

**AFRICA CENTRE OF EXCELLENCE ON NEW
PEDAGOGIES IN ENGINEERING EDUCATION
(ACENPEE)
AHMADU BELLO UNIVERSITY, ZARIA**

INTERNAL AUDIT REPORT

Project Internal Audit (IA) Report

Key Information on the Project

Project Name and the Project	Africa Centre of Excellence on New Pedagogies in Engineering Education (ACENPEE)
Project ID	P169064
IDA Credit/Grand	6510-NG
Implementing Agency	Ahmadu Bello University, Zaria
Effectiveness Date	January 29 th , 2021
Closing Date	June 28 th , 2025
Credit/Grand Amount	6,000,000 US Dollars
Project Duration	5 Years
Remaining Period to Closing	18 months
Disbursed Amount to date & Percentage	2,595,336.44 US Dollars, 43.26%
Period Covered by Review	July through December, 2023
Internal Auditor	Nuhu Ayuba

EXECUTIVE SUMMARY

This Internal Audit report is meant to cover the second part of 2023 that is six (6) months period July through December, 2023.

This internal audit report for the period seeks to review and provide assurances that the current existing operational activities and structure is best suited for the system of internal controls which makes the attainment of set project objectives.

Equally, the analysis also tries to ensure the extent of compliance with all the necessary institutional policies, and banks procedures and other mode of operations of the project.

Internal controls over management processes, financial reporting and procedures leads Auditors to write reports as it relates to the operations of the Center as enshrined in the Project Appraisal document as a DLIs.

Payment vouchers were examined as well as cash book, bank statements and bank reconciliation statements. The main reason being that all transactions that are cash in nature need to be posted as and when due as enshrined by the financial regulations.

Access was given to the basic accounting records in the performance of our Audit function which included the implementation plan, annual work plan, annual procurement plan, (to ensure that they conformed with the budget) as to whether they are budgeted when compared to actual. Interim financial report, statement of expenditures, cash advance ledgers and other relevant document were equally examined.

The general activities of the Africa Center of Excellence on new pedagogies in engineering education (ACENPEE) for the period July through December, 2023 have been worthy in light of reviewing payment vouchers to ensure authorization and approvals.

GENERAL OVERVIEW

Below are summarized findings of internal audit review of ACENPEE center for the review period. Particular emphasis was placed on the level of achievements and observed infractions from standard procedures.

FINDINGS

Budgeting

- The project budget planning and drafting process had relevant inputs from wider and most relevant project stakeholders.
- The budget/work-plan was prepared and submitted by the budget committee which was subsequently approved for implementation by the World Bank. The budget performance has been good; budget lines achieved more than 50% fund usage. Moreover, some budget items have been duly executed (e.g. Library tables, Office shelves, printer and air conditioner)
- The budget for the center is usually aggregated in the NUC annual budget for all ACEs in Nigeria.

ACCOUNTING:

- The flexible accounting software deployed for ACE impact project has been effectively in usage.
- The center has maintained proper books of account and other relevant records.

* At present, there is a comprehensive Project Financial Management Procedures Manual that is strictly used by the project which is in conformity with the World Bank standard.

PROCUREMENT.

- The procurement activities are conducted with yearly needs assessment/yearly work plan.
- The procurement was designed in lots within the approved budget.
- National Competitive Bidding (NCB) and National shopping were the procurement methods in used.
- The Centre has procurement committee headed by the Centre Leader that oversees all procurement activities.
- The Centre uses cash advances for some activities that are not definite in cost within the approved thresh-hold.

INTERNAL CONTROL:

The review of internal controls disclosed the following exceptions

- **Regional and International Collaboration:** The Centre is in collaborating with ACE impacts on Education thematic areas that resulted in the establishment of the African Digital Education Network (ADEN).
- **Unretired Advances:** The process of retiring cash advances is unsatisfactory to the large extend. As some beneficiaries are yet to clear their ledger.
- **Ineligible Expenditures:** The review period did not have any ineligible expenditure.
- **Segregation of duties:** The segregation of Individual duties is in place and fully implemented.
- **Stock controls:** The control of stock is satisfactory.

Physical Control: The center-procured equipment and other relevant assets have strict physical control especially in terms of access and usage.

- **Approval and authorization procedures:** The Center Director is the only officer who is saddled with the responsibility of approving and authorizing all payments except if the payment exceeds the approval limit. Then the payment would be referred to the Vice Chancellor for approval.
- **Cost control procedures:** The cost control procedures over projects assets in relation to fueling, repairs and maintenance for project vehicles were well within the approved work plan.
- **Bank Reconciliation:** The bank reconciliation is up to date. However, the issue of services type is yet to be resolve on our TSA account, this prevented services such as school fees, tender fees, consultancy fees and refunds on advances to be paid as Centre Internally Generated Revenue (IGR).
- **Account Staff:** Presently the issue of one additional staff to the Centre's account office is still pending.

RECOMMENDATION:

- The Centre staff with more than two unretired cash advances against them would not be granted any advance until the previous ones where retire.
- The management should try and resolve the issue of services type on our TSA account. This would enhance our revenue generation.

EFFECTIVENESS OF MANAGEMENT OVERSIGHT INCLUDEING COMMITTEES

The management oversight of the Centre includes the following committees:

- Audit Committee with the responsibility of oversight all the books of accounts of the Centre, internal audit observations and coordinating of external audit and also attending to management report.
- Procurement Committee is responsible for the oversight on procurement activities of the Centre.
- Project Management Committee with the responsibility of implementing the Academic activities of the Centre.

FUNDS FLOW.

- The Centre expended the sum of Two hundred and seventy-four million, three thousand, and eighty-seven naira twenty-three kobo only for the period under review (₦274,003,087.23), The Centre received from CBN through NUC/CBN Naira account the sum of One hundred and fifty-three million, six hundred and nine thousand naira only (₦153,609,000.00), for the period under review.
- Also, the sum of five hundred and sixteen thousand naira only (₦516,000.00) was generated as revenue for the period.

FINANCIAL REPORTING:

The requisite interim financial report for the period has been submitted to the world bank by the accountant and are collated and consolidated for onward submission to the World Bank by NUC.

EXTERNAL AUDIT:

The external auditors appointed by the Centre had already audited the Centre's accounts up to 31st December, 2023.

DISBURSEMENT AND SUBMISSION OF WITHDRAWAL APPLICATION (WA)

The Centre's submission for the withdrawal application is submitted to NUC who would write to CBN for the disbursement of the required amount and the NUC aggregate it and sent to the Bank as a report.



Nuhu Ayuba

Project Internal Auditor.