

**NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 2826 [NW3131E]
DATE OF PUBLICATION: 12 OCTOBER 2018**

2826. Mr R A Lees (DA) to ask the Minister of Finance:

Whether the Independent Regulatory Board for Auditors (IRBA) received any reports of reportable irregularities, in terms of section 45 of the Auditing Profession Act, Act 26 of 2005, in respect of each major public entity as outlined in Schedule 2 of the Public Finance Management Act, Act 1 of 1999, since 3 August 2017; if not, why not; if so, (a) on what date was each report received, (b) what is the name of the auditor from which each such report was received, (c) what are the details of the matters addressed in each report and (e) what action was taken following receipt of each such report by the IRBA?

NW3131E

REPLY:

The IRBA hereby declares that the following RI's were declared to us:

IRBA Reference Number	Public Entity	Date of 1st RI report	Date of 2nd RI report	Name of Registered Auditor	Firm	Particulars of matters addressed in report	Status of RI	Action(s) undertaken by the IRBA - if any
2018/0240	Eskom Pension and Provident Fund	03-Aug-17	03-Aug-17	Clinton Mitchelson	PWC	A trustee shared confidential information that was solicited by the fund's Board with the trade union to which the said trustee is affiliated, which the fund alleged to be a breach of the fiduciary duties owed by the particular trustee to the fund.	RI not continuing	None
2018/0429	Servcon Housing Solutions (Pty) Ltd	16-Oct-17	15-Nov-17	NC Soopal	Nexia SAB&T	Annual financial statements for the financial years ending 31 March 2013, 2014, 2015, 2016 and 2017 have not been prepared	RI continuing	RI report onwards sent to the CIPC and to SARS.

2018/0686	Eskom Holdings SOC Limited	29-Nov-17	27-Dec-17	Aaron Mthimunye	SNG	RI involves multiple unlawful activities, including: 1) Contract awarded to McKinsey and Company whilst not meeting the sole supplier justification criteria; 2) Mckinsey subcontracting work to Trillian Management Consultancy in contravention of the PPPFA; 3) Guarantee provided to Tegeta Exploration and Resources on behalf of Eskom by the suspended CEO for the purchase of the Optimum Coal Mine without it having any commercial purpose etc.	RI continuing	RI report onwards sent to the AG, the CIPC, the Department of Public Enterprises and the JSE.
2019/0057	Eskom Holdings SOC Limited	11-May-18	21-Jun-18	Aaron Mthimunye	SNG	RI involves multiple unlawful activities, including: 1) Distribution of confidential documents by a senior official; 2) Payments made to Trillian Management Consulting in the absence of a contract; 3) Alleged bribery in the awarding of an ICT contract etc.	RI continuing	RI report onwards sent to the AG, CIPC, the Department of Public Enterprises, the JSE, the DPCI, the FIC and National Treasury.
2019/0110	Eskom Finance Company SOC Limited	04-Jun-18	03-Jul-18	K Hlajoane	SNG	CIPC records are outdated	RI not continuing	None
2019/0111	Transnet SOC Limited	04-Jun-18	04-Jul-18	Alex Philippou	SNG	Multiple instances of alleged unlawful activities involving contraventions of the PFMA, the Companies Act, Transnet's Procurement Procedure Manual, National Treasury Instruction Notes etc.	RI continuing	RI report onwards sent to the AG, CIPC, the Department of Public Enterprises, the JSE and National Treasury.

2019/0232	Alexkor SOC Limited	11-Jul-18	08-Aug-18	Luvo Mvinjwa	SNG	Multiple instances of alleged unlawful activities involving contraventions of the PFMA, the Companies Act, National Treasury Instruction Notes etc.	RI continuing	RI report onwards sent to the AG, CIPC, the Department of Public Enterprises and National Treasury.
2019/0318	Transnet Ontspanningsklub Groeppens ionfonds	13-Aug-18	13-Aug-18	I Potgieter	PKF	Various statutory valuations for the fund are outstanding.	RI continuing	RI report onwards sent to the FSCA (old FSB)
2019/0356	Trans-Caledon Tunnel Authority	30-Aug-18	29-Sep-18	E van Rooyen	E&Y	A forensic investigation concluded that the selection of a particular contractor on a single-source base was flawed and that the CEO at the time was suspected of colluding with the said contractor. A criminal investigation was ongoing at the time of RI reporting and the contentious contract was cancelled.	RI not continuing	None