

REDEEMER'S UNIVERSITY EDE, OSUN STATE
INTERNAL AUDIT REPORT ON THE AUDIT OF AFRICAN CENTRE OF
EXCELLENCE ON THE GENOMICS OF INFECTIOUS DISEASES (ACEGID)

JANUARY TO DECEMBER 2021

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. This includes 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. 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 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 and other supporting documents. Implementation of an Accounting package (Admon) to facilitate prompt and qualitative financial reporting is in progress.

2.6 EXTERNAL AUDIT

The External Audit for the year ended 31st December, 2021 is in progress.

2.7 FRAUD AND CORRUPTION

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

2.8 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.

2.9 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.

2.10 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. Approval for procurement is given at the management meeting held bi-weekly before any procurement is made. 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 ACTION PLAN

3.1 REVIEW AND STATUS OF PREVIOUS INTERNAL AUDIT ACTION PLAN AT 31ST DECEMBER 2020

S/N	AUDIT OBSERVATION	AGREED ACTIONS RESPONSE	BY WHOM	STATUS
1	Observations on Revenue: – (ACECID IGR Naira)			
	Non/Wrong postings:			
a	The name on receipt number 1018 is Titilola Olakunjo and not Titilola Olakunle.	Corrected	Project Accountant	Cleared
b.	Receipt numbers 1380 – 1401 were not posted into the cash book.	Corrected	Project Accountant	Cleared
c.	The amount on receipt number 1055 is ₦ 40,150.00 and not ₦ 40,450.00	Corrected	Project Accountant	Cleared
d.	Amount in words in respect of receipt number 1186 for N 40,550 is to be corrected.	Corrected	Project Accountant	Cleared

3.2 New Internal Audit Action Plan

3.2.1. Bank Reconciliation Statement

S/N	AUDIT OBSERVATIONS	IMPLICATION	AUDITEE'S RESPONSE	RECOMMENDATION / FURTHER COMMENTS BY AUDIT
1	Jan –May 2021; Credit in cashbook not in bank- N3,000.00 The date is 15/9/2021	Current a/c Escrow; Actual financial status cannot be obtained	The date 15/9/2021 has been corrected as appropriate	The transaction could not have taken place in September 2021
2	Feb – Mar 2021; Balance per bank statement is 3,857,800.84; while balance per bank statement on the bank reconciliation statements were 3,854,800.84	Current a/c Escrow; the correct financial status cannot be obtained	The bank reconciliation statements for February and March 2021 have been corrected	The bank reconciliation statements for February and March 2021 should be corrected

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