

ACE-CEFTER

BENUE STATE UNIVERSITY
MAKURDI

INTERNAL AUDIT REPORT

1ST JANUARY 2022 TO 30TH JUNE 2022

Project Name and State	ACE-IMPACT, BENUE STATE
Implementing Agency	BENUE STATE UNIVERSITY
Effectiveness Date	NOVEMBER 2019
Closing Date	NOVEMBER 2024
Credit/Grant Amount	USD 5,000,000
Project Duration	5 YEARS
Remaining Period to Closing	2 YEARS
Disbursed Amount to date & Percentage	₦ 363,755,000
Period Covered by Review	1 st January 2022 – 31 st June, 2022
Internal Auditor	Saawuan Celestine

1.0 EXECUTIVE SUMMARY

This report presents findings from audit of CEFTER BSU for the period, January to June 2022. It was carried out in accordance with World Bank policies and regulations and it fulfills the Auditors role of ensuring that there are internal checks.

During the period under review, the following books of accounts and records were checked: cash book, bank statements, bank reconciliation statements, payment vouchers, fixed assets register and advance retirement as well as Physical verification of assets.

In my opinion, the Centre has complied with the World Bank's general guiding principles of economy, efficiency, transparency, and price competitiveness of contracts in the fund utilization and should do better in areas that need strengthening.

2.0 BUDGETING:

Observation:

The Budget of CEFTER BSU and actual expenditure were analyzed and no significant variances found.

Expenditures were also within the approved limits. Financial report for the period under review has been correctly prepared showing receipts and expenditure.

There has been no weakness in project planning and budget execution.

Recommendation

All Centre expenditure should be budgeted for and funds used for the stated purpose as is the practice.

Management response

Management has assured that budgets will always be prepared and only allowable expenditure incurred.

3.0 ACCOUNTING:

Observations

The Flexible accounting software used by CEFTER is adequate. All the books of accounts kept are properly maintained and up to date. The Projects Financial Management manuals and reports are adequate.

Recommendation

It is our recommendation that the software be used continually to enhance the smooth running of the centre especially for financial reporting. The books of account should always be brought up to date as was observed during the period under review.

Management response

Management has fully supported the use of the flexible accounting software on the project.

4.0 INTERNAL CONTROLS:

Observations

The Centre has complied with financing agreements and financial procedures manuals during the time of this review. We also observed that some Non personal advances given to staff were yet to be retired.

Recommendation

It is our recommendation that all advances should be retired without further delay.

5.0 EFFECTIVENESS OF MANAGEMENT OVERSIGHT:

Observations

The University governing council's project monitoring committee as well the University's Audit Committee are very functional and perform effective oversight function on all CEFTER projects and activities.

Recommendation

This practice should be allowed to continue.

6.0 FUNDS FLOW:

Observations

All withdrawal applications raised during the period were adequately reviewed and have followed the approved procedure. There were no delays in payments and no complaints from suppliers.

Recommendation

This practice should be allowed to continue.

7.0 FINANCIAL REPORTING:**Observations**

Financial reports have been correctly prepared and in compliance with IFRS. Expenditures as reported in the Financial Statement are appropriate and eligible.

Recommendation

It is our recommendation that all financial reports should be timely prepared using the flexible accounting software.

8.0 FRAUD AND CORRUPTION:**Observations**

No incidence of fraud and corruption had come to our notice during the period under review. Funds disbursed have been used solely for project activities.

Recommendation

This practice should be allowed to continue.

9.0 PAYMENT PROCEDURES:**Observations**

The payment process to suppliers, service providers and other beneficiaries during the period was reviewed and has been found to be adequate and efficient. There were no delays in making payments to suppliers and contractors.

Recommendation

We recommend that due process should be observed in processing of all payments.

10.0 PHYSICAL VERIFICATION OF ASSETS:**Observations**

Assets procured during the period under review were verified. Fixed assets register was presented and corresponding checks were carried out. Some of the assets verified during the period include

- | | | |
|---|---|----------------------------|
| 1. Toyota Hilux Van | - | Supplied in good condition |
| 2. Toyota Coaster Bus | - | Supplied in good condition |
| 3. Furnitures(Office Chairs and Tables) | - | Supplied in good condition |

11.0 PROCUREMENT:

Observations

The procurement process as documented is in line with the World Bank policies and regulations.

Recommendation

This practice should be allowed to continue.

12.0 CONCLUSION:

We wish to appreciate the co-operation we received from the management of CEFTER during the period of this review and hope that all recommendations will be carried out.

Thank you.

Yours Faithfully



SAAWUAN Celestine T.
Director of Internal Audit