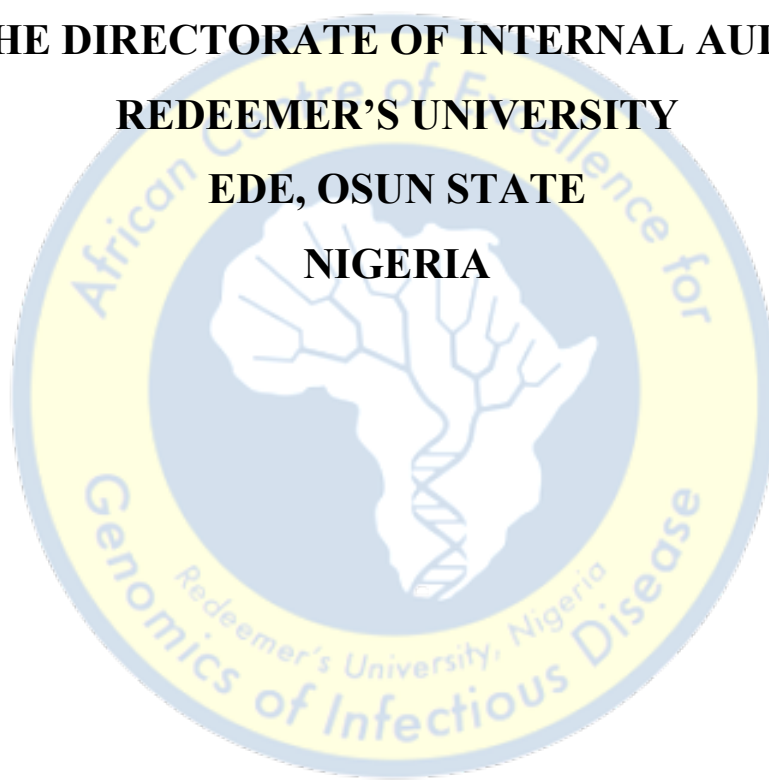


INTERNAL AUDIT REPORT FOR JUNE – DECEMBER 2024

BY

**THE DIRECTORATE OF INTERNAL AUDIT
REDEEMER'S UNIVERSITY
EDE, OSUN STATE
NIGERIA**



**REDEEMER'S UNIVERSITY
DIRECTORATE OF INTERNAL AUDIT**

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

PERIOD COVERED: JULY TO DECEMBER 2024

1.0 Introduction

ACEGID was established in September 2013 upon approval by the World Bank. The Centre specializes in building capacity and 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, 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 gain a reasonable assurance that:

- i. Funds are utilized for the intended purposes.
- ii. Funds received and expenditures incurred are judiciously utilized.
- iii. Proper accounting records are maintained.
- 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. Balances shown in the records are in existence and accurate.

2.0 Internal Audit Review

2.1 Accounting

Suitable accounting policies were adopted and consistently applied.

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

2.3.1 Oversight Function by Audit Committee

The University Audit and Risk Management Committee (ARMC), 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, and bank reconciliation statements.

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 Review of Previous Audit Observations

3.1 Unretired Cash Advance at June 2024

| S/N | Reference | Details | Date Obtained | Amount (N) | Auditees' Response | Project | CURRENT STATUS |
|-----|------------------------|---|---------------|--------------|--|------------|----------------|
| 1 | adv/02/22/23/074 | Procurement of plumbing materials and installation of sprinklers on Acegid site | 7/3/2023 | 4,482,570.00 | The retirement was delayed due to a delay in the installation of the sprinklers. The installation of the sprinklers is in progress | World bank | Retired |
| 2 | adv/02/22/23/jul/00129 | Pick up of Luminex machine from University of Florida | 18/7/2023 | 292,510.00 | The staff complained inability to obtain receipt from the vendor | World bank | Retired |
| 3 | adv/02/22/23/jul/0121 | Logistics and vehicle maintenance at Owo | 5/7/2023 | 128,400.00 | The retirement document has been submitted to Finance for processing the cash advance retirement | Audacious | Retired |
| 4 | adv/02/22/23/jun/0117 | Consumables and fixtures | 22/6/2023 | 82,950.00 | The retirement document has been submitted to Finance for processing the cash advance retirement | Audacious | Retired |
| 5 | adv/02/23/24/dec/0036 | Repair of 6KVA UPS | 21/12/2023 | 193,500.00 | This advance relates to another ACEGID project. Retirement is in progress. | Audacious | Retired |
| 6 | adv/02/23/24/dec/0035 | Procurement of office furniture | 21/12/2023 | 6,000,000.00 | This advance relates to another ACEGID project. Retirement is in process. | Audacious | Retired |

4.0 Current Audit Observations

4.1 Yet-to-be retired Cash Advance: The following staff are yet to retired

| S/ N | Refence | Amount (N) | Date obtained | Age Analysis | Auditee's Response |
|---------|------------------------|---------------|------------------|------------------|--|
| 1 | ADVG/02/2 3/24/0046 | 4,084,980.00 | 12/2/202 4 | About 1 year | This cash advance is for the ongoing landscaping work at ACEGID sites. The retirement will be processed upon completion of the work. |
| 2 | ADVG/02/2 3/24/0 | 554,450.00 | 13/2/202 4 | About 1 year | The retirement is already under processing. |
| 3 | ADVG/02/2 3/24/0 | 6,942,085.00 | 1/7/2024 | Over 7 months | The retirement is already under processing. |

4.1.1 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 approved stipulated time of 3 weeks.

5.0 Conclusion

Project funds are used for the purposes meant for. Observations noted to be attended to.

Overall audit report rating: Satisfactory.

Banjo, Adeyemi A.

Project Internal Auditor

10/2/2025