

MINUTES OF THE MEETING OF AUDIT COMMITTEE ON FINANCIAL ACCOUNTABILITY IN AGRICULTURAL CENTRE OF EXCELLENCE (ACE) PROJECTS: CENTRE FOR EXCELLENCE IN AGRICULTURAL DEVELOPMENT AND SUSTAINABLE ENVIRONMENT (CEADESE) CASE HELD ON FRIDAY, MAY 3, 2019.

1.0 MEMBERSHIP

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| 1. Prof. C. O. Adeofun, Council Member | - Chairman |
| 2. Prof. W. O. Alegbeleye, Dean, PG School | - Member |
| 3. Prof. O. D. Akinyemi, Director, CEADESE | - Member |
| 4. Mr. Chukwunwike Ezekpeazu, Bursar | - Member |
| 5. Mr. O. O. Amubode, Director, Internal Audit | - Member |
| 6. Mr. A. J. Olusanwo, Deputy Bursar II | - Member |
| 7. Mr. S. A. Dada, Academic Planning | - Secretary |

2.0 OPENING

The meeting commenced at 10.15 am with the opening prayer offered by the Chairman, Prof. C. O. Adeofun. The Chairman welcomed all to the meeting. He expressed gratitude to the Director, CEADESE, Prof. O. D Akinyemi for facilitating the retreat for the Audit Committee on January 16 and 17, 2019. He also thanked other members of the Committee who made necessary arrangements to make the retreat held at Ibadan a reality.

3.0 DOMESTIC REPORT ON 2018 AUDITED ACCOUNTS

Mr. A. J. Olusanwo presented the observations made by the External Auditors in their Domestic Report. These observations were on

- i. Non-response of Centre's bankers to Auditors' bank circularization letters, in order to have access to the Centre's accounts; and non provision of TSA Dollar account statement for part of the period being reviewed by the Auditors. Also, there were some long outstanding items in the bank reconciliation statement of the Centre that had not been resolved;
- ii. Property, Plant and Equipment Register of the Centre was said to be not comprehensive enough because there were no information on the officers that assets were allocated to and current operational condition of the asset; and
- iii. The expenditure budget performance of the Centre during the year under review, being just 41.6%. It was noted that the low budget performance will not allow the Centre to fully achieve its aim.

The Centre responded to each of the observations.

It noted that the circularisation letters were dispatched to the banks. They were also sent a reminder; hopefully the request would be acceded to. The TSA Dollar Domiciliary account

statements are issued only at the CBN, Abuja and made available to the Centre at intervals on Bursar's visit. That the Bursary was making efforts at prompt delivery of the statements. On the long outstanding items to be reconciled, the Centre is said to have made considerable efforts and will ensure all items are fully reconciled.

On the observation made on property, plant, equipment register, the Centre noted that all the needed details were provided in the register. Also, the items issued out were attached to Departments and Units and are to be accounted for by the Heads of such Sections. There is therefore no need for individual users' details in the register as observed.

Finally, the 41.60% expenditure budget performance is an improvement over 31% recorded in 2017. The Centre stated that it continually strives to improve on the budget performance, even though it is confronted with stringent government regulations and procedures, most especially Public Procurement Act of 2007.

Commenting, the audit committee members advised that the Centre should obtain the statements from banks directly from banks and present same to the auditors. Also, it will be worthwhile to specifically sponsor the Bursar to Abuja to obtain the TSA Dollar Domiciliary account statement. This would take care of the observations on non access to information from banks, which is now a recurring observation in the External Auditors' report.

Speaking further on the observed low expenditure budget performance, the Centre Director gave instance of an equipment, the supply of which was done by a supplier who was the most responsive bidder, only to discover through investigation from the manufacturer of the product that what he brought was an outdated equipment that had been re-coupled. He was thereafter asked to remove the equipment. In this instance, the re-supply of the equipment will have to go through another procurement process and therefore slow down the budget spending. Be that as it may, he notified the Committee of some steps taken by the Centre to fast track its project execution process. He particularly informed the Committee of major projects bothering on re-roofing of the CEADESE building that houses the Centre's laboratory equipment, library, and students' PC room, as well as also serves as the Centre's office.

3.1 2018 ANNUAL REPORTS AND ACCOUNTS

The 2018 Annual Reports and Accounts were presented by Mr. A. J Olusanwo, Deputy Bursar II. He took the Committee through the Report page by page, giving details of the notes as contained therein. The Report he noted, showed improvement in the Centre's expenditure budget performance in comparison with the 2017 budget performance. A low surplus of ₦47,830,983 was recorded as against ₦189,984,157 in 2017. This showed an improved expenditure budget performance.

Also, the opinion of the Auditors did not give adverse report on the Centre, as the books of accounts were said to have given a true and fair view of the state of the affairs as at 31 December, 2018.

4.0 AOB

4.1 Technical Support Mission Report

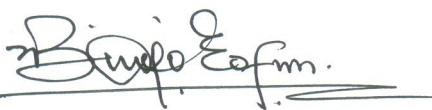
The Centre Director circulated copies of Technical Support Mission (TSM) Report for CEADESE for this year. The focus of the supervision mission was to get an overview of the progress made since the last visit in November, 2018; and also to help CEADESE position itself for a future without the substantial core funding from the government through the World Bank loan. The report highlighted the major achievements of the Centre as including the following:

- i. FUNAAB has become the first Public University in Nigeria to achieve International Accreditation of four of CEADESE Post graduate programmes (Three Master and one Ph.D), out of twelve programmes submitted. Four programmes are pending final decision, while four were refused due to absence of already purchased laboratory equipment, but whose delivery is awaiting verification of specification;
- ii. Organisation of major short term training events including a 186 participants Bilingual Presentation and Innovative Teaching and Learning Trainers at CEADESE;
- iii. CEADESE anticipates to shortly receive 1.3 million USD for verified DLIs mainly from Accreditation and Construction;
- iv. CEADESE obtained "BPP no Objection" for selective tendering and had equally submitted a list of large projects to the World Bank as requested. Construction of experimental units for animals and renovation, equipping and operation of laboratories, offices, library and students' PC room within CEADESE complex; and
- v. Also of note, is the CEADESE one large project item to reroof the CEADESE complex and expand a laboratory. The Centre is reported to have received a "WB no Objection" for the procurement contract.

Also highlighted in the report are the challenges confronting CADESE and the suggested solutions. It was noted that provided cash flow problems are solved, the Centre seems to be able to fully utilize the opportunities of striving for excellence that the ACE I program provided.

MOTION OF ADJOURNMENT

The meeting was brought to a close at 12.30 pm following a motion by Prof. W O. Alegbeleye and seconded by Mr. A. J. Olusanwo.



Professor C.O. Adeofun
Chairman



Mr. S.A. Dada
Secretary