
**AUDIT COMMITTEE REPORT ON THE INTERNAL AUDIT REPORT OF
ACENTDFB, AHMADU BELLO UNIVERSITY, ZARIA FOR THE PERIOD 1ST
JANUARY 2024 TO 30TH JUNE, 2024**

Project ID: P126974 (IDA/Grant No: 5414 NG)

13TH AUGUST, 2024

INTRODUCTION

The Audit Committee held its 14th regular meeting on 13th August, 2024 to review the Internal Auditor's report covering the period 1st January to 30th June, 2024. The Committee reviewed the submission of the Internal Auditor on the structure, operational activities and internal control systems of the Centre and noted as follows:

I) Budgeting

- The project budget planning and drafting process had input from a wide section of relevant project stakeholders.
- The budget/work-plan was prepared and submitted by the budget committee, and subsequently approved by the World Bank (WB).
- The budget for the center is aggregated in the NUC annual budget for all ACEs in Nigeria.
- The budget performance for the period under review was about 63%.

II) Accounting System

- **Accounting Software:** The University's accounting information system is being used by the Centre alongside the WB flexible Accounting software.
- **Record Books:** The center has maintained proper books of account and other relevant records.

- **Financial Procedure Manual:** The Centre uses the comprehensive Project Financial Management Procedure Manual in conformity with the WB standard.
- **Retirement Cash Advances:** The entire process of retiring cash advances is adequate.
- **Payment Supporting Documents:** Supporting documents in respect of all payments were adequately cited and reviewed.
- **Ineligible Expenditures:** No ineligible expenditure was recorded during the period under review.
- **Categorization of Cost Allocation:** All project financial activities were appropriately categorized with fair share of cost allocation based on approved budget.
- **Implementation Progress on Project Activities:** The level of implementation for the review period was above average (63%).
- **Segregation of duties:** The segregation of individual duties was actual, and adequately implemented.
- **Stock Controls:** The control of stock is satisfactory. The deployment of a new store keeper and provision of Asset Register was very instrumental to this improvement.
- **Physical Controls:** The Center ensures strict physical control of assets, especially in terms of access and usage.
- **Approval and Authorization Procedures:** The Center Leader is responsible for approving and authorizing all payments.

- **Cost Control Procedures:** The cost control procedures in relation to repair and maintenance for project vehicles and fuel purchase were done within approved budget. Furthermore, asset register and insurance cover over assets are up to date with value for money.

III) Financial Reporting

- The requisite interim financial report for the period has been submitted by the Accountant.
- The External Audit Report for the period have also been submitted.

IV) Procurement Activities

- Procurement activities of the Centre were based on the approved budget/work plan and needs of the stakeholders and units.
- Procurements were approved by the Centre's Procurement Committee and mainly based on the National Competitive Bidding (NBC) procedure.

RECOMMENDATIONS

- The Centre requires additional account and procurement staff to enhance efficiency of accounting and procurement processes.
- The National Competitive Bidding (NBC) should be used for all major procurement activities, and cash advances further minimized.

- The functionality and efficiency of the Centre's organogram should be enhanced by recruiting a Project Manager for the Centre.
- All signed MOUs should be archived in the Centre's Administrative Office.
- The CenterManagement should ensure strict implementation of segregation of duties.
- The Center Management should ensure strict implementation of prepayment audit in respect of all payments.
- The Committee observed the low performance level of some project activities during the period, and recommended that more effort should be channeled towards improving the output from such budget lines. This will impact on the overall average performance of the project.

CONCLUSION

The Internal Audit report for the period under review has shown significant improvement in internal controls and accounting systems, above average budget performance, adequate stock control and reporting systems. However, shortfalls in procurement processes, efficiency of the organogram in terms of segregation of duties, employment of Project Manager, and deployment of additional account and procurement staff should be considered for optimum performance of the project. Furthermore, more efforts should be

channeled towards improving the output from low performing budget lines by the project management with a view to improving the overall budget performance of the project.



Prof. Mohammed U. Kawu
Chairman



Maiyaki Hamisu Musa
Assistant Secretary