

# REPORT

GLOBAL PARTNERSHIP FOR EDUCATION –  
NIGERIA PARTNERSHIP FOR EDUCATION PROJECT  
MANAGEMENT LETTER FOR THE YEAR ENDED  
31<sup>st</sup> DECEMBER 2017



**NAMADI, UMAR & CO.**

(Chartered Accountants)

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**FOR EDUCATION PROJECT**  
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(Chartered Accountants)

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1<sup>st</sup> June, 2018

Dear Sir,

**GLOBAL PARTNERSHIP FOR EDUCATION - NIGERIA PARTNERSHIP  
FOR EDUCATION PROJECT  
MANAGEMENT LETTER FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2017**

We have completed the audit of the accounts for the period ended 31<sup>st</sup> December, 2017 and set out in the accompanying letter matters which came to our notice during the audit together with our recommendations for possible improvement on the weaknesses in the accounting system and internal controls.

It must be appreciated that the matters dealt with in this letter came to light during the conduct of our normal audit procedures which are designed primarily to enable us express our opinion on the accounts of the board and therefore cannot be expected to include all possible improvement in the system of accounting and internal control which a more detailed examination might reveal. During the course of our audit, we interacted and maintained a close contact with your officers and briefed them at different intervals of our findings and recommendations as and when they arose.

This report is solely prepared for your use as members of Project Management and should not be quoted or referred to in whole or part without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared and is not intended for any other purpose.

We seize this opportunity to express our appreciation for the cooperation and assistance we received from all your staff in the course of our audit.

We shall be obliged to give any assistance you may require in implementing our recommendations.

*Yours faithfully.*

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**MANAGEMENT TEAM'S RESPONSIBILITY, OBJECTIVES AND LIMITATIONS**  
**OF THE INTERNAL CONTROL STRUCTURE.**

**Directors Responsibility:**

The Project Management team are responsible for establishing and maintaining the internal control structure. In fulfilling this responsibility, estimates, and judgment by them are required to access the expected benefits and related costs of internal control policies and procedures.

**Objective**

The objective of an internal control structure is to provide the Management team with reasonable but not absolute assurance that assets are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with the team's authorization and recorded properly to permit the preparation of the financial statements in accordance with generally accepted accounting principles.

**Limitations**

Due to inherent limitations in any internal control structure, errors or irregularities may occur and may not be detected. Also projection of any evolution of structure for future periods is subject to risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

**The major limitations are:**

- a. Controls usually provide reasonable rather than absolute assurance that their objectives will be accomplished. This is primarily because the cost of an internal control should not exceed the benefits to be derived from it.
- b. The effectiveness of the control is ultimately dependent on the people performing them.
- c. Any control designed to ensure the execution and recording of transactions may be ineffective against errors or irregularities perpetrated by the management. Because of their authority to establish controls, the company's management can easily override them.
- d. Procedures may become inadequate due to changes in conditions, and compliance with them may therefore deteriorate.

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**1.0 BANK RECONCILIATION**

**Observation**

The audit exercise revealed that the management of the Project does not reconcile their bank statement with it cash book as at when due.

**Possible Risk**

- It may lead to loss of fund.

**Recommendation**

Effort should be made by the management to be reconciling its account on a regular basis.

**Management Response**

Noted