

ABEOKUTA (FUNAAB)

**CENTRE OF EXCELLENCE IN AGRICULTURAL
DEVELOPMENT AND SUSTAINABLE ENVIRONMENT
(CEADESE)**

**DOMESTIC REPORT
FOR THE YEAR ENDED
31 DECEMBER, 2018**



**BENJAMIN AKANJI
OMONAYAJO & CO.**

*(Chartered Accountants)
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Abeokuta, Ogun State,
Nigeria.*

Member FCA Group

**FEDERAL UNIVERSITY OF AGRICULTURE,
ABEOKUTA (FUNAAB)**

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**EXECUTIVE SUMMARY OF AUDITORS REPORTS AND CLIENTS RESPONSE FOR
THE YEAR ENDED 31 DECEMBER, 2018**

S/N	OBSERVATIONS	RESPONSES
2.0	BANK MATTERS	
2.1	OBSERVATION We observed that none of your banks have replied to our bank circularization letters as at the time of writing this report. We also observed that bank statements for TSA dollar account for the months January to April, 2018 and August to December, 2018 were not provided for our review. We observed that there were some long outstanding items in the bank reconciliation statement of the centre.	The Centre has dispatched the circularisation letters to all our banks and evidences were made available to your office and as well attached to this response. The Centre had equally reminded them and we are hopeful that soonest your request will be acceded to.
2.2	IMPLICATION Lack of reply to our bank circularization letters denied us third party confirmation of your bank balances as at 31 December, 2018. Lack of bank statement denied us carrying out audit review of bank transactions for the affected periods. Long outstanding items in the bank reconciliation of the centre is an indication that post reconciliation procedures are not properly done.	On the TSA Dollar Domiciliary account statement, the Central Bank of Nigeria (CBN) is the Custodian of this account and statements are only issued at the headquarter in Abuja. They are made available to us only at intervals on Bursar's visit. Even at that, the Bursar is not relenting in ensuring improvement on the prompt availability of the account statement. The Centre has made a considerable effort on reconciliation items in the course of the year as the items were much more at the outset of the year.
2.3	RECOMMENDATION We recommend that the Centre gets in	Continuous effort is being made to

	<p>touch with the affected banks to ensure that our letters are replied to.</p> <p>We also suggest that the Centre ensures that bank statements are collected for all the bank accounts. All long outstanding items in the bank reconciliation should be looked into with a view to resolving them and passing necessary entries into the records of the Centre.</p>	<p>ensure all the items are fully taken care.</p>
<p>3.0.</p> <p>3.1.</p> <p>3.2</p> <p>3.3</p>	<p>PROPERTY, PLANT AND EQUIPMENT REGISTER</p> <p>OBSERVATION</p> <p>We observed that the property, plant and equipment register of the Centre was not comprehensive enough as information like Officer the asset was allocated to, current operational condition of the asset were not in the register.</p> <p>IMPLICATION</p> <p>A non-comprehensive property, plant and equipment register will led to poor monitoring of the property, plant and equipment of the Centre which could lead to loss or conversion of the PPE to personal use.</p> <p>RECOMMENDATION</p> <p>We recommend that the property, plant and equipment register of the centre</p>	<p>The Centre believed that all the crucial information required by the design of a good asset register was provided in the register. Information like asset location, serial number, asset class, depreciation rate, etc. Were all in the register. Also, it should be noted that assets are not attached to individuals but, departments, colleges and units. Impliedly, the heads, deans or directors of such departments, colleges and units are the custodians and are answerable to any question concerning the assets.</p>

	<p>should be updated to ensure that all information for proper monitoring and control of the property, plant and equipment of the Centre is included in the register.</p>	
4.0.	BUDGET PERFORMANCE	
4.1	OBSERVATION	
	<p>We observed that the expenditure budget performance of the Centre was 41.6% during the year under review.</p>	<p>The centre's total budget for 2018 was ₦749,612,636.14k out of which a total sum of ₦311,592,100.96k was expended in assets and recurrent expenses. This represents 41.60% of the total budget and an improvement on the 31% recorded in 2017. The centre had continually strived to improve on budget performance in the face of stringent government regulations, rules and procedures most especially public procurement act of 2007 in order to permit transparency, accountability and probity in the use of project fund.</p>
4.2	IMPLICATION	
	<p>Low budget performance will not allow the Centre fully achieve its aims of reconstructing education at the post graduate level so that Universities can train graduates relevant to industry needs and national/regional developments</p>	
4.3.	RECOMMENDATION	
	<p>We recommend that the Centre ensures that its budget performance is increased to enable the Centre achieve the aim of setting it up.</p>	

**DETAILED DOMESTIC REPORT
FOR THE YEAR ENDED 31 DECEMBER, 2018**



8 May, 2019

The Vice Chancellor,
Federal University of Agriculture,
Abeokuta (FUNAAB),
Alabata, Abeokuta,
Ogun State.

Dear Sir,

**DOMESTIC REPORT ON AUDITED ACCOUNTS FOR THE YEAR ENDED
31 DECEMBER, 2018**

1.0 INTRODUCTION

Having completed the audit of Centre of Excellence in Agricultural Development and Sustainable Environment (CEADESE) for the year ended 31 December 2018, we wish to bring to your notice our observations, comments and recommendations for your consideration and necessary action. It is highly essential to emphasize that our observations were based on the audit test carried out on your CEADESE's records which were primarily designed to enable us form opinion on the accounts.

The report, therefore, outlines only those weaknesses discovered in the course of the audit and should not be taken as having brought to light all the weaknesses that might have existed in the system of internal control and accounting practice which only specific investigation would be required to uncover.

The contents of this report have been discussed with the Principal Officers of the Centre.

2.0 BANK MATTERS

2.1 OBSERVATION

We observed that none of your banks have replied to our bank circularization letters as at the time of writing this report. We also observed that bank statements for TSA dollar account for the months January to April, 2018 and August to December, 2018 were not provided for our review.

We observed that there were some long outstanding items in the bank reconciliation statement of the centre.

2.2 IMPLICATION

Lack of reply to our bank circularization letters denied us third party confirmation of your bank balances as at 31 December, 2018. Lack of bank statement denied us carrying out audit review of bank transactions for the affected periods.

Long outstanding items in the bank reconciliation of the centre is an indication that post reconciliation procedures are not properly done.

2.3 RECOMMENDATION

We recommend that the Centre gets in touch with the affected banks to ensure that our letters are replied to.

We also suggest that the Centre ensures that bank statements are collected for all the bank accounts. All long outstanding items in the bank reconciliation should be looked into with a view to resolving them and passing necessary entries into the records of the Centre.

