

**22<sup>h</sup> June, 2023.**

**The Provost,  
Federal College of Education,  
Okene,  
PMB 1026 Okene,  
Kogi State,  
Nigeria.**

**Dear Sir,**

**MANAGEMENT REPORT ON THE FINANCIAL STATEMENTS OF  
FEDERAL COLLEGE OF EDUCATION, OKENE FOR THE YEAR ENDED  
31ST DECEMBER 2022.**

We are glad to inform you that we have completed the audit of **Federal College of Education, Okene's** financial statements for the year ended 31<sup>st</sup> December, 2022. Accordingly, we wish to bring to your attention certain matters, which came to our notice during the audit, together with our recommendations thereon.

It should be appreciated that the matters dealt with in this Management Report are issues which came to our attention during the conduct of our normal audit procedures which are designed primarily to enable us evaluate the systems and controls instituted by the College and compliance, with a view to advising the Management. Subsequently, this enabled us to express opinion on the financial statements of the College.

It is pertinent to state that our examination of the Accounts and Internal Control procedures were carried out on a test basis and should, therefore, not be expected to disclose all the irregularities that a special audit can reveal. However, in the course of audit, we did not discover anything that warrants such a special audit in the affairs of the College.

During the course of our audit, we maintained close contact with your Staffs and briefed them of our findings and recommendations as and when they arose.

## **EXECUTIVE SUMMARY**

We have completed the audit of the College's financial statements for the year ended 31<sup>st</sup> December, 2022 which have been prepared and presented by the Management in accordance with the relevant provision of the financial regulations of Federal Republic of Nigeria.

In planning and performing our audit which was in accordance with Generally Accepted Auditing Standards (GAAPS), we considered the College's internal control structure in order to determine our audit procedures for the purpose of expressing an opinion on the financial statements and not to provide absolute assurance on her internal control structure.

It is the responsibility of Management to establish and maintain the internal control structure of the College.

### **Preparation of Financial Statements**

It is the absolute responsibility of the Management to prepare the financial statements of the College.

### **Management Responsibility**

Management is responsible for establishing and maintaining an effective internal control structure. In fulfilling this responsibility, estimates and judgements made by Management are required to assess the expected benefits and related costs of internal control policies and procedures.

Also, to identify and ensure compliance with relevant standards; coupled with extant regulations in the conduct of College operations.

### **Methodology and Approach**

In order to achieve the objective of our mandate, we planned and performed the audit in such a manner which enabled us to:

- Review the system of internal control and accounting.
- Perform such tests on transactions to confirm that the system put in place are operating satisfactorily.
- Compare the financial statements with the underlying records, books of account and schedules

- Consider the account vis-à-vis the requirements of the enabling laws and relevant statements of standard accounting practice.

During the course of the audit, we obtained relevant records, documents, memoranda and correspondences, as we considered important to assignment. We also obtained from relevant Accounts Personnel, explanations on matters and/or issues that require clarifications.

## **REVIEW OF LAST YEAR MANAGEMENT REPORT**

### **Compliance with Previous Recommendations**

#### **Observations:**

We have reviewed the 2021 domestic report of the College with a view to determine the level of compliance with recommendations thereon.

However, the level of compliance with previous year's audit observations and recommendations are commendable.

#### **Implications:**

This will bring about improvement in the accounting system thereby enhancing effectiveness and efficiency in the system.

#### **Recommendation:**

We recommend further improvement in the system by organising more training & seminars for the staff.

## **ACCOUNTING / FILLING SYSTEM**

#### **Observation**

During the course of our review, we noted an excellent performance in the accounting system of the College.

#### **Recommendation**

We advise that the Management should keep it up for more improvement.

We also recommend continuous training programme and seminars for the accounts department personnel to keep them abreast of the current trend in the accounting profession.

## **INTERNAL AUDIT DEPARTMENT**

### **Observation**

We commend the effort of Audit Personnel of the College for the incredible performance in the preparation of report and ensuring the strict compliance of policies and procedures instituted by the College during the year under review.

However, regular training should be considered for more effectiveness in the College's internal control mechanism.

### **Recommendation**

We recommend that the above should be looked into for further improvement in the internal control system. In the same vein, the internal audit unit of the College should be encouraged for more effectiveness and efficiency in the discharge of their functions by exposing them to modern practices, through attendance of seminars and conferences with a view to enhancing internal control.

## **STORE RECORDS**

Inventory is measured at cost upon initial recognition. The cost of the inventory is its fair value at the date of acquisition.

We noticed a remarkable improvement in the store during the year under review.

**Implication**

It brings about more improvement and also enhances the efficiency in the system.

**Recommendation**

We recommend further improvement in the store so as to make the system to be more effective and reliable.

**CASH BOOK, VOUCHERS & FIXED ASSET REGISTER.**

**During the course of the Audit exercise, it was observed that the records for the above were properly maintained.**

**Implication:**

**This will aid transparency and ease of accessing information in the future.**

**Recommendation**

**The above should be sustained for further improvement.**

## **Disclaimers**

This report has been prepared by Dimeji Olatubosun & Co.; a Nigerian independent firm of Chartered Accountants and is in all respects subject to the negotiation, agreement, and signing of a specific engagement letter or contract.

Unless otherwise specifically state in the engagement letter, any advice or opinion (deliverable relating to the provision of this service is provided solely for the use and benefit of Federal College of Education - Okene.

Should you wish to disclose or refer to such deliverable in any way, including but not limited to any publication on any electronic media, to any third party, you are required to notify such third party of the fact that the said deliverable has been provided to you for your sole use and benefit and is based on specific facts and circumstances provided by you and pursuant to Dimeji Olatubosun & Co standard, terms and conditions of service.

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**Appreciation**

We wish to thank the Management for the opportunity given to us to serve in this capacity. We also appreciate the staff of the College for the cooperation extended to us during the audit exercise.

Yours faithfully,

**Dimeji Olatubosun & Co.**

**Biola Olawoore**

**Engagement Partner**