**NATIONAL ASSEMBLY**

Question No: 3513

For Written Reply

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**(INTERNAL QUESTION NO.-2017)**

**Ms T Gqada (DA) to ask the Minister of Energy:**

1. On what basis is his department disputing the Auditor-General’s qualified findings against his department’s 2016-17 financial statements and (b) what (i) are the details of the areas of concern identified by the Auditor-General that need to be addressed, (ii) steps will his department take to address the areas of concern and (iii) what mechanisms will be instituted to avoid the concerns being identified again in the 2017-18 financial statements? NW3940E

**Reply:**

1. At the conclusion of the Audit there was a dispute between the Department and the Auditor- General on the amount of irregular expenditure. The Minister of Energy has since met with the Auditor-General and the matter in dispute has been resolved.
2. (i) The area of concern that had been identified by the Auditor- General was understatement of irregular expenditure.

(ii) Steps to be taken to address the areas of concern include strengthening of internal controls.

(iii) As indicated in (ii) above mechanisms will be instituted to avoid the concerns identified again in 2017/18 financial statements as part of the remedial action plan. The Minister and the audit committee will oversee the administration on quarterly basis.