



NATIONAL OPEN UNIVERSITY OF NIGERIA

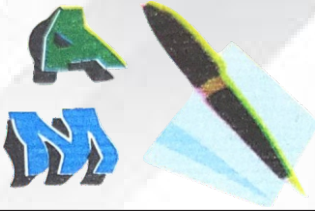
**AFRICA CENTRE OF EXCELLENCE ON TECHNOLOGY
ENHANCED LEARNING (ACETEL)**



DOMESTIC REPORT FOR THE YEAR ENDED 31ST DECEMBER, 2024

AFOLABI MATI & CO
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January 28, 2025

The Director
National Open University of Nigeria (NOUN),
Africa Centre of Excellence on Technology Enhanced Learning (ACETEL)
Jabi, Abuja Nigeria

DOMESTIC REPORT ON THE AUDIT OF FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024

We have just concluded the audit of your financial statements for the financial year ended December 31, 2024. As part of our responsibilities as External Auditors we have put together, in this letter, the weaknesses that came to our attentions in the course of our assignment.

We have provided recommendations for each of the weaknesses observed and we urge management to implement the recommendations as much as possible.

The following are the weaknesses so observed

Yours faithfully

Afolabi Mati. *Managing Partner*



ADMIN EXPENSES	1.0
PAYMENT VOUCHER SUPPORTING DOCUMENTS	1.1
FIXED ASSET	2.0
FIXED ASSETS SCHEDULE	2.1
BANK BALANCES	3.0
BANK RECONCILIATION	3.1
BANK CONFIRMATION	3.2

1.Admin Expenses

1.1.Payment voucher supporting documents.

Observation:

We noted that Payment voucher supporting documents were, in some instances incomplete.

Implication/Effect:

This may create the impression that the payment was not fully justified.

Recommendation:

Management Response:

The payment vouchers supporting the documents are filed in folders. It is just that some of those payment vouchers tear off from the file in the course of movement and usage of the files from one location to other, due to constant use by relevant persons in the course of their official duties.

However, we will device a more secured measure to ensure that the documents do not tear off from the files.

2. FIXED ASSETS

2.1. FIXED ASSET SCHEDULE.

Observation:

We noted the fixed assets schedule was not presented in an appropriate manner. Assets cost were presented at adjusted amounts rather than at historical cost, and the corresponding depreciation to the date of reporting.

Implication:

Without asset schedule, depreciation calculations may be difficult, most likely producing wrong depreciation amounts.

Recommendation:

Fixed asset register should be opened, on excel, to facilitate correct yearly depreciation calculations.

Management Response:

Fixed assets schedule is already in existence, programmed in excel, with depreciation calculations and very functional. It was sent to the Auditor through email, and has been resent to the Auditor for perusal.

3. BANK BALANCES

3.1 Bank Reconciliation

Observation

The accounting system does not permit the direct reconciliation of the cash book balance with the bank statement balance at the end of the year.

Implication

There is no adequate internal control over bank transactions.

Recommendation

Only transactions relating to ACETEL should be made through the bank so as to make it possible to reconcile it with the cash book which only records ACETEL transactions.

Management Response

This is noted. The challenge before now is that ACETEL operational transactions from the operational bank account, and sustainability transactions from the Sustainability bank account are joined together in the operational account due to the fact that the Central Bank of Nigeria (CBN) is yet to perfect our use on the sustainability bank account, after several attempts.

The issue with account reconciliation is that monies meant to be in the sustainability bank account are paid into the operational bank account, thereby creating a difference in figure, on the balance in the cashbook and the balance as per bank statement.

Effort will be intensified to get the sustainability bank account perfected, to enable separation of funds from the operational bank account, and easy bank reconciliation. This challenge did not affect internal control over the bank transactions.

We will continue to take every necessary measure to ensure improvement in our operations, and strengthen internal control measures.

3.2 Bank Confirmation

Observation

We experienced delay and sometimes no response to our confirmation letters from the Central Bank of Nigeria (CBN). We do not receive alternative confirmation for the balances in ACETEL books at the time of issuing our report.

Implication

There is no audit evidence to support the authenticity of the bank balances both from our substantive tests and alternative procedure

Recommendation

Confirmation letters should be sent early and proper follow up made with the Central Bank of Nigeria (CBN).

Management Response

We promptly sent a circularisation letter from the Auditors to the CBN, as soon as possible, requesting CBN to respond to the Auditor through their address and email, on ACETEL bank accounts balances, and the acknowledgement copy of letters were given to the Auditor. The letter is expected to be sent directly from the CBN to the Auditors address or email and as such, ACETEL do not have control over it. CBN process only allows customers to submit request letters at the reception, and acknowledgement copy given. It is very difficult for one to gain entrance into the offices for follow up of letters submitted.



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January 31, 2025

The Director, ACETEL
National Open University of Nigeria
University Village, Plot 91, Castral Zone
Nnamdi Azikwe Exp. Way, Jabi, Abuja

Dear Sir/Ma

**DOMESTIC REPORT ON THE AUDIT OF
2024 FINANCIAL STATEMENT**

We refer to our domestic report on the Audit of year 2024 Financial statements and your subsequent responses.

We are pleased to inform you that we are satisfied with your responses.

Yours faithfully,

rs taimuny,



Afolabi Mati

Managing Partner

