

CERHI Audit Report

Key Information on the Project

Project Name and State	Centre of Excellence in Reproductive Health Innovation, Edo State
Project ID	
IDA Credit/Grant No.	IDA 54150
Implementing Agency	University of Benin
Effectiveness Date	July 1 st 2015
Closing Date	December 31 st 2018
Credit/Grant Amount	US\$ 8m
Project Duration	4 years
Remaining Period to Closing	3 years
Disbursed Amount to date & Percentage	₦147,172,326.55 (10%)
Period Covered by Review	January - June 2016
Internal Auditor	Osifo I.U.O

EXECUTIVE SUMMARY.

WORK DONE:

For the purpose of the above Audit, we requested for the following documents/ information from the Project Accountant.

- i. Cash Books, Ledgers (Revenue, Administration & Staff Advance), Fund Flow Statements, etc.
- ii. Statement of Expenditures incurred.
- iii. Asset Register, E-Payment Mandates and Payment Vouchers.

Osifo I.U.O
20/07/16

FINDINGS

- (i) The Centre's Books of Account (Cash books, Ledgers, Fund flow statements, etc.) maintained electronically were presented for Audit examination. The Bank Statements were not available since the CERHI Account and University of Benin Account was merged on 30th October 2015 into TSA (Treasury Single Account).
- (ii) The Project Accountant provided the Payment Voucher of the refund of ₦ 9,193,536 (Nine Million, One Hundred and Ninety-Three Thousand, Five Hundred and Thirty-Six Naira Only) and the supporting documents giving rise to it, for Audit examination. This was to give details of how the total refund was arrived at thereby certified correct.
- (iii) Also examined were payment vouchers, E-payment Mandates, Assets register and Statement of Expenditure incurred.

Books of Account:

Revenue: The Revenue ledger as at 1st January, 2016 had a balance brought forward of ₦ 490,100 (Four Hundred and Ninety Thousand, One Hundred Naira only). This was mainly Tender fees for CERHI building bidding. The Revenue from School fees was ₦19,497,500 (Nineteen Million, Four Hundred and Ninety Seven Thousand, Five Hundred Naira Only), Application fees was ₦220,000 (Two Hundred and Twenty Thousand Naira Only) and Other (Refunds) was ₦3,774,580 (Three Million, Seven Hundred and Seventy Four Thousand, Five Hundred and Eighty Naira Only).

Assets:

The Centre acquired some assets ranging from Computer and Office equipment (Set of Computer Desktops, Laptops, Interactive boards, Projectors, Printers, Photocopiers, etc.), amounting to ₦8,734,050 (Eight Million, Seven Hundred and Thirty Four Thousand, Fifty Naira Only); Furniture & Fittings (Class room Chairs/Desk, Book shelf, Coco arm Chairs, Junior Table, etc.) amounting to ₦2,968,350 (Two Million, Nine Hundred and Sixty Eight Thousand, Three



Hundred and Fifty Naira Only); Electrical and Electronics equipment amounting to ₦367,200 (Three Hundred and Sixty Seven Thousand, Two Hundred Naira Only).

These assets are now in the full custody of the Centre's departments; Community Health, Obstetrics and Gynaecology, Nursing Science and Health Economics.

The Centre also procured a 30 Seater Coaster Bus amounting to ₦16,275,000 (Sixteen Million, Two Hundred and Seventy Five Thousand Naira Only).

STAFF ADVANCE:

The Staff Advance for the period under review amount to ₦317,300 (Three Hundred and Seventeen Thousand, Three Hundred Naira Only). All Staff Advance were retired.

Adequacy of the FM system in place.

Expenditures up to ₦2,500,000 (Two Million, Five Hundred Thousand Naira Only) are subjected to the Vice Chancellor's approval. While those above ₦2,500,000 (Two Million, Five Hundred Thousand Naira Only) are approved by University's Tenders board. Though NUC has proposed ₦1,000,000 (One Million Naira Only) as approved limit to the Centre team leader, this is yet to be approved by the University of Benin Management. Approved expenditures are subjected to both pre and post payment audit to ensure that the Project funds are being used for the intended purposes and gives the required value for money.

Project-specific Risk Profile.

The current practice of referring all expenditures to the Management of the University of Benin for approval, is no doubt slowing down the payment process and likely to affect the Centre's DLIs. The World Bank should encourage participating Universities in the ACEs programme to increase Centre leaders' approval limits and have quarterly briefing of the Centre's activities with Management of host University. In this wise, the University of Benin Management is advise to please give speedy approval to the NUC proposal of ₦1,000,000 (One Million Naira Only) expenditure limit for Centre team leader.

The Internal Audit is being conducted in accordance with the World Bank's FM making sure that:

- (i) Project funds are utilized efficiently, effectively, economically and only for the intended purposes;
- (ii) Financial reports generated by the accounting system are prepared on time, accurately and are reliable; and
- (iii) The assets acquired with project funds are safeguarded from misuse, defalcation, conversion and other forms of misappropriation.
- (iv) The Centre's disbursements complies with all extant laws, rules, guidelines, etc. of the Federal Republic of Nigeria as applicable to Federal Universities.

FINDINGS AND ACTION PLAN

Internal Audit observed that most CERHI programmes are executed on fire brigade approach. This normally lead to not getting approval out timely thereby delaying release of fund for such programmes. Also observed is the non-inclusion of the Centre's administrative staff in the utilization of the professional conferences/ workshop (local and overseas) vote.

Internal audit is of the opinion that payments should be processed early enough to enable beneficiaries receive such before date of intended purpose. Moreso, we advise that the professionals among the administrative staff should be sponsored to conferences and workshops that will enhance performance on the job.

Handwritten signature and date: 20/07/16

