

21m/039 10011/9

1989

REPORT TO THE EDUCATION COMMITTEE

The provisions of the agreement entered between the Australian High Commissioner and the IMBISA Refugee service provide "inter alia" that the administrator of the fund must keep proper financial records ie disbursement financial register on the programme and to periodically supply statements of account to the Australian High Commissioner.

In order to enable us to comply with this requirement, the funds must be properly administered for the purposes originally intended and that proper books and records be kept of the funds. The Imbisa-ANC Educational Fund must be kept totally distinct and separate from funds received from other funding bodies.

The fund was started on the 16th June, 1989 when the initial grants were received and deposited to an account operated at the Standard Chartered by the Imbisa Refugee Service.

The financial statement for the period 16th June, 1989 to the 30th September 1989 is as follows:

	<u>Grants Received</u>		
<u>Expenditure</u>			230 084
Scholarship Funding	104.744	Note 1	
Emergency Expenditure	22.489	Note 2	
<u>Office Expenses</u>			
Administrator's Salary	6.167	Note 3	
Other Staff	527		
Stationery	2.265		
Transport allowances	157		
Office Equipment	705		
Bank Charges	360		
Equipment Maintenance	95		
Cash Drawn	5.166	Note 4	
Loan Seminar	2.000	Note 5	
	<u>144.672</u>		
Cash at Bank 30.9.89	85.412		
	<u>230 084</u>		<u>230.084</u>

COMMENTS

Notes, I

Scholarship Funding (104,744)

The agreement specifically provides that the fund would take effect from the 16th June 1989, the date when the agreement was signed and the account was funded. I am not aware, nor has any evidence been submitted to me, to indicate that the terms of agreement have been made retrospective to the 1st January 1989. This argument has been advanced to justify the payment of stipends as from the 1st January 1989. In fact these stipends were paid in total in most instances irrespective of the fact that the students must have received support from the ANC or other funding bodies. Both in respect of setting in allowances, books as well as stipends during the period January to June.

Moreover if the fund's tenure is the period of 2 years from the 16th June 1989, it is most probable that the fund will experience financial difficulty for the 6 months of 1991.

It is however of serious concern that students, may have used this situation for their personal benefits to gain financial advantages.

Note II

Emergency Expenditure (22489)

Clause 4 of this agreement provides that funds are to be "disbursed only to benefit individuals whose names have been notified on writing to the Australian High Commissioner" "The maximum value of each grant will be 500 Zimbabwean Dollars. Expenditure for furniture etc has in instances exceeded the \$500 limit.

Note III

Administrator's Salary (6167)

The administrator drew 2 cheques payable to herself in respect of her "services" for the months March to June 1989. As the agreement only took effect from the 16th June 1989, on which date funds were provided to it is difficult to accept the payments dating to March 1989 when the fund was not in existence. In my view she has abused the trust placed in her to administer the funds honestly.

Note IVCash Drawn (5166)

In my view this expenditure is contrary to the terms of agreement. This appears to represent deductions made from the stipend's, tuition fees etc payable to students.

Note VBanking Account

The first funds were deposited to the "Imbisa - SA exile account, and this caused some confusion resulting in the SA exile account owing the Education Committee the sum of 3469.46 when the new account in the name of the Imbisa - Education Committee was opened. A statement is attached hereto showing from this amount has been calculated.

The Imbisa signatories adopted the unhealthy practice of leaving open cheques, duly signed, in the possession of the administrator. who was then free to issue cheque without reference to the education committee. The first cheques issued were in favour of the administrator for "services" rendered (see Note III).

Books of Account

The agreement and its continuance in the years thereafter will depend upon our abilities to administer the funds efficiently, as specifically set out in the terms thereof.

Proper books and records must be kept. It is important that the Education Committee take a direct interest in the running of the affairs of the fund on a day to day bases and atleast ensure that the staff entrusted with this task, have the necessary competence to carry out the work.

General

This statement of account must be regarded as an interim report. It is necessary to incorporate all the fincial transactions made by all the funding organisations in order to obtain a complete view of the true state of affairs,

As soon as this information is received, a further report will be prepared.

STUDENTS SCHOLARSHIP PAYS

	TOTAL	STIPEND	RENT	CHILD	TUITION	FURN	BOOKS	S	SUNDRIES
2 Buyile	5706 ⁷³	3500	1200		300		206 ⁷³	500	
2 Bongani Noruka	3100	2000	600				300	500	
3 Ray Pillay	7549	5000	1500		649		300	500	(400 CR)
5 Patrick Mafuna	1175				930				245
6 Deborah Mbete	8324 ⁸⁷	4500			3024 ⁸⁷		300	500	
7 Joy Malukeko	5040	4000			240		300	500	
8 Shirley Maluleko	5997 ³¹	4000	1200		29		268 ³¹	500	
9 Carla Mendes	7479 ⁰⁹	3500	1400	875	943 ⁷⁵		260 ³⁴	500	
Violet Metsing	3111	1500	375		436		300	500	
11 Victoria Mhlanga	7060	4000	1200	1000	60		300	500	
12 Canon Msimang	6792	3500	1050		1442		300	500	
13 Sipho Nhlapho	2056 ²⁰				1306 ²⁰		300		450(T)
14 Manyano Ondala	1727 ³⁰				657 ³⁰		300		320
15 Thoko Rankoe	4615 ⁹⁹	2000	600		1515 ⁹⁹			500	
16 Joyce Stofile	5830	3500	1050		480		300	500	
17 Louis Tshivale	4241	3000			410		300	500	31
18 Khaya Dalidyabo	4937 ⁷¹	3145	1050		25		267 ⁷¹	500	
19 Zipho Sexwale	5492 ²³	200			4692 ²³				600uniform
20 Pulane Tlebere	8650	4500	2250	1100			300	500	
21 K Matsena	5008 ⁵	1000	300		2908 ⁵⁰		300	500	
22 Jennifer Mahomed	600					600			
23 Z Gaitsiwe	250				250				
	104743 ⁹³	52845	13775	2975	20249 ⁸⁴	600	4603 ⁰⁹	8000	2096 (400)

This information has been prepared from the cheque records as the payments of stipends etc backdated to January it is necessary to establish whether the students received additional support from the ANC or other organisations for the period January - June

PETTY CASH

Cash Account

as extracted from the books and vouchers written by P. Pikoli

Reipts

27 ⁶ /	Cash Ex ANC	5166	04
30 ⁶ /		290	
13 ⁷ /		8303	
29 ⁷ /	N.P.A.	201	
10 ⁷ /		50	
30/6	<i>gautsime</i>	100	
July		100	
	Refund	500	
			14710.04

Payments

June Voucher No

47	Creche Begge June/July	200
48	" Pikoli	200
49	" Primentel July/Dec	808
50	Rent Dr Dlamini 100	100
	Book 40	140
1	Crech	1100
	Noruka -	
2	Crech Dr Dlamini July/Dec	612
4	Book Mcinga	50
5	Crech Zolani	160
6	Stationery	25
7	Tuition A. Dlamini 84	
	Travell 40	124
July 9	A Moloto	
	Allowance July	100
60	Sticks allowance	100
1	Golden Loans	100
2	Makonise School uniform	169 . 45
3	B. Mabija allowance 50	
	travelling 30	80
4	<i>Mampse</i> uniform	100
5	Pitso crech fees July/Dec	510
6	T Maknina food	300
7	Zokwe Tuition Exam fees	292 . 95

Payments

July 8	N. Moyo	School uniform	140
9	P. Mathejwe	" " and fees	593 . 55
70 10	Mopedi	Creche fees	90
2	6 Children	Dancing	300
3	Mopedi	Creche fees	450
			<hr/>
			67 44 . 95

July 18

Voucher:

74	Stationery	31
5	"	35
6	postages & taxi	22
7	Wesi creche	30
	Food	100
8	Refiloe	30
9	postages	7
80	application fees for Z. Pikoli	120
1	<u>L Mofukeng</u>	
	Tuition fees 3 months	192
	travelling	30
		222 . 15
2	<u>postage</u>	15 . 90
	"	34 . 00
	J. Mongalo	1 00
	food subsidy	200 00
5	A Dlamini	100 00
		<hr/>
		7693 00
		<hr/>
		Cash Balance
		7017 04
		<hr/>
		Balance Cash
		7017 04

14710. 04

Cards - Records

July 24	Moshene. School fees & Uniform	434 .
June 27	Gamble uniform	218 . 32
July 14	" fees	173 . 85
" 24	"	6 . 46
June 27	Z Mphehla stipend	50 . 00
	" school uniform	120 .
	"	20 .
	Tryon Speech fees	20 .

28	M. Mapumula	School fees & uniform	356.	
	N "	"	334.	
	T "	"	310.	
	N all	"	160.	
July 14	N Nxumalo	School uniforms	100.	
June	Z Mnyaka	" "	<u>184 85</u>	2487.48
			Balance	4529 56

Loan Received from Lutheran to pay
the following

S. Stofile (Rent)	1380	}	* what loans are these
Sticks	198		
Mkwena	300		
	100		
J Mongalo	200		
Ayanda	300		
Nlandi	<u>275</u>		
Loan Repaid(3000)		Balance of Cash	<u>2753</u> Z\$ <u>1776.56</u>

Petty Cash

✓ This petty cash statement has been prepared from the records of cash paid out kept by G. Pikoli but in the absence of proper Books of Account showing receipts and expenditure it cannot be accepted as a true and proper record of petty cash expenditure. In fact it appears that G. Pikoli has been selective and has omitted some items particularly loans granted to students. It is vital that in order to ensure accountability, proper records must be kept.

In the circumstances particularly it is impossible to determine if all income and expenditure has been fully accounted for.

In my view ways and means must be considered to use petty cash for petty cash items only, and thus reduce the amount of cash to be kept in the office. This could apply, for instance, to the purchase of school uniforms, which I am sure could be purchased on an account basis from selected store.