

LMT/012/0037/1

LUTHULI MEMORIAL TRUST(LAGOS)

THREE MONTHS REPORT (JULY - SEPTEMBER, 1991).

BY: MARGERET XOLISWA SKOMOLO (CO'ORDINATOR).

The official handing over of the administration of Luthuli Memorial Trust (Nigeria Chapter) to me was made on the 18th of July, 1991. Mr. Ross Hardy, the Co'ordinator of the AUSTCARE Programme, and Mr. Masemola, the Director of the Luthuli Memorial Trust had come to Nigeria to inspect and perhaps evaluate the progress of the LMT scholarship Programme in its first six months of existence (January - June 1991).

The second quarter (July - December, 1991) of the two calendar year period over which AIDAB had agreed to release funds through AUSTCARE for the support of the Scholarship Programme had begun. According to AUSTCARE documents available in our office, US\$443,864 (Four hundred and forty-three thousand, eight hundred and sixty-four) US Dollars were to be disbursed by AUSTCARE for the maintenance of the Programme in Nigeria for the period July-December, 1991.

However, Mr. Ross Hardy informed us both verbally and in writing that the Australian Government had only approved A\$290,000.00 (Two hundred and ninety thousand) Australian Dollars for this six months period.

FINANCIAL STATE OF AFFAIRS.

On my assumption of duty the bank account had a balance of N347,530.54 (Three hundred and forty-seven thousand, five hundred and thirty Naira, fifty-four kobo) (See Appendix I) in our favour.

However, on inspection, financial records revealed that the outstanding bills carried over from the previous six months were N597,764.76 (Five hundred and ninety-seven thousand, seven hundred and sixty-four Naira, seventy-six kobo) (See Appendix I), and as such, by far outweighed the balance in the bank. These bills were never settled. They are still outstanding to date and the debts have increased immensely.

Nevertheless, the period (July - September) started with great optimism. Mr. Ross Hardy after visiting a few of our students in their schools, promised that on arrival in Australia, he would make recommendation for money to be dispatched immediately so that the Programme does not suffer financial inconveniences. However, up till this moment (15th October, 1991) only £40,000 (Forty-thousand) pounds Sterling has been received by our bank and this was at the tail end of September 1991.

(i) Non-payment of bills- Taking over the administration of LMT (Lagos) at a time the long vacation was drawing near, I decided to shelve the payment of the outstanding bills I found, and conserve the little balance we had in the bank until funds for the period July - December had been received. We used this money for the day to day running of the office, payment of salaries, payment of some students' stipends which had not been paid, preparations for the holiday camp, etc.

...../2.

The Camp took off on August 1st, 1991. By August 9th, 1991, all institutions in Nigeria had vacated. We had by this time completely run out of funds and we had to resort to taking overdraft to maintain the students in the camp and run the office. By the end of August, the bank had granted us N400,000.00

(Four hundred thousand Naira) overdraft and it was not ready to grant us any more. I must confess that August and September, 1991 were a period of the most horrific night-mare I have ever experienced in my life and the general feeling among the staff in the LMT (Lagos) office is that, rather than this experience repeating itself, it would be better for the Programme to be terminated and all students repatriated. There are no words to describe the agony and the mental torture that gripped each and everyone of us during this period.

The £40,000 pounds sterling received at the end of September offset the overdraft, but we had to take another overdraft to enable us send the students back to school for the new academic session and to pay staff arrears of salary. We could only give students $\frac{1}{3}$ of their total entitlements and we appealed to them to go back to school, with the hope that before the end of October, we shall have received the expected funds. (See Appendix II, pg.2), presently we are holding our breaths expecting anything-arrival of funds and a sigh of relief or no funds and an explosive crisis. We are continually on tenter hooks.

iii. Accumulation of Bills:

Although we settled some of current bills in August (especially medical bills, in areas where there was great pressure) our debts have increased by leaps and bounds. Total outstanding bills at the moment are N628,212.97 (Six hundred and twenty-eight thousand, two hundred and twelve Naira, ninety-seven kobo) (See Appendix III). The telephone line which the ANC office set aside for our use has been disconnected because of non-payment of bills. Doctors repeatedly reminded us about the payment of their bills until some of them stopped treating our sick students.

ii. Medical Problems:

We have found ourselves faced with many serious and perculiar medical cases of ailments carried over from the battle field. As a result, the medical budget line has been grossly overspent. The budget provides N200,000.00 (Two hundred thousand Naira) for students medicals for six months. The medical bills are already N129,048.00 (One hundred and twenty-nine thousand, and forty-eight Naira) with yet three months to go. Presently we have seven cases waiting for funds in order to undergo serious operations for the removal of bullets and splinters from their bodies and for the correction of injured limbs. Estimates for the operations are more than N6,000.00 (Six thousand Naira) each. We also have several mental cases of depression and epilepsy.

iv. Disadvantages of delaying the release of funds.

Apart from the insecurity it creates for both students and staff, and the embarrassment it causes the office when creditors knock daily to demand their money, it is expensive. The interest rate on overdrafts is very high and unbudgeted for. The Nigerian economy is not stable and the rate of inflation is high. For instance, since July 1991 prices

of cars have been increased twice. The mini-bus (Second vehicle) for which Mr. Hardy and I budgeted N250,000 (Two hundred and fifty thousand Naira) in July, which cost N248,000.00 then, now costs N300,000.00 (Three hundred thousand Naira). The purchasing of the vehicle like many other activities in the office, is waiting for the arrival of funds.

v. General

Generally, the morale is high amongst both staff in the LMT office and amongst our students, as well. The staff, is enthusiastic and anxious to see the programme succeeding and the students benefiting from it. Despite the financial odds, the Counsellors work hard, planning and designing various strategies for the successful implementation of the Programme. They all seem to have the interest of the students at heart. Their recent proposal on alternative training (see Appendix iv) is one evidence of their interest in and commitment to the programme.

The quest for education among the students grows by the day. It seems they have all realised now that the future for them in a new South Africa lies in education. The vast majority of them have adjusted well in their institutions and are progressing academically. There is however, a number of students who are finding problems in coping with academic work. They nevertheless have no intention of going back home. They want to remain in the Programme and learn trades.