statements to the Minister prior to 30 November 2020 for the reasons set out above. The reports will be tabled in Parliament as soon as the companies are able to submit these reports.