

**CENTRE OF EXCELLENCE IN PRODUCTIVE
HEALTH INNOVATION (CERHI)**



**MANAGEMENT LETTER ON THE ACCOUNT
FOR THE PERIOD ENDED 31ST DECEMBER 2024**

**DAVID UGAGBE & CO.
CERTIFIED NATIONAL ACCOUNTANTS & TAX CONSULTANTS**

**CENTRE OF EXCELLENCE IN
REPRODUCTIVE HEALTH INNOVATION**

**MANAGEMENT LETTER ON THE
ACCOUNT FOR THE
YEAR ENDED 31ST DECEMBER, 2024**

**DAVID UGIAGBE & CO.
(CERTIFIED NATIONAL ACCOUNTANTS &
TAX CONSULTANTS)**



DAVID UGIAGBE & CO

Certified National Accountant & Tax Consultants

ACCOUNTING | AUDITING | TAXATION & FINANCIAL MANAGEMENT CONSULTANTS.

82, 1st East Circular Road,
P.O. Box 5758, King Square,
Post Code 300001, Benin City.

08060482528, 09155255979

Ugiagbe425@gmail.com

30th Jan, 2025

The Chairman,
Centre of Excellence in Reproductive Health Innovation,
University of Benin, Benin City
Edo State, Nigeria.

Dear Sir,

MANAGEMENT LETTER ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2024

We have completed our examination of the books and Accounts of your Organization (Centre of Excellence in Reproductive Health Innovation) for the year ended 31st December 2024, and wish to bring to your attention the following points arising there from.

In the course of an audit it is normal that we include in the procedures, tests of the operating system and internal controls, established by management to ensure the accuracy of the Financial Statements presented to us and ascertain their reliability and validity. This report presents findings arising from our audit procedures and communicates weaknesses in Internal Controls, as well as any inaccuracies in the financial statements, which came to our attention during the audit.

An audit is designed principally to enable the expression of professional opinion on the Financial Statements as a whole and not to evaluate internal controls. Because of the inherent limitations of an audit, it is possible that material misstatements in the Financial Statements resulting from errors or fraud may not have been detected. Accordingly, our audit would not necessarily have revealed all conditions requiring attention.

Additionally, our comments address controls and reporting issues only and are not intended to reflect in any way upon the Centre's staff.

Our report addresses the control weaknesses in the year 2024. This is because weaknesses identified in prior years have been addressed.

EXPENSE HEAD

The audit observed that expenditure relating to other expense head were mismatched and wrongly classified. For instance, Account 21216-036 (OPERATING COST), it was observed that some expenditure on staff/personnel cost were listed under this account. Again, the term '*operating cost*' appeared vague and did not connote the intended meaning of the expenditures it represented.

CONSEQUENCES

Misclassification of expenditures could over/under-state its amount on the financial statements. This misstatement could lead to serious error in budgeting for future expenses.

RECOMMENDATION

It is recommended that the right class/category of expenditures be classified in their appropriate expense head so as to obtain a true estimate of that expenditure as at a particular date. also, the class of expenditure called (*OPERATING COST*), best falls under the expenditure head (*SOUVENIR PRODUCTION EXPENSES*).

MANAGEMENT COMMENT

Noted. This will be effected.

COMMENDATION

We commend the entire Management team of Centre of Excellence in Reproductive Health Innovation for sustaining the computerization of the entire operations of the Centre.

This made our job fast as all economic activities for the period were fully captured in an organized manner suitable to aid the flow of information during the Audit.

However, measures should be put in place on a regular basis collectively agreed by Management on the maintenance of this System in order to always get the desired result.

Acknowledgement

We take this opportunity to thank the President and entire staff for their assistance and cooperation received during this year's audit. Should you wish to discuss any of the issues raised with us, we will be pleased to do so at a mutually convenient time.

Yours faithfully,



D. A. Ugiagbe

Bsc [Hons], MBA, FCNA, FCTI, FCIFC, MCFE

Managing Partner

David Ugiagbe & Co.