

ACE-CEFTER

BENUE STATE UNIVERSITY

MAKURDI

INTERNAL AUDIT REPORT

*1<sup>ST</sup> JANUARY 2022 TO 30<sup>TH</sup> JUNE 2023*

<b>Project Name and State</b>	ACE-IMPACT, BENUE STATE
<b>Implementing Agency</b>	BENUE STATE UNIVERSITY
<b>Effectiveness Date</b>	NOVEMBER 2019
<b>Closing Date</b>	NOVEMBER 2024
<b>Credit/Grant Amount</b>	USD 5,000,000
<b>Project Duration</b>	5 YEARS
<b>Remaining Period to Closing</b>	1 YEARS
<b>Disbursed Amount to date &amp; Percentage</b>	₦ 1,164,293,159.22
<b>Period Covered by Review</b>	1 <sup>st</sup> January 2023 – 31 <sup>st</sup> June, 2023
<b>Internal Auditor</b>	Saawuan Celestine

## 1.0 EXECUTIVE SUMMARY

This report presents findings from audit of CEFTER BSU for the period, January to June 2023. 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 advances 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 always 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 and eligible 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 drawn 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. Retraining of staff on the use of the Accounting Software is strongly recommended.

#### **Management response**

Management has fully supported the use of the flexible accounting software on the project and promised continuous retraining of staff on the use of flexible accounting software in line with world bank policy.

### **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 as 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. Hp Laser Jet Printer                  | - | Supplied in good condition |
| 2. HP Pavilion laptops                   | - | Supplied in good condition |
| 3. Equipment for CEFTIC                  | - | Supplied in good condition |
| 4. Inspection of CEFTIC Building Project | - | Work in Progress           |

#### **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*