

VERBATIM REPORT

Committee: Finance and Public Accounts Committee
Meeting: Meeting with the **Seychelles National Youth Council** to discuss the Auditor General's Report of 2009 and 2010
Room: Committee Room 3
Date/Time: Wednesday 22nd August, 2012 at 1400 hours

Present: Committee
Hon. David Pierre - *Chairperson*
Hon. Charles De Commarmond – *Vice-Chairperson*
Hon. Lenny Lebon
Hon. Marc Volcere
Hon. Bernard Arnephy
Hon. Sebastien Pillay
Hon. Nichole Barbe

Seychelles National Youth Council
Mrs. Vicky Van Der Westhuizen – *Chief Executive Officer*
Mr. Don Julie – *Assistant Accountant*

In Attendance: Office of the Auditor General
Mr. Marc Benstrong - *Auditor General*

The Secretariat
Ms. Sandra Hall - *Secretary to the Committee*
Ms. Angelic Appoo – *Committee Advisor*
Ms. Saviona Isaac - *Secretary Assistant*

HON DAVID PIERRE

Good afternoon.

MRS VICKY VAN DER WESTHUIZEN

Good afternoon Chairman.

HON DAVID PIERRE

How are you today?

MRS VICKY VAN DER WESTHUIZEN

Good.

HON DAVID PIERRE

Vicky was a Member of the ex-FPAC. That was almost but as a matter of procedure, Article 104 of our Constitution gives the Assembly the power to form Standing Committees of which FPAC is one of them, and that 104 (3) states very clearly that: "For the purposes of effectively performing its functions, a Standing Committee or other Committee may summon any person the Committee believes may assist the Committee in the performance of its functions and the Committee shall have the powers, rights and privileges of the Supreme Court for:

- (a) enforcing the attendance of witnesses and examining them on oath, affirmation or otherwise;
- (b) compelling the production of documents; and
- (c) issuing a commission or request to examine a witness abroad".

So, basically this is where the Committee gets its powers from, and before I go any further I would like to introduce the Committee and then I will give you the opportunity to introduce yourself and your delegate. I myself, Hon. Pierre is the Chairperson of the Committee. Hon. De Commarmond, he will be coming shortly, he is the Vice Chairperson of the Committee, and other Members are Hon. Volcere, Hon. Barbe, Hon. Arnephy, Hon. Lebon and Hon. Pillay, and I will kindly ask Sandra to introduce.

MS SANDRA HALL

Good afternoon, my name is Ms. Sandra Hall, I am the Committee Secretary. On my left I have Mr. Marc Benstrong, the Auditor General and on my right I have Ms. Angelic Appoo, she is the Committee Advisor and Ms Saviona Isaac, the Assistant Secretary to the Committee.

MRS VICKY VAN DER WESTHUIZEN

Thank you Mr. Chairman. I brought with me Mr. Don Julie who is the Assistant Accountant of National Youth Council, and myself as the CEO and the Chief Accounting Officer, Mrs. Van Der Westhuizen.

HON DAVID PIERRE

Ok, thank you very much. As you may be already aware, we are here to ask questions so as to clarify issues with respect to the reports of the Auditor General for the years 2009 and 2010, and the Committee expects any witness to speak the truth and nothing but the truth, and everything that is said here remains for the consumption of the Committee. So we shall now start. We have a few questions for you and let me point your attention to page 32 of the 2010 report.

MRS VICKY VAN DER WESTHUIZEN

72 Chairman.

HON DAVID PIERRE

Page 72, sorry. Page 72 of the 2010 report, and I will be asking you questions based on paragraph 2.1 to 2.3, and this is with respect to Fixed Assets. Now, based on the report fixed assets register not properly maintained. 'During the period under Review, Audit observed that 10 items of fixed assets worth R44,985 purchased were not recorded in the register as required by FI1206. Furthermore, the register lacked some essential information, such as, date of acquisition, supplier's

name and the purchase price of the assets which are necessary in determining the written down value of those assets in the event of disposal.' So it continues. Now based on this I would like to ask you, have there been any improvements in the assets management functions?

MRS VICKY VAN DER WESTHUIZEN

I would like to state right from the beginning Mr. Chairman, that I took over the Youth Council from 10th October, 2011 and from there on the Youth Council has put in place a register book and we did an intensive exercise in trying to register all our fixed assets, that includes the Secretariat of the Youth Council, all the Youth Services Bureaus that we have across the country and the Youth Centres also. So everything now is being registered and what we even did further more than that, we tried to add a value, like to have, because the value that you bought at a certain time now it's different from that time. So we had that, as much as possible we tried to add the date of which each equipment were bought, and what is the value up to date. So this has been done, and we keep on, each time now we buy new equipments, they are being recorded. So there has been great improvement and today I got with proof that we compiled, that we are on that ...

HON DAVID PIERRE

So basically you are going to give us a copy of the list?

MRS VICKY VAN DER WESTHUIZEN

Yes.

HON DAVID PIERRE

And basically you are now satisfied that you have got an up to date register with respect to fixed assets?

MRS VICKY VAN DER WESTHUIZEN

Yes we did a physical, like I told you a physical inventory and we also ... Praslin and La Digue as well, because on Praslin and La Digue we got YSBs, and things that we saw physically at the Youth Council that did not have a value with it or a date on which it was purchased, we just put it and say it's unknown because we don't know, and one reason for that is on different circumstances the Youth Council has been given donations and when you query and you look back, no one knows what was the date and But what we did, we did include it in our register.

HON DAVID PIERRE

Thank you very much. Hon. Pillay.

HON SEBASTIEN PILLAY

Yes, good afternoon CEO. In relation to the donations, now how do you, are you entering that into a separate system or in the same?

MRS VICKY VAN DER WESTHUIZEN

No, now even though we get sponsors, like we call it now, sponsors, it's in the same system because it's one Council so you have to be accountable for each and every equipment that you receive and you give each one of them a serial number, and we record also the serial number but per ..., like you know for example a P.C has got serial number, so we make sure even the serial number is recorded in our register.

HON DAVID PIERRE

And you put a value to it?

MRS VICKY VAN DER WESTHUIZEN

Yes.

HON DAVID PIERRE

Hon. Volcere.

HON MARC VOLCERE

Yes. Good afternoon CEO. Regarding equipment, I refer to point 2.4; assets

not traced upon physical verification. Audit raised a concern regarding some items that were not able to be identified. So have you, has the Council been able, has the missing assets been located, as stated by the Auditor?

MRS VICKY VAN DER WESTHUIZEN

Ok, please allow me to invite Mr. Julie, if he can give us details on that one.

HON DAVID PIERRE

Mr. Julie you are welcome.

MR DON JULIE

Thank you. There were three I think, no? Three assets; a Canon photocopier, printer and a C.P.U. Ok the C.P.U has been identified, the Canon photocopier also, only for the printer that is yet to be identified.

MRS VICKY VAN DER WESTHUIZEN

So basically the identification of those assets has been identified while we were going though the whole exercise, yes.

HON MARC VOLCERE

Was the non-identified item, was it under specific personnel maybe that, would you know? The one that could not be identified.

MRS VICKY VAN DER WESTHUIZEN

... under individual responsibility?

HON MARC VOLCERE

A specific person, maybe a Secretary or ... Yeah, who was it with?

MR DON JULIE

I think the Auditor picked it up in the payment, I think. He was trying to see where was it. That's what happened. It was in the payment voucher...

HON DAVID PIERRE

So, basically you are asking where did they find the ...

(Intervention)

HON DAVID PIERRE

Where were they?

MR DON JULIE

Yeah.

HON MARC VOLCERE

No, no, no, I was querying about the that you were not able to locate. (Intervention)

HON MARC VOLCERE

He is saying the Auditor identified it in the payment voucher.

HON DAVID PIERRE

So the printer was not physically there?

MR DON JULIE

Yeah.

HON DAVID PIERRE

Hon. Arnephy.

HON BERNARD ARHEPHY

Thank you Mr. Chair, and Mr. Julie would you have the value of total cost of the three missing items?

MR DON JULIE

Ok. Two of them it's already identified like I said...

HON BERNARD ARNEPHY

Sorry the two missing items.

MR DON JULIE

Only one, the printer.... I think it was R1200, I think.

MRS VICKY VAN DER WESTHUIZEN

They are asking for the cost.

MR DON JULIE

Yeah it was R1200. (Intervention)

HON DAVID PIERRE

Ok, Hon. Lebon.

HON LENNY LEBON

Good afternoon CEO. Page 73, 3.2 to 3.3. 'The Council informed that the refund has been made through the Seychelles Tourism Board and that the Council was yet to receive the funds,' based on 3.3. So, the question; has the Council recovered the funds from STB?

MR DON JULIE

Ok, at that time we were being audited at SNYC, what I learned is the and there was also an auditing going on at STB, and the Auditor told the Management at that time that he will be responsible to try and locate this refund. But then the report came out and no ...

HON LENNY LEBON

But have any attempt been made by the SNYC to link with STB so that you can recuperate this.

MR DON JULIE

Anyway, at that time I was not in, so that's what I learned from the audit and ...

MRS VICKY VAN DER WESTHUIZEN

Yeah, but what we're trying to do, we're trying to, you know with the movement of human resources around, each time you go back to that organization or Ministry, they will tell you we are not aware of that and it's always a problem if you don't have proper records to my belief. So that whoever is in the office and whoever comes afterwards must always have the record, written record so that at least you know where to go, where to start and where to end. That is a problem.

HON LENNY LEBON

So there is no record at all?

MRS VICKY VAN DER WESTHUIZEN

Up to now we haven't received anything because it's like the people who were in the office at that time is not in the office, I'm talking about our other partners also, which is ... We really need to really look, because when I got that report that's why you have certain places in the report which is dated 16th November 2011, I was in the office at that time. So, I tried the best of my ability to attend to some of these issues to rectify where it was ...

HON DAVID PIERRE

So what is ...

MRS VICKY VAN DER WESTHUIZEN

Now we still have to wait for STB.

HON DAVID PIERRE

Are you applying some pressure?

MRS VICKY VAN DER WESTHUIZEN

We asked, but like I told you people move around and ...

HON DAVID PIERRE

Any other questions? Hon. Barbe.

HON NICHOLE BARBE

Good afternoon CEO.

MRS VICKY VAN DER WESTHUIZEN

Good afternoon.

HON NICHOLE BARBE

I'm referring to page 73, 3.4; contract agreement not sighted. 'There were 6 cases of rental payment worth R217,570, including R120,540 for security services where Audit could not sight copy of the contract agreements to establish the correctness of payment made.' My question is; why were payments made without a valid contract?

MRS VICKY VAN DER WESTHUIZEN

That was a bad practice actually, but we've rectified the problem, now we

have contracts signed by all partners that we are renting offices with, so all that are in order now. I can say that today. Even the office on Praslin also we have that we are using it for YSB purposes, there was no contract so called in and we drew a contract. Even we've got one in Anse Boileau district, and I remember there was a payment that came on invoice, and I said 'No', as the CEO I said 'I need to have the contract firstly before I make the payments'. And they got

HON DAVID PIERRE

So, basically there were cases whereby there was no contract at all?

MRS VICKY VAN DER WESTHUIZEN

No contract at all, no, nothing at all.

HON DAVID PIERRE

Not that those contracts were misplaced and you have got all of them now?

MRS VICKY VAN DER WESTHUIZEN

Non. It's totally new contracts. Yes it's totally new contracts that we have established.

HON DAVID PIERRE

Who was there before?

MRS VICKY VAN DER WESTHUIZEN

2010 it was Minister Idith Alexander, 2010. She took the office in February 2010 or March 2010, and as the Assistant Accountant, was Mr. Keven Hoareau.

HON DAVID PIERRE

It was?

MRS VICKY VAN DER WESTHUIZEN

Keven Hoareau. Just graduated as a Young Leader.

HON DAVID PIERRE

Any other questions? From Mr. Benstrong?

HON SEBASTIEN PILLAY

Just one small clarification CEO, in relation to the security firm in the Auditor General's report, it mentions that there was non-renewal contract as the Council has changed security firm. I suppose you've already changed security?

MRS VICKY VAN DER WESTHUIZEN

Yeah. So, as I have told you everything now we are happy with everything, maybe just for additional information we are even trying to get value for our money for the Government's money that we are paying in terms of rental, like the one on Praslin we were not satisfied with it for the money that we are paying so we said 'look we are paying you, It's Government money, it's public money, so you have to offer the good service as well'. So, with that we also tried to put pressure on those organizations to upgrade a little bit their places because we are paying you.

HON MARC VOLCERE

Where is your office?

MRS VICKY VAN DER WESTHUIZEN

The office on Praslin is at Baie Ste Anne, yes at the complex.

HON DAVID PIERRE

And you are the Honourable Member for Grand Anse.
(Intervention)

HON MARC VOLCERE

No it was in ...

MRS VICKY VAN DER WESTHUIZEN

... that one we have ... You are talking about YSB, in Grand Anse?

HON MARC VOLCERE

Yes.

MRS VICKY VAN DER WESTHUIZEN

No, it's one of ours, it's for the ... Foundation.

HON MARC VOLCERE

One question. Your office is based ...

MRS VICKY VAN DER WESTHUIZEN

At the District Administration. I'm talking about the office that we rent to offer services to the youth. We've got only one in Baie Ste Anne.

HON MARC VOLCERE

So the ... ? Grand Anse Praslin district, your office is free?

MRS VICKY VAN DER WESTHUIZEN

It's free because it's a partnership that we are working on with the District Administration to offer ...
(Intervention)

HON DAVID PIERRE

Hon. Pillay.

HON SEBASTIEN PILLAY

Thank you Mr. Chair. CEO I have a question in relation to page 74, 4.1; revenue. According to the Auditor General's report it says: the Council generates revenue from the provision of services to the youth at regional service bureaus/internet cafes, etc., which entails printing and what not. Now the issue here is delays in banking of collections, and 'cash collections from Youth Services Bureaus at various locations are handed over to the Council's Manageress at Head Office on a monthly basis. Audit noted that in on instance, collections for the period June to September 2010 totaling R6,411 was handed over on 19 October 2010 which is a departure from the adopted practice of the Council.' Now, it states here that revenue will be collected on a weekly basis, have you started collecting revenue?

MRS VICKY VAN DER WESTHUIZEN

Yes right away. I picked that up on ... of bad practice, financial practice. I said even though you say R50 that you are going to collect, you have to pay fuel to go and collect it, because it's money lying around. Like I told you, we've been going round, the Assistant Accountant and myself in all YSBs, first of all to establish a way of monitoring the number of funds that are being collected from our clients. We have set up a system whereby the moment you log in we know at the central that there is no fraud that can be happening. We issue cash books now, which are being signed, and which was not in place. And we've got tough monitoring as well because it's money that we are dealing with. Despite that we don't recover all the cost that we anchored in regards to the running of these offices, but it's a service that we are offering the youth. So, this is being done now. We went to Praslin as well, I was on Praslin myself physically with regards to that issue. Also on Praslin we have installed that log-in system whereby we know centrally that we can monitor the funds. In two cases, I will not mention the district particularly, where we've seen that money missing the staff refund. It's been deducted on their salary, and we are taking it seriously. On another monitoring system, we picked up through our system that the money that was handed over to the Youth Council was not tallying to the amount of internet services that we are paying at Cable, so we did that comparison and said 'look if you give us R100 and that Cable is saying that you are using R6000 you have to refund us that R6000.' So it's as that as is I'm saying. Just to get people to be responsible, because it's our money that.

HON DAVID PIERRE

Hon. De Commarmond.

HON CHARLES DE COMMARMOND

... CEO that there were cases of missing receipt books, shortage of cash collection, receipts not issued and so on, and there was a promise when the Auditor General was doing their work, that your organization was to segregate the duties of the Accounts Assistant and the Office Assistant and the Accountant, so that the register of accounts documents and so on was, you had to segregate the duties there. Has the Office Assistant already been allocated the duty of issuing receipt books, and so on?

MRS VICKY VAN DER WESTHUIZEN

It's clear now, it's clearer because we have got two persons, one collecting and one issuing because you cannot have the same person collecting and issuing at the same time, whilst there is no control over what is happening. So this is ..

HON DAVID PIERRE

So you are happy that everything is in order?

MRS VICKY VAN DER WESTHUIZEN

Yeah, we're not only happy; it's like to carry on, to continue with such level of discipline.

HON DAVID PIERRE

Ok Hon. De Commarmond? Hon. Arnephy.

HON BERNARD ARNEPHY

Thank you Mr. Chair. Good afternoon CEO. I think CEO has already answered my question, but correct me if I'm wrong, I heard you say that Mr. Don Julie is the Assistant Accountant, and in your reply that you gave to the Auditor General's people is that you were ...

MRS VICKY VAN DER WESTHUIZEN

Page?

HON BERNARD ARNEPHY

Page 75, 4.9. That you were in the process of recruiting an Accountant. So why has this not been possible?

MRS VICKY VAN DER WESTHUIZEN

That was then.

HON BERNARD ARNEPHY

Yeah, so you still don't have an Accountant per se?

MRS VICKY VAN DER WESTHUIZEN

No. I think we've got Ms., we've got somebody else who's got capacity and she's been running the Youth Council in Finance unit for three years now, before Mr. Don Julie came, and she's following certain courses. She's got the experiences in terms of working and then we'll upgrade the post and get everything done. But one thing that we've done also to try and remove certain working mode that he was doing, we've recruited an Admin Officer that was non-existence at the Council. So many of the jobs that he was doing, now the new Admin Officer is doing.

HON DAVID PIERRE

So, basically you feel that at this point in time you are not missing the service of an Accountant?

MRS VICKY VAN DER WESTHUIZEN

Non.

HON DAVID PIERRE

Ok any other questions? Ok if there are no further questions then it remains for the Committee to thank the CEO and Mr. Julie. Thank you very much.

MRS VICKY VAN DER WESTHUIZEN

Thank you also for giving us this opportunity to tell the good stories that we've been trying to do. We're looking forward to keep working with you and providing you with information for the

sake of the good use of the public's money. I thank you so much.