

## **CERHI AUDIT REPORT (JULY - DECEMBER 2022)**

### **1 INTRODUCTION**

**Work plan.** Centre of excellence in Reproductive Health Innovation (CERHI) has an annual work plan for the year 2022. This work plan covers the activities of the centre from January to December, 2022.

The work plan activities which are clearly outlined are as follows:

- Development and support the centre governance, structure and strategy
- Internet, E-book and Journal subscriptions
- Administrative activities
- Develop impact support and independence evaluations
- Strengthen excellence in Education programme
- Student support and short courses
- Strengthen teaching and learning excellence
- Publications, improving teaching and learning methods
- CERHI building extension.
- Enhancing relevance of Education and Research
- Internship Entrepreneurship and Innovations
- Fiduciary Enhancements and institutional impact

### **BOOKS OF ACCOUNTS**

The Centre's Books of Accounts (Cash Books, including Petty (Imprest) Cash Book, Ledgers, Bank Statements, Payment Vouchers, Interim Financial Report (IFR), Fixed Asset Register etc) were analyzed and examined for the period July - December 2022 to ensure the following:

- Compliance with Accounting principles, procedure and guideline.
- Project's assets are acquired at the best ruling market price and quality.
- All payment procedure follows due process.
- All Assets acquired by the Centre were physically verified to their present designated locations.

## 2. KEY INFORMATION ON THE PROJECT

<b>Project Name and State</b>	<b>Centre of Excellence in Reproductive Health Innovation, Edo State.</b>
<b>IDA Credit/Grant No.</b>	IDA 54150
<b>Implementing Agency</b>	University of Benin
<b>Effectiveness Date</b>	July 1 <sup>st</sup> 2019
<b>Closing Date</b>	June 30 <sup>st</sup> 2024
<b>Credit/Grant Amount</b>	US\$5,000,000 (Five Million US Dollars)
<b>Project Duration</b>	5 years
<b>Remaining Period to Closing</b>	1 year
<b>Disbursed Amount to date</b>	₦ 563,264,041.58
<b>Period Covered by Review</b>	January – December 2022
<b>Internal Auditor</b>	Mrs. Christiana Omwanghe

## 3. EXPENDITURE FOR THE PERIOD (JULY – DECEMBER 2022)

The Expenditure for the period January to December 2022 was Five Hundred and Sixty Three Million, Two Hundred and Sixty Four Thousand Forty One Naira, Fifty Eight Kobo Only. (N563,264,041.58). See Annexure.

## 4. APPROVAL LIMIT.

All expenditures fall within approved limit.

Expenditures below ₦1,000,000 (One Million Naira Only) for Goods, Works, Non-Consultant/Consultant services are subjected to the Centre Leader's approval.

Expenditures from N1,000,000 to N10,000,000 (From One Million To Ten million Naira) are subjected to the Vice Chancellor's approval. While those above N10,000,000 (Ten Million Naira) are approved by University's Tenders Board.

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 give the required value for money.

  
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## **5. PROJECT-SPECIFIC RISK PROFILE.**

Internal Audit is being conducted in accordance with the World Bank's Financial Management 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 comply with all extant laws, rules and guidelines of the Federal Republic of Nigeria as applicable to Federal Universities.

## **FINDINGS AND ACTION PLAN**

### **5.1 BUDGET ANALYSIS FOR THE PERIOD JULY TO DECEMBER 2022:**

**PROJECT ACTIVITY:** A Budget of Seven Hundred And Seventy Seven Thousand, Two Hundred and Ninety Five Thousand Naira only (N777,295,000) out of which Five Hundred And Sixty Three Millions, Two Hundred and Sixty Four Thousand, Forty One Naira and Fifty Eight Kobo Only (N 563,264,041.58) was spent giving a favourable variance of Two Hundred and Fourteen Million, Thirty Thousand, Nine Hundred and Fifty Eight Naira, Forty Two Kobo Only (N 214,030,958.42 ). See annexure

  
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## 6. STATEMENT OF SOURCES AND USES OF FUNDS

Statement of Sources and Uses of Funds for the period 1<sup>st</sup> July to 31<sup>st</sup> December, 2022 is shown in Table D below:

**TABLE D – STATEMENT OF SOURCES AND USES OF FUNDS**

	(July - December 2022)
<b>Opening Cash Balance:</b>	
Government Funds	0.00
Reimbursement from NUC (IDA) Operational A/C	89,415,944.39
School Fees	10,647,500.00
	100,063,444.39
<b>Add Receipts:</b>	
Government Funds	0.00
Reimbursement from NUC (IDA)	312,288,696.85
School Fees	0.00
<b>Total Receipts (Sources of Fund)</b>	<b>412,352,141.24</b>

## EXPENDITURE BY SUB COMPONENT

Support to Establish New Centres of Excellence	0.00
Support to Scale-Up Well Performing ACE-1 Centres	302,662,242.65
Support for National Level Coordination	0.00
Total Uses of Funds by Components	302,662,242.65
<b>Total Sources of Fund less Total Uses of Funds By Components</b>	<b>109,689,898.59</b>

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## **7.0 ACCOUNTING:**

The Accounting system of CERHI is adequate, being that the Books of Accounts are maintained electronically. The Centre Books of Accounts, Accounting records and documents including Bank Statements, Bank Reconciliation Statements, Ledgers, Cash Books, etc. were audited and in compliance with the World Bank guidelines.

## **8.0 INTERNAL CONTROLS:**

CERHI complies with the Financing agreements, financial procedures manuals etc.

## **9.0 PHYSICAL CONTROLS:**

Internal Audit carries out physical verification of assets periodically to be sure that these assets are safeguarded from misuse, defalcation, conversion and other forms of misappropriation.

## **10.0 APPROVAL AND AUTHORIZATION PROCEDURES:**

CERHI has adopted the University's mode of approval and authorization. This adheres to the Public Procurement Acts 2007. Before any payment is made, the expenditure item must have been approved by the Vice Chancellor or the CERHI Team Leader depending on the amount involved after which prepayment audit can be carried out.

## **11.0 CONTROLS OVER ASSETS:**

The Centre's Accounts Unit has up to date Fixed Asset Register that are classified by the various codes for easy of identification.

## **12.0 COST CONTROL:**

To ensure that project's assets are acquired at the best ruling market price, the various procedures spelt out in the Bureau of Public Procurement are followed. Bidding or call for quotation from reputable vendors is used depending on the amount involved.

### **13.0 MANAGEMENT OVERSIGHT PROCEDURES OVER THE PROJECT**

To ensure that the project funds are committed to the purposes meant for, all expenditures for the project have to be approved by the University of Benin Management before any release from the project fund.

The University's Tender board services are extended to the project execution procedures. Also, a Project Monitoring Committee involving the University's Physical Planning Division meets with CERHI's building contractor regularly for necessary supervision.

The project equally enjoys Nigerian Universities Commission's (NUC) guidance. To this end, series of seminars and workshops are organized for CERHI's management team to be well guided.

### **14.0 STRENGTHENING MANAGEMENT OVERSIGHT AND AUDIT COMMITTEE**

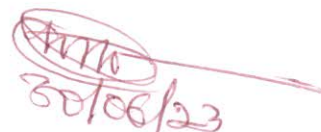
While the University's Management approval of project's expenditures is commendable, the Project's Team Management will be able to act more swiftly if their expenditure limit is enhanced.

### **15.0 FUND FLOW**

The period's withdrawal applications did not witness delays as most withdrawals were effected in time and as such activities were carried out as at when due.

### **16.0 EXTERNAL AUDIT.**

The Centre has engaged external auditor who has gone through the Books of Accounts of the Centre. The report thereon has long been finalized and uploaded to the CERHI website. The Internal Audit unit of CERHI is in cordial working relationship with the project's External Auditor

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## **17.0 PAYMENT PROCEDURES:**

The CERHI's current payment procedure complies with the University of Benin's payment procedure to suppliers, service providers and other beneficiaries which is in consonance with the relevant Financial Management practice of the Federal Republic of Nigeria as spelt out by the Office of the Accountant General of the Federation. For now, this practice is adequate.

## **18.0 CONCLUSION**

The Centre's Books of Accounts were analyzed and examined for the period July to December 2022. All expenditures fell within approved budget.

Project's assets are acquired at the best ruling market price following the various procedures spelt out in the Bureau of Public Procurement Act.

All payment complied with the University of Benin's payment procedures and the financial management practice of the Federal Republic of Nigeria as spelt out by the Office of the Auditor General.

Finally, the Internal Audit Unit prepares biannual and annual reports on the Centre's activities and these are regularly reviewed at Project Management Committee meetings. The reports are uploaded to CERHI's website.



**PROJECT AUDITOR**



## ANNEXURE

## BUDGET ANALYSIS FOR JANUARY TO DECEMBER, 2022

ACCOUNT CODE	CODE DESCRIPTION	ACTUAL FOR		TOTAL		BUDGET FOR THE YEAR	BUDGET VARIANCE
		JAN - JUN	JUL - DEC	AMOUNT (N)	AMOUNT (N)		
21211-002	COMPUTERS	2,388,000.00	7,085,509.19	9,473,509.19	15,043,750.00	5,570,240.81	
21211-010	LABORATORY/MEDICAL EQUIPEMENTS	12,869,125.06	5,288,289.70	18,157,414.76	20,000,000.00	1,842,585.24	
21211-014	BOREHOLES & OTHER WATER FACILITIES	5,215,154.18	181,300.00 0	5,215,154.18	15,043,750.00	9,828,595.82	
21211-016	INDUSTRIAL EQUIPMENT	0	366,000.00	366,000.00	400,000.00	34,000.00	
21211-018	POWER GENERATING SETS	847,296.45	6,360,514.88	7,207,811.33	23,343,750.00	16,135,938.67	
21211-020	OFFICE EQUIPMENT	44,480,789.39	580,000.00	45,060,789.39	46,043,750.00	982,960.61	
21212-002	MAINTENANCE OF OFFICE BUILDING/RESIDENTIAL QTRS	1,571,600.00	1,785,500.00	3,357,100.00	8,300,000.00	4,942,900.00	
21212-003	CONSTRUCTION OF HOSTELS (CERHI BUILDING EXTENSION)	74,823,672.77	50,410,574.58	125,234,247.35	125,925,000.00	690,752.65	
21214-003	LEGAL/CONSULTANCES SERVICES	0.00	0.00	0.00	4,150,000.00	4,150,000.00	
21214-005	ARCHITECTURAL CONSULTING SERVICES	5,501,875.00	1,500,000.00	7,001,875.00	8,000,000.00	998,125.00	
21214-009	AUDITING OF ACCOUNT	1,050,000.00	0.00	1,050,000.00	3,320,000.00	2,270,000.00	
21215-001	LOCAL TRAINING	8,650,243.20	8,983,500.00	17,633,743.20	20,050,000.00	2,416,256.80	
21215-002	INTERNATIONAL TRAINING	17,086,134.00	19,545,171.40	36,631,305.40	38,000,000.00	1,368,694.60	
21216-001	BANK CHARGES	0	135,219.00	135,219.00	830,000.00	694,781.00	
21216-002	LOCAL TRAVELS & TRANSPORT EXPENSES	5,750,707.39	1,869,960.00	7,620,667.39	10,790,000.00	3,169,332.61	
21216-005	MAINTENANCE OF OFFICE/IT EQUIPMENTS	2,332,296.74	309,000.00	2,641,296.74	10,600,000.00	7,958,703.26	



  
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21216-006	MAINTENANCE OF PLANTS/GENERATORS	963,550.00	38,000.00	1,001,550.00	1,150,000.00	148,450.00
21216-008	MAINTENANCE OF COMMUNICATION EQUIPMENT	0	281,000.00	281,000.00	500,000.00	219,000.00
21216-009	ELECTRICITY CHARGES	0	81,200.00	81,200.00	150,000.00	68,800.00
21216-010	TELEPHONE CHARGES	0	1,312,000.00	1,312,000.00	1,660,000.00	348,000.00
21216-011	INTERNET ACCESS CHARGES	706,000.00	132,750.00	838,750.00	1,660,000.00	821,250.00
21216-013	WATER RATES	0	130,000.00	130,000.00	200,000.00	70,000.00
21216-014	INTERACTIVE LEARNING NETWORK	0	0.00	0.00	13,200,000.00	13,200,000.00
21216-015	SOFTWARE CHARGES/LICENCE RENEWAL	32,192,602.15	0.00	32,192,602.15	33,750,000.00	1,557,397.85
21216-016	OFFICE STATIONERIES/COMPUTER CONSUMABLES	50,000,000.00	2,529,800.40	52,529,800.40	52,900,000.00	370,199.60
21216-017	BOOKS	17,553,238.80	0.00	17,553,238.80	18,150,000.00	596,761.20
21216-019	MAGAZINES AND PERIODICALS	0	1,911,940.00	1,911,940.00	4,150,000.00	2,238,060.00
21216-023	MOTOR VEHICLE COST	4,313,508.99	0.00	4,313,508.99	8,300,000.00	3,986,491.01
21216-024	PLANT/GENERATOR FUEL COST	0	67,600.00	67,600.00	8,300,000.00	8,232,400.00
21216-025	PUBLICITY AND ADVERTISEMENTS	4,609,000.00	3,626,627.00	8,235,627.00	8,300,000.00	64,373.00
21216-028	RESEARCH AND DEVELOPMENT	16,452,800.00	2,952,070.00	19,404,870.00	35,825,000.00	16,420,130.00
21216-029	WAGES AND ALLOWANCES	25,875,157.98	17,007,626.23	42,882,784.21	70,550,000.00	27,667,215.79
21216-030	SERVICE MEETINGS	7,485,729.38	2,958,475.62	10,444,205.00	11,830,000.00	1,385,795.00
21216-031	INTERNATIONAL TRAVELS	3,132,457.92	24,588,297.93	27,720,755.85	42,330,000.00	14,609,244.15
21216-032	STUDENTS COSTS	16,960,500.00	31,396,166.25	48,356,666.25	73,450,000.00	25,093,333.75
21216-033	ACCREDITATION EXPENSES	4,393,460.00	0.00	4,393,460.00	32,800,000.00	28,406,540.00

  
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21216-034	LABORATORY CONSUMABLES/REAGENTS	893,870.00	1,932,480.00	2,826,350.00	8,300,000.00	5,473,650.00
	GRAND TOTAL	368,098,769.40	195,165,272.18	563,264,041.58	777,295,000.00	214,030,958.42


  
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