

# UNIVERSITY OF PORT HARCOURT

## MEMORANDUM

**From:** The Chairman, Audit Committee

**Ref:** UPH/VC/AC/04

Date: February 12, 2024

**To:** Vice Chancellor

### REPORT OF THE UNIVERSITY AUDIT COMMITTEE ON THE AUDITED FINANCIAL STATEMENTS AND MANAGEMENT LETTERS OF AFRICAN CENTRE OF EXCELLENCE, CENTRE FOR PUBLIC HEALTH AND TOXICOLOGICAL RESEARCH (ACE – PUTOR)

Please find the attached Report of the University Audit Committee on the Audited Financial Statements and Management Letter of African Centre of Excellence, Centre for Public Health and Toxicological Research (PUTOR), University of Port Harcourt for the year ended 31<sup>st</sup> December, 2023 for your information and necessary action.

Thank you for giving us the opportunity to serve the University in this capacity.



Professor G. N. Ogbonna  
(Audit Committee Chairman)

**HIGHLIGHTS OF  
REPORT OF THE UNIVERSITY AUDIT COMMITTEE ON THE AUDITED FINANCIAL STATEMENTS  
AND MANAGEMENT LETTERS OF AFRICAN CENTRE OF EXCELLENCE, CENTRE FOR PUBLIC  
HEALTH AND TOXICOLOGICAL RESEARCH(ACE – PUTOR)**

The following are the highlights of the ACE – PUTOR Annual Report for the Year ended 31<sup>st</sup> December, 2023:

**1. Summary: Statement of Financial Position: Net Asset increased from N915.1m to N1.9b – a remarkable percent increase of 110.44%**

Table 1.1 (a) Summary/Trend of the Statement of Financial Position as at 31<sup>st</sup> Dec. 2023 and 2022

	2023		2022	
	N	\$	N	\$
Total Assets	1,928,071,579	3,176,395	916,193,733	2,207,696
Less:				
Total Liabilities	1,100,000	1,812	1,100,000	2,651
Net Asset/Net Worth	1,926,971,579	3,174,583	915,093,733	2,205,045

From the above Table 1.1 (a), it can be seen that the Net Assets of the Centre increased from N916,193,733 in 2022 to N1,928,071,579 in 2023 representing an increase of 110.44%. This is commendable and the trend should be sustained.

**2. Summary: Statement of Financial Performance: The Surplus increased from deficit of (269,567,926) to a surplus of N271,196,915. This is quite commendable**

Table 1.2 (a) Summary/Trend of the Statement of Financial Performance for the year ended 31<sup>st</sup> Dec. 2023

	2023		2022	
	N	\$	N	\$
Total Revenue/Receipts	1,091,513,399	1,798,209.88	504,635,553	1,215,989
Less:				
Total Payments /Expenditures	820,316,484	1,351,427.49	774,203,479	1,865,551
Surplus/(Deficit) for the Year	271,196,915	446,782	(269,567,926)	(649,561)

Table 1.2 (a) above shows a surplus of N271,196,915 in the year 2023 as against the deficit of N269,567,926 in the year 2022 which represents an impressive financial performance of the centre for the period. This is quite remarkable and commendable and should be improved upon.

**3. ACE –PUTOR Progress Report**

ACE –PUTOR Progress Report has been impressive and remarkable with a lot of achievements and success reports as contained in this report.

Professor Ogbonna G. N

**REPORT OF THE UNIVERSITY OF PORT HARCOURT AUDIT COMMITTEE ON THE  
AUDITED FINANCIAL STATEMENTS AND MANAGEMENT LETTERS OF AFRICAN  
CENTRE OF EXCELLENCE, CENTRE FOR PUBLIC HEALTH AND TOXICOLOGICAL  
RESEARCH (ACE - PUTOR), UNIVERSITY OF PORT HARCOURT FOR THE YEAR  
ENDED 31<sup>ST</sup> DECEMBER, 2023**

**1. PREAMBLE**

In a letter dated 9<sup>th</sup> December, 2021, with reference number UPH/VC/194/AC, the Vice Chancellor appointed an Audit Committee made up of a Chairman and four other members of staff of the University of Port Harcourt.

**2. TERMS OF REFERENCE**

The following are the terms of reference given to the Audit Committee:

1. To ascertain whether the accounting and reporting policies of the University are in accordance with legal requirements and ethical practices.
2. Review the scope and planning of audit requirements.
3. Review the finding on management matters in conjunction with the External Auditor and Departmental (Centres of Excellence) responses thereon.
4. Keep under review the university system of accounting and internal control.
5. Authorize the Internal Auditor to carry out investigations into any activity of the university which may be of interest or concern to the committee.
6. Make appropriate recommendations to the University Management on appointment, removal and remuneration of the External Auditors.
7. Advise University Management on observations and recommendations of internal and external audit reports.

**3. AUDIT COMMITTEE REPORT**

The Audit Committee Report on the Internal Audit Reports for the year ended 31<sup>st</sup> Dec. 2023, the External Auditor's Audited Financial Statements for the year ended 31<sup>st</sup> December, 2023 and the Management Letter (Domestic Report) by the External Auditor for the year ended 31<sup>st</sup> December, 2023 of African Centre of Excellence, Centre for Public Health and Toxicological Research (ACE - PUTOR) is as follows:



### **3.1 INTERNAL AUDIT AND EXTERNAL AUDIT REPORTS**

In compliance with our terms of reference as stated above, the Audit Committee reviewed the Internal Audit Reports for the year ended 31<sup>st</sup> Dec. 2023 and the External Auditor's Audited Financial Statements and their Management Letter (Domestic Report) for the year ended 31<sup>st</sup> Dec., 2023 of the World Bank African Centre of Excellence – Centre for Public Health and Toxicological Research (ACE - PUTOR).

In the course of the exercise, the Committee physically visited the centre, made calls, and held physical meetings with the Centre Leader and other key officers of the Centre as well as other members of staff to obtain reasonable explanations needed for this report. This was done as part of the Committee's oversight functions in order to practically ensure that our observations from the books and documents examined corroborate with the information provided. More so, this was done to obtain reasonable assurance that the annual reports and financial statements comply with the accounting and reporting policies of the University, legal requirements, and ethical practices in accordance with International Public Sector Accounting Standards (IPSAS).

Having assessed the significant extent, the accounting and financial reporting policies and internal control systems of the university have been implemented; the Audit Committee presents the following specific and general recommendations to the University of Port Harcourt Management so as to strengthen the efficiency and effectiveness of the internal control mechanism of the University.

### **3.2 GENERAL OBSERVATIONS AND RECOMMENDATIONS**

Before the reports of ACE - PUTOR for the year ended Dec. 2023, the following are the general observations on the overall management of the university and recommendations:

- a) The Audit Committee observed that the management of University of Port Harcourt holds regular management meetings to review the various planned activities and actions of the University. Where there are deviations from the plans, corrective measures are quickly taken so that the overall objectives and goals of the University are achieved effectively and efficiently.

- b) The University Internal Control and Accounting Systems have been adequately maintained by the University Management because the Internal Audit Department consistently carries out regular and continuous audit exercise in virtually all departments, centres and units of the university.
- c) The management ensures that the actual progress made by budget implementation is compared with the budgeted and where there is a budget variance, necessary corrective actions are taken to ensure budget compliance.
- d) The management also considers any other relevant unfolding events and necessary strategic actions are taken in order to achieve the overall desired goals and keep up to date with current realities.

### 3.2.1 RECOMMENDATIONS

a. In order to achieve sustained and improved performance, high level efficiency and effectiveness in the performance of the University, there is need for the management to maintain and improve on the existing monthly and quarterly meetings between the University Management Team (that is, the Principal Officers of the University) and the Centre Leaders, Directors and Acting Directors. This will help in cross-fertilization of ideas by these officers. Success stories of good and high performing centres will be shared and lessons learnt by others will go a long way to improve their own performance. The strengths, weakness, opportunities, threats (SWOT) experiences will be communicated and solutions provided on regular basis.

The advantages of such meetings are enormous as some good performing Directors of Centres who have overcome certain challenges in the past would be in a better position to share their practical experiences and provide easy solutions to the challenges of these other centres to learn.

b. There is need to retain good or high performing Centre Leaders and Directors to continue their good work, **as it is not advisable to change the winning team, especially those whose research led to the establishment of the centres.** The usual two-year term for Heads of department and Deans of faculty may be counter-



productive in a business world where these Centre Leaders and Directors rightly belong.

These staff with proven entrepreneurial spirit of practically achieving the best possible result if retained, can greatly improve the financial and academic performance of the University. In effect, sustained high performance records should be the basis of retaining the leaders of centres and units.

### **3.3 SPECIFIC OBSERVATIONS AND RECOMMENDATIONS ON THE WORLD BANK AFRICA CENTRE OF EXCELLENCE IN PUBLIC HEALTH AND TOXICOLOGICAL RESEARCH (ACE - PUTOR) FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER, 2023**

#### **3.3.1 INTRODUCTION**

The World Bank Africa Centre of Excellence in Public Health and Toxicological Research (ACE - PUTOR) is a second-generation World Bank centre in the University that started in 2018. The centre offers post-graduate programme in Midwifery thus, making the University of Port Harcourt, the first in Nigeria to run a post-graduate programme in Midwifery.

#### **3.3.2 OBJECTIVES**

The ACE – PUTOR Project objective are:

- (1) To meet the latest manpower requirements for skills within specific areas where there are skills shortages affecting academic development, economic growth and poverty reduction in the relevant industries.
- (2) To develop and effectively manage relevant and quality postgraduate programmes in public health, toxicology, nursing science and manpower development in Africa.
- (3) To deliver relevant short courses in public health, toxicology and nursing science to mid-career professionals.

- ✓ (4) To enhance participation of students and faculties in internships and exchange experiences.
- (5) To develop local, regional and international partnerships and linkages with industries, public sectors and academic institutions.
- (6) To implement priority interventions focused on remediation of developmental challenges related to public health, toxicology, and nursing.

Furthermore, the Centre offers international and world class graduate programmes for sustainable development in the areas of public health and toxicological research through capacity building/cutting-edge research for addressing regional developmental challenges and economic realities.

ACE-PUTOR is fully funded by World Bank and as such, all expenditures are regulated by World Bank. The Centre Leader/Director, Prof. Daprim Ogaji informed the Audit Committee that reports sent regularly to the World Bank are usually cross checked by the University Internal Audit Department and Audit Committee as specified in the World Bank financial rules and regulations.

### **3.3.3 AUDIT COMMITTEE RESPONSIBILITIES**

The Audit Committee is charged among others, with the responsibility of complying with its terms of reference, the accounting and reporting policies of the University, legal requirements of the Federal Government, professional ethical practices and compliance with the International Public Sector Accounting Standards (IPSAS). This is to ensure that the Centre operates in an ethical environment and observes all relevant laws and standards that will enable it achieve the set goal.

In particular, it is charged with the effective oversight function of financial reporting, annual auditing process, risk management, internal control measures and ensuring that the Centre's financial statements are understandable and form reliable basis for informed decision making. That is, they are free from any material misstatements, misrepresentation or misleading information or omission.

Hence, the Audit Committee has examined the Project Internal Audit Report for the year ended 31<sup>st</sup> Dec. 2023 and the External Auditor's Final Audited Financial Statements and their Domestic Report for the year ended 31<sup>st</sup> Dec., 2023 to ascertain the extent of conformity with the relevant Accounting Standards and Financial Regulations and made necessary observations and recommendations there on.

The following documentary evidences were also examined:

1. Work Plan
2. Cash Books
3. Receipts and Payments Accounts
4. Bank Statements
5. Trial balance
6. Ledger
7. Bank Reconciliation Statements
8. Payment vouchers and E-payments
9. Financial Statements
10. Budget Performance Report
11. Tax Invoices and Receipts
12. Non-Current (Fixed) Assets Register
13. Project Internal Audit Report for the year ended 31<sup>st</sup> Dec. 2023
14. External Auditor's Audited Financial Statements for the year ended 31<sup>st</sup> Dec., 2023
15. Domestic Report for the year ended 31<sup>st</sup> Dec., 2023
16. Relevant contracts documents and agreements
17. It should be noted that the revisions to the current operations and structure of the Centre in the post-ACE era are aimed at aligning the operations in line with extant regulations in the University for Centres, Institutes, and Schools etc.



### **3.4 AUDIT COMMITTEE OBSERVATIONS, IMPLICATIONS AND RECOMMENDATIONS**

#### **3.4.1 OBSERVATIONS ON OVERALL ACADEMIC ACTIVITIES**

All ACE –PUTOR Programmes, namely Post Graduate Diploma (PGD), Masters (M. Sc.), and Doctor of Philosophy (Ph.D) in various disciplines were highly subscribed and the degrees/certifications attract high recognition in the relevant industries. The reason for this increasing recognition is because of the track records of good and high practical performance of the graduates of the ACE –PUTOR programmes as confirmed by users of their services in various industries.

### **3.5 ACE - PUTOR PROGRESS REPORT**

ACE –PUTOR impressive progress has been remarkable and phenomenal over the years. This can be attributed to the focused and determined leadership of the centre leader and supportive followership of highly motivated and experienced staff who are playing the role of key drivers of the activities in ACE- PUTOR.

#### **3.5.1 Progress on Academic Programmes**

In the year 2023, ACE –PUTOR introduced the following new course:

- 1) PhD in Public Health - approved by Senate at → 471<sup>st</sup> meeting 29/03/2023

#### **Other existing programmes are as follows:**

PGD Fertility Nursing Education à 441<sup>st</sup> meeting 28/02/2019

MSc Fertility Nursing à 454<sup>th</sup> meeting 28/04/2021

PGD Nursing à 454<sup>th</sup> meeting 28/04/2021

MSc Midwifery and Child Health Nursing à 441<sup>st</sup> meeting 28/02/2019

PhD Environmental Toxicology à 441<sup>st</sup> meeting 28/02/2019

PhD Environmental Health à 441<sup>st</sup> meeting 28/02/2019

PhD Nutritional Biochemistry/Toxicology à 443<sup>rd</sup> meeting 30/04/2019

PhD Midwifery à 465<sup>th</sup> meeting 24/11/2021

PhD Child Health Nursing à 465<sup>th</sup> meeting 24/11/2021

MSc Public Health Nursing à 454<sup>th</sup> meeting 28/04/2021

MSc Environmental Petroleum Toxicology à 454<sup>th</sup> meeting 28/04/2021

PGD Environmental Petroleum Toxicology à 454<sup>th</sup> meeting 28/04/202d

All the programmes in ACE-PUTOR were designed with the need to promote equity, excellence, integrity and achieve the desired result in the relevant industries. These are premised on developing the knowledge, practical skills, capacity and core competences of students from diverse academic backgrounds to becoming industry-ready professionals that will be useful in the economy.

The above courses offered by ACE-PUTOR are highly patronised and produce industry relevant graduates and professionals who are already impacting various industries and Nigeria economy positively. This is evidenced by the overwhelming testimonies from various industries where ACE-PUTOR graduates work.

### **3.5.2 RESEARCH RESULTS**

Research is core to the activity of the ACE - PUTOR and key areas which focuses on health-related issue to oil and gas exploration and exploitation. The nature of the research conducted in the Centre so far include reviews (narrative and systematic) and empirical (observational and interventional) research that have improved the health of the community around and enhanced the efficiency and effectiveness of public and environmental health system as an integral part of the overall socio-economic development of the people. Faculty expertise and industrial partners have been involved in the supervision of research projects in the ACE – PUTOR.

2) PUTOR has a well streamlined schedule of duties for each of the staff which defines the duties of the key drivers of activities that facilitate work process to achieve the desired goal.

3) The Centre has effective Key Performance indicators which are quantifiable measures regularly used to assess and evaluate the performance of each of the key drivers of activities in ACE- PUTOR. The key drivers of the activities in the Centre include:

- Academic and programme coordinator
- Research, publication and innovation coordinator
- Partnership and Internship Coordinator

Each of these key drivers of the activities in ACE- PUTOR has clearly defined duties which they tenaciously strive to deliver on record time.

### **3.5.3 Building Facilities –**

ACE PUTOR is a Centre that is focused and result oriented. The Centre was able to successfully complete the 3-storey building complex and has effectively put it into use in 2023.

This 3-floor edifice comprises the following:

- Offices, classrooms, laboratories, library and a 3-storey purposed built complex.
- 5 smart classrooms (including a 42, 72, 102-seater classrooms, conference room)
- 15 furnished offices for workers
- 3 project offices
- 1 Seminar Room
- 1 Video-conferencing room
- 1 Board Room
- 1 doctoral hub
- 3 receptions
- 6 laboratories (Biochemistry/Toxicology, Nursing skills, public health skills, digital skills, clinical simulation laboratories, FGN-HYPREP)
- Library and book shop
- Reading commons
- Kitchen and restaurant
- 27 Toilet Units

With the building, the staff of ACE – PUTOR, the public and other organisations who interact with ACE - PUTOR are having conducive atmosphere to work and do business.

### **3.5.4 Staff and Students Training and Retraining**

ACE – PUTOR has maintained a remarkable track record on staff and students regular training and re-training for capacity building. Besides staff regular training and re-training ACE – PUTOR do train the trainers' programme by sponsoring staff professional conferences for effective capacity building. This



training programme has exposed student to practical knowledge and improved staff skills for higher performance on the job.

### **3.5.5 Inter-disciplinary Solutions to Developmental Challenge**

In order to provide solution to the above challenge, ACE – PUTOR requires all master's and PhD students to carry out research on topical issues that address prevailing challenges. The students are required to submit hard and electronic versions of their thesis or dissertation (examination and final corrected versions). Submission of the electronic version is via the Centre's Electronic Thesis Submission System.

ACE – PUTOR also exploits the benefits of inter disciplinary and collaborative research to provide solution to many challenges in research and in the economy.

### **3.5.6 DELAY IN FUNDING ACE – PUTOR PROGRAMMES**

ACE –PUTOR has two sources of funding, namely the World Bank and AFD – French Development Agency. While the World Bank releases funds promptly as at and when due based on actual performance or results achieved, the AFD – a French Development Agency has been slow in releasing funds. Efforts made through NUC to find the reason for the delay in releasing fund has not been fruitful. In order to bridge AFD French Development Agency's delay in funding,PUTOR approached NUC to raise loan on her behalf and repay the loan when AFD – French Development Agency releases fund. This request has been approved and loan is being granted by NUC whenever any delay occurs.

The number of regional students from other countries is more than 100 seeking admission, but adequate funding has been a challenge over the years to admit all candidates who are qualified for admission.

### **3.6. IMPACTS OF ACE-PUTOR ACADEMIC PROGRAMMES AND FACILITIES**

The ACE - PUTOR academic Programmes are already making positive impacts and contributing immensely to the Nigeria economic development through the quality

of its graduates. Graduates of ACE - PUTOR academic Programmes are performing excellently in various industries. This means that there has been high patronage of ACE –PUTOR programmes by relevant industries.

The impact of ACE – PUTOR programmes and facilities on the University of Port Harcourt and Host Communities has been very helpful and supportive. Many departments, faculties and even researchers have been benefitting maximally from ACE – PUTOR programmes and facilities.

### **3.7 RECOMMENDATIONS ON OVERALL ACADEMIC ACTIVITIES**

Management should identify the ever-unfolding challenges in the economy and focus research efforts towards providing solution to them. They should be proactive in problem solving and improve on its present level of academic performance and even surpass it.

More awareness should be created for ACE – PUTOR programmes by means of advertisement, printing and distributing of flyers, using radio and television and other means to reach target audience in order to increase the enrolment figure and kick-start the new course and the existing ones, especially on PGD Environmental Petroleum Toxicology and Master's in Fertility Nursing that did not take off because of low patronage the previous year. No accredited programme should be allowed to fizzle out without giving it the opportunity to commence and achieve the desired objective.

To bridge the gap in financing and releasing funds for ACE PUTOR programmes, efforts should be intensified to sustain the NUC loan being granted whenever any delay occurs in releasing fund by AFD – French Development Agency. Since such loan does not attract much cost, and repayment of the loan is convenient and made whenever AFD – French Development Agency releases fund, it should be sustained.

### 3.8 OBSERVATIONS ON THE EXTERNAL AUDITOR'S REPORT ON THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DEC. 2023

#### 3.8.1 SPECIFIC OBSERVATIONS

##### A. The Audit Committee observed the following:

1. Proper books of account were kept by the Centre.
2. The Financial Statements agreed with the books of accounts.
3. The financial statements gave a true and fair view in all material respects. This means that there were no material misstatements in the Statement of Financial Position, Statement of Financial Performance and the Statements of Cash flows and statement of the net book value of the Centre for the year ended 31<sup>st</sup> Dec. 2023.
4. The accounts were also prepared in accordance with IPSAS and other regulatory requirements and relevant standards.
5. The exchange rate which was used for the accounts as at 31<sup>st</sup> Dec., 2023 is ₦607 per USDis appropriate as at that date.

##### B. Summary/Trend of the Statement of Financial Position

The following is the comparison and Summary/Trend of the Statements of Financial Position as at 31<sup>st</sup> Dec. 2023 and 2022:

**Table 1.1 (a) Summary/Trend of the Statement of Financial Position as at 31<sup>st</sup> Dec. 2023 and 2022**

	2023		2022	
	₦	\$	₦	\$
Total Assets	1,928,071,579	3,176,395	916,193,733	2,207,696
Less:				
Total Liabilities	1,100,000	1,812	1,100,000	2,651
<b>Net Asset/Net Worth</b>	<b>1,926,971,579</b>	<b>3,174,583</b>	<b>915,093,733</b>	<b>2,205,045</b>



From the above Table 1.1 (a), it can be seen that the Net Assets of the Centre increased from ₦916,193,733 in 2022 to ₦1,928,071,579 in 2023 representing an increase of 110.44%. **This is commendable and the trend should be sustained.**

**Table 1.1 (b) Summary/Trend of the Statement of Financial Position as at 31<sup>st</sup> Dec. 2020 and 2019**

	2021	2020
	₦	₦
Total Assets	411,208,180	75,565,310
Less:		
Total Liabilities	750,000	11,913,639
<b>Net Asset/Net Worth</b>	<b>410,458,180</b>	<b>63,651,671</b>

Further comparison of the above Statements of Financial Position as at 31<sup>st</sup> Dec. 2021 and 2020, shows that there has been an impressive increase in the Net Assets of the Centre over the years. The net assets increased from ₦63,651,671 in 2020 to ₦410,458,180 which represents 544.85% increase in net assets.

**C. Summary/Trend of the Statement of Financial Performance**

The following is the comparison and summary/trend of the Statement of Financial Performance for the Year ended 31<sup>st</sup> Dec. 2023 and 2022:

**Table 1.2 (a) Summary/Trend of the Statement of Financial Performance for the year ended 31<sup>st</sup> Dec. 2023**

	2023		2022	
	₦	\$	₦	\$
Total Revenue/Receipts	1,091,513,399	1,798,209.88	504,635,553	1,215,989
Less:				
Total Payments /Expenditures	820,316,484	1,351,427.49	774,203,479	1,865,551
<b>Surplus/(Deficit) for the Year</b>	<b>271,196,915</b>	<b>446,782</b>	<b>(269,567,926)</b>	<b>(649,561)</b>

Table 1.2 (a) above shows a surplus of ₦271,196,915 in the year 2023 as against the deficit of ₦269,567,926 in the year 2022 which represents an impressive financial

performance of the centre for the period. This is quite remarkable and commendable and should be improved upon.

**D. Table 1.2(b) Summary/Trend of the Statement of Financial Performance for the year ended 31<sup>st</sup> Dec. 2021 and 2020**

	2021	2020
	N	N
Total Revenue/Receipts	410,458,180	45,383,853
<b>Less:</b>		
Total Payments /Expenditures	188,273,093	29,737,765
<b>Surplus/(Deficit) for the Year</b>	<b>222,185,087</b>	<b>15,646,088</b>

Further comparison of the above Statements of Financial Performance for the year ended 31<sup>st</sup> Dec. 2021 and 2020, shows that there was a sharp increase in surplus, that is, excess of revenue over expenditure from **N15,646,088** in 2020 to **N222,185,087** in 2021 which represents a 1320.07% increase.

**E. Statement of Cash Flows**

The Statement of Cash Flows as at 31<sup>st</sup> Dec. 2023 showed a positive net cash and cash equivalent of **N348,196,934** as against a negative Cash flow of **N8,923,220** of 2022. This shows that their liquidity position at the end of 2023 accounting year to be favourable for smooth operating financial activities of the centre.

**3.3.5.2 IMPLICATIONS**

- The centre maintained good accounting records of all their transactions resulting to no material misstatements in the audited accounts.
- The increase in the net worth shows a great increase in the assets base of the centre as seen in the Fixed Assets schedule.
- The financial performance was impressive and targeted at sustainability and efficient management of financial resources.
- The cashflow position is also favourable showing the ability to meet any future short-term obligations as at and when due without undue delay.

### **3.3.5.3 RECOMMENDATIONS ON THE EXTERNAL AUDITOR'S REPORT**

- a) The Centre Management should continue to maintain good accounting records and financial statements preparation devoid of any material misstatements.
- b) The effective and efficient financial management evidenced in the 2023 audited financial statements should be sustained by the management of the centre.
- c) The Centre Steering Committee which is responsible for the preparation of the financial statements, should ensure the following:
- d) That proper and effective internal control procedures are put in place in order to safeguard the assets, prevent and detect fraud (if any) and other irregularities.

### **3.3.6 OBSERVATIONS ON THE EXTERNAL AUDITOR'S DOMESTIC REPORT ON THE AUDITED ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> DEC. 2023**

The External Auditor's Domestic Report on the Audited Accounts for the year ended 31<sup>st</sup> Dec. 2023 and the audit queries raised therein have been properly responded to by the management and some of which are as follows:

- A. The need to involve the Stores Unit of the university to issue Store Receipt Vouchers before payment is made as a proof that supply was actually made to specification.



#### **MANAGEMENT RESPONSE**

*Going forward, the Stores Unit of the university will be involved in the certification process of goods received before payments are made.*

#### **3.3.6.2 RECOMMENDATIONS**

- a. Stores Unit of the University should be involved in the certification process of goods received before payments are made.

#### **3.3.7 OBSERVATIONS ON THE INTERNAL AUDITOR'S REPORT FOR THE YEAR ENDED 31<sup>ST</sup> DEC. 2023**

- a. A good accounting system was put in place.
- b. The Internal Control was adequate.
- c. All the necessary books of accounts such as Ledgers for all activity codes, Cash Book, Bank Reconciliation Statements, Receipt and Payment Accounts, among others were maintained regularly and adequately.
- d. Unretired and delay in retiring Advances and the process of retirement should be followed at all time.
- e. There was no case of fraud or corruption observed or reported.
- f. All the assets recorded were physically verified to be in existence.
- g. Most of the assets were coded for their safety and proper identification except for a few in the laboratory. The process of coding them is in progress.

#### **3.3.7.1. IMPLICATION**

- a. Not retiring advances as at and when due is against Financial Regulations and should be avoided. Delay in retirement should be avoided to ensure accountability.
- b. Not coding the assets in the laboratory could lead to loss of assets.

#### **3.3.7.2 RECOMMENDATIONS**

- a. The Staff who is yet to retire the ICAN Conference travel advance should be notified by the Centre Management through the Accountant to retire same soonest.
- b. The few assets yet to be coded should be coded immediately.

#### 4.0 CONCLUSION

After the examination of the financial statements, management reports of the External Auditor, the Internal Audit reports and their recommendations, especially the practical interaction with the Centre Leader and officers and staff, the Audit Committee concludes that the ACE PUTOR maintained proper accounting records and adequate internal control system throughout the period under review.

ACE - PUTOR has over the years achieved impressive increase in its net assets and utilized its resources in the most effective way in order to accomplish set target by World Bank. This remarkable progress should be improved upon.

Based on the foregoing, we advise that the recommendations made in this report be implemented in order to improve the level of performance, internal control, proper accountability and transparency of transactions that will enhance the achievement of the university set goals effectively and efficiently.

#### NAMES AND SIGNATURES OF AUDIT COMMITTEE MEMBERS

Please accept the assurances of our highest esteem to serve the University.

1. Professor G. N. Ogbonna, Accounting Dept.

Chairman.....



2. Professor O. G. Omojefe, Banking & Finance Dept.

Member.....



3. Dr. (Mrs.) Chioma O. Ojukwu, Accounting Dept.

Member.....



4. Dr. Celestine Ebieto, Mechanical Engineering Dept.

Member.....



5. Mrs. Ezinne C. Worga, Registry Dept.

Secretary.....

