

REDEEMER'S UNIVERSITY EDE, OSUN STATE

INTERNAL AUDIT REPORT ON THE AUDIT OF AFRICAN CENTRE OF EXCELLENCE ON THE GENOMICS OF INFECTIOUS DISEASES (ACEGID)

PERIOD COVERED: JULY TO DECEMBER 2023

1.0 INTRODUCTION

ACEGID was established in September 2013 upon approval by the World Bank. The Centre specializes in research on the genomics of infectious diseases with the aim of contributing to the control, management and elimination of infectious diseases in the African Continent.

The audit covered all the grants from various donors for research activities at the Centre and it was conducted in accordance with the World Bank's Financial Management guidelines and requirements of the International Financial Reporting Standards. During the period under review, the Internal Audit ensured compliance with the internal control measures put in place by the University in addition with other regulatory requirements by the Nigerian Government. Records available for checking during the period under review were cash books, bank statements, bank reconciliation statements, receipts, and payment vouchers. These were reviewed to eliminate the risks of non-compliance with the agreed financing agreements.

1.1 OBJECTIVES OF THE AUDIT:

To ensure that:

- i. proper accounting records are maintained.
- ii. applicable accounting standards are properly and consistently followed.
- iii. evaluate the internal control system in operation to ensure effectiveness, efficiency, and economy.
- iv. internal control measures are instituted which, as far as is reasonably possible safeguard the assets of the project.
- v. actions are taken to prevent fraud and other irregularities.
- vi. financial transactions conform with the financing agreements and only eligible expenditures are made.
- vii. to confirm the existence and accuracy of the balances shown in the records.

2.0 INTERNAL AUDIT REVIEW:

2.1 ACCOUNTING

Suitable accounting policies were adopted and consistently applied. The going concern basis is used, as it has been presumed that the Centre will continue in operation in the foreseeable future.

2.2 INTERNAL CONTROLS

Adequate internal control measures are in place. The Project activities go through the normal University procedures for processing of transactions which include 100% prepayment auditing. It should be noted that internal auditing functions at the Centre is Risk-based, in line with best practice. This is to ensure data integrity of amounts that will eventually flow into the financial statements.

Test of controls were done routinely. These include segregation of duties, physical control, approval and authorization procedures, control over assets (including maintaining properly updated fixed assets register).

2.3 EFFECTIVENESS OF MANAGEMENT OVERSIGHT INCLUDING AUDIT COMMITTEES

The University Audit and Risk Management Committee, a Committee of Council performs oversight functions on the financials of the University and those of ACEGID. The minutes of meeting of the Committee is available on ACEGID website for reference purposes. Also, the Vice Chancellor, Bursar and Head of Internal Audit supervise financial activities of the Centre. Though the Centre is autonomous, university financial procedures and regulations are adopted for financial activities.

2.4 FUNDS FLOW

Apart from grant from the World Bank, the University also provide adequate support to the Centre to facilitate research activities. Some other grants received by the Centre are from Human, Heredity and Health in Africa (H3 Africa), Biotechnology and Biological Sciences Research Council (BBSRC), National Institutes of Health (NIH), Coalition for Epidemic Preparedness Innovations (CEPI), Wellcome Trust Grant, Joint West Africa Research Group (JWARG), Audacious Sentinel and Fast Grant.

2.5 FINANCIAL REPORTING

A 100% review of expenditure presented in the Financial Management Report was carried out. Expenses were checked to the relevant vouchers, Admon cash books, bank reconciliation statements and other supporting documents.

2.6 FRAUD AND CORRUPTION

There was no case of fraud and corruption. There are adequate controls in the Centre.

2.7 PAYMENT PROCEDURES

A 100% review of all expenditures was done. No ineligible expenditure was incurred as transactions undergo pre-audit procedures to ensure integrity and eligibility of transactions.

2.8 PHYSICAL VERIFICATION THROUGH ON-SITE VISITS

The Internal Audit inspects all items purchased to confirm delivery. All Fixed Assets are in their proper places and well secured.

2.9 PROCUREMENT ACTIVITIES

The Deputy Centre Leader, Project Manager and Procurement Officer are responsible for the preparation, presentation, and defense of the Procurement Work Plan subject to approval by the relevant donor agency. The Procurement officer handles all procurements. The procurement procedures in place were adequate to ensure that:

- i. Values were received in respect of funds released to suppliers and other service providers.
- ii. Items purchased meet the requirements of the Centre.

3.0 AUDIT OBSERVATIONS

Cash Retirement: The following staff have not yet retired their cash advances from various ACEGID projects (per Admon Audit)

S/N	REF NO	AMOUNT =	TRANSACTION DATE	EXPECTED RETIREMENT DATE	REMARKS	AGE ANALYSIS (DAYS)	AUDITEE'S RESPONSE
1	Advg/02/22/23/aug/0138	1,575,000.00	15/8/23	29/8/23	New phase of horticulture work @ ACEGID site	165	The staff who took advances relating to other ACEGID projects have been reminded.
2	Advg/02/22/23/mar/0074	4,482,570.00	7/3/23	29/3/23	Procurement of plumbing material & installation of sprinklers on ACEGID site	318	The staff who took advances relating to other ACEGID projects have been reminded.
3	Advg/02/23/24/sep/001	585,900.00	8/9/23	22/9/23	Connection of lab in Alex Ekwueme Federal University Teaching Hospital, Abakaliki to public	141	The staff who took advances relating to other ACEGID projects have been reminded.

					power supply		
4	Advg/02/22/23/jul/0021	128,400.00	5/7/23	19/7/23	Logistics and vehicle maintenance @ Owo for Sentinel project activities	206	The staff who took advances relating to other ACEGID projects have been reminded.
5	Advg/02/22/23/jun/00117	82,950.00	22/6/23	6/7/23	Consumables and fixtures	219	The staff who took advances relating to other ACEGID projects have been reminded.
6	Advg/02/22/23/apr/0088	116,000.00	27/4/23	11/5/23	Entrance gate construction in the generator house	275	The staff who took advances relating to other ACEGID projects have been reminded.
7	Advg/02/22/23/jul/0129	292,510.00	18/7/23	1/8/23	Pick up of Luminex machine from University of Florida, USA	192	The staff who took advances relating to other ACEGID projects have been reminded.
8	Advg/02/22/23/feb/0068	2,827,800.00	15/2/23	1/3/23	Idanre Bat Ecology-Human Sentinel Surveillance	345	The cash advance was not paid. It was declined by the Director and was reversed. Please find attached the evidence of reversal (GJV/02/22/23/MAR/000337)
9	Advg/02/22/23/mar/0078	\$485.88	23/3/23	6/4/23	ACEGID & CAMRA Project website hosting renewal	310	The staff who took advances relating to other ACEGID projects have been reminded.

10	Advg/02/22/23/ may/0107	120,000 .00	31/5/23	14/6/23	SICA participa nt compens ation and other general lab mainten ance @ Ikorodu	241	The staff who took advances relating to other ACEGID projects have been reminded.
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Implications:

- i. Risk of misapplication and/or mis-appropriation of funds.
- ii. Tying down of funds meant for other useful purposes.

Recommendation:

Cash advances should be retired within the stipulated time slated on the cash advance forms; and sanctions duly implemented, to serve as deterrents.

4.0 CONCLUSION:

Observations noted to be attended to. Project funds are used for the purposes meant for. The overall audit report rating is Satisfactory.

Adeyemi A. Banjo
Project Internal Auditor
10/02/2023