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Our Ref: _____

Your Ref: _____

Date: 12/6/2016

**THE VICE CHANCELLOR
BENUE STATE UNIVERSITY
CENTRE FOR FOOD TECHNOLOGY AND RESEARCH
MAKURDI.**

Sir,

**CENTRE FOR FOOD TECHNOLOGY AND RESEARCH
ACCOUNTS FOR SIX MONTHS ENDED
31 DECEMBER, 2015**

We are pleased to inform you that we have completed the audit of the above accounts.

Listed below are our observations, comments and recommendations on issues we feel should be brought to your attention.

These points were first discussed with the staff concerned, where necessary, their comments have been included.

The audit procedures were designed primarily to enable us form an opinion on the accounts. Consequently, the observations, comments and recommendations may not necessarily include all that would have been revealed had a special review of the whole system been carried out.

However, our work was conducted in such a way that all significant errors must have been uncovered during the audit.

1. **BOARD OF DIRECTORS**

We observed that from the inception to date board members were appointed but not officially inaugurated. The highest decision making body of any organization is the Board of directors. The importance of having board meetings to decide on financial and other matters concerning the organization cannot be overemphasized.

RECOMMENDATION

Since the board members have been appointed, we recommend that it should be inaugurated as soon as possible.

MANAGEMENT RESPONSE

This is noted by management.

In the interim, the Vice Chancellor who is the Board of Director's Chairman has been approving all payments on behalf of CEFTER Board in accordance with World Bank approved CEFTER Procurement Manual.

2. **STAFF FILES WITHOUT LETTERS FROM REFEREES**

We observed that some staff files do not have letters from their referees even after they were interviewed and employed. Letters from referees about an applicant is a necessary requirement for the purpose of knowing the person properly.

The following staff do not have referee letters on their files.

1. Michael Ugondo Aluor
2. Jeremiah Aku Korshima
3. Mr. Paul Iornongu Bija
4. Mr. Ezekiel Achi Ode
5. Mr. Solomon S. Shishi
6. Mr. Tersoo Anyila
7. Mr. Aondosoo Jijir
8. Phoebe Nguemo Tihi

RECOMMENDATION

We recommend that management should ensure that all the affected staff have letters from their referees on files.

MANAGEMENT RESPONSE

Reference letters were collected from all those interviewed on the day of the interview and should be available in the Registry department.

We have notified the Registry Department about this and they have sorted where the letters were kept to enclose in their respective files.

3. **OUTSTANDING MANDATES**

We observed that the following mandates are still outstanding in your books.

Date	Pv No	Payee	Amount
7/10/15	61	Dr. Stevenson Leonard	905,400
10/10/15	76	Engr M.A. Omodara	79,000
27/11/15	121	Kyabis Hotel Ltd	117,000
15/12/15	143	Homeland Technical Services	2,257,900.48
21/12/15	160	Simo Metal Ltd	2,124,445.04

RECOMMENDATION

Management should address the above issue as soon as possible to put the accounts in proper position.

MANAGEMENT'S RESPONSE

These are payments that were supposed to be made to the above persons. E-payment schedule was prepared for them and submitted to the Bank. However, in the case of Dr. Stevenson Leonard's N905,400, Sterling Bank could not make the transfer to the United Kingdom due to Central Bank of Nigeria's stringent policy on transfer of funds in December, 2015. This payment was finally made on BSU CEFTER Skye Bank Account in May, 2016.

The other payments amounting to N4,578,345.52 were mistakenly paid through BSU TISHIP account instead of BSU CEFTER Account. We discovered it during reconciliation but we did not have enough Funds to authorize the Bank to reverse the transaction. When funds are available, these will be refunded to BSU Tiship Accounts, since it has been treated as other creditor in the accounts.

4. **CONCLUSION**

We are grateful for the co-operation given to us during the exercise. If there are any areas in the accounts and report that need further clarification, please do not hesitate to contact us.

Yours Faithfully
Iyornumbe Ime & Co.

