

**MINISTRY OF DEFENCE & MILITARY VETERANS**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**279. Mr S J F Marais (DA) to ask the Minister of Defence and Military Veterans:**

(1) What are the reasons and justifications for the (a) Armscor expenses on consultants and (b) professional fees of R44 296 000 during the 2019-20 financial year;

(2) whether a certain company (name furnished) was one of the beneficiaries of business; if not, what is the position in this regard; if so, what total amount did the specified company receive? NW282E

**REPLY:**

1. For the 2019/2020 financial year, Armscor incurred R44 296 000 for consultants and professional fees. The fees incurred were in relation operational expenditure for the following reasons:

* Contractor services related to building maintanance (electric, pest weed and pollution), security services, infrastructure upgrade project (to upgrade facility to comply with DPWI requirements for the rental of facility on the behalf of the DOD), ICT related services (normal course of business services of equipment and ICT software), expertise for the implementation of integrated reporting and cleaning services
* Expert services required for statutory audit , ie. valuation of properties, actuarial valuation of Armscor’s post retirement medical liability,
* Facility accreditaitons, which are required for facilities to operate and generate revenue

1. Armscor last paid Fever Tree during the 2018/2019 financial year, and no payment was made to Fever Tree during the 2019/2020 financial year.