

Olufela Sokenu & Associates

(Chartered Accountants)

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The Center Leader
Covenant Applied Informatics & Communications-
Africa Centre Of Excellence (CAPIC-ACE)
Covenant University Ota

COVENANT APPLIED INFORMATICS & COMMUNICATIONS-Africa Centre of Excellence (CAPIC-ACE)

Management Letter: Audit on the Financial Statements for the Period Ended 31st December 2023

We have completed the audit of the financial statements of the above organization for the year ended 31st December 2023 and set out in the accompanying domestic report are matters which came to our attention during the audit together with our recommendations for improvement in the accounting systems and internal controls.

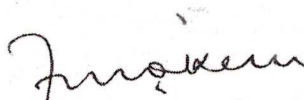
It must be appreciated that matters dealt with in this report came to light during the conduct of our normal audit procedures which are designed primarily to enable us to express our opinion on the operating effectiveness of controls of the project and therefore cannot be expected to include all possible improvements in the system of accounting and internal controls which a more extensive examination might reveal.

During the audit, we maintained close contact with your staff and briefed them on our findings and recommendations as and when they arose. It is possible that some of the issues raised have already been addressed. It is the responsibility of the management to establish and maintain the internal control structure of the project. You should assess the recommendations for improvement in line with their full commercial implications before they are implemented.

This report has been prepared solely for your use as management.

No responsibility to any third party is accepted as the report has not been prepared and is not intended for any other purpose.

Yours faithfully



for: Olufela Sokenu & Associates

1) OBSERVATION- TIMING OF AUDIT

Limited audit time frame.

Control Risk Issues & Possible Consequences

- This does not allow for detailed test procedures

Recommendation

- Start the audit process as early as possible.

Management Response

This is noted for subsequent audit exercise

2) OBSERVATION- PROCUREMENT DOCUMENTATION

It was observed that procurement documents were not separated from other expenditure documents. Procurement documents related to acquisition of goods and services while expense documents reflect costs incurred.

Control Risk Issues & Possible Consequences

- It makes it difficult to follow through the procurement process
- Disputes may not be resolved easily
- Waste of audit time

Recommendations

- Procurement file should be kept separately to show the contracts, terms and conditions of contract, purchase orders, SRVs, GRNs etc

Management Response

The procurement file is separated in different file but for the purpose of the audit we collated all the documents together, however, henceforth we will leave the document in a separate file as it is.