

NATIONAL UNION OF GHANA STUDENTS (NUGS) - CHINA

C/o Embassy of The Republic of Ghana |
8 San Li Tun Road Beijing 100600 P.R China |



| www.nugschina.org
| committee@nugschina.org

AUDIT COMMITTEE

OUR REF : VCMJ-AC-20/21-

Date: July 24, 2021

YOUR REF : NC-AC-20/21-050

TO: 33rd Delegates Congress

AUDIT REPORT 2020/2021 ACADEMIC YEAR

We have completed an audit of *The National Union of Ghana Students - China (NUGS-CHINA)* 2020/2021 financial statement and the final report is attached for your reference. The audit was conducted in accordance with the Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing*.

We have included in the report our recommendations for the next Delegates congress and other Financial Controllers of all chapters of NUGS -CHINA.

Sincerely,

Paulette Serwaa Amaniampong

Chairman

National Audit Committee

Millicent Dawukie Dor

Secretary Audit

National Audit Committee

Cc: National Executive Committee

National FC

All Chapter FC

INDEPENDENT AUDIT COMMITTEE REPORT (2020/2021)

We have audited the accompanying financial statement of the National Union of Ghana Students (NUGS) China, for the 2020/2021 academic year, which comprise the statement of revenue, expenses, and reconciliation of retained earnings - the statutory basis for the year then ended, and the related notes to the financial statements.

Management's (NEC) Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the union. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Audit Committee Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted and the audit requirements as prescribed by the union. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. Moreover, we are also to make recommendations on any other matter incidental to this request.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the committee members' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the audit committee considers internal control relevant to the entity's preparation and fair presentation of the financial statements to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

Emphasis of Matter

The audit was conducted without access to the bank statement which is currently a personal account for the financial controller to validate payments and receipt. That notwithstanding FC gave a screenshot of the available balance for the ICBC account. We were unable to attain evidence of balance on the BOC account.

Basis for Qualified Opinion

We were unable to get evidence supporting the national shipment amount of RMB 30,553.50. This misstatement is material but not pervasive. Further investigation is required for our satisfaction

Opinion

In our opinion, the financial statements give a true and fair view of the financial transactions of the NUGS CHINA during the year ended July 2021 except for shipping payments and the financial position of NUGS China July 2021 and of the organization's cash flows for the year then ended in accordance with International Financial Reporting Standards. (IFRS)

Paulette Serwaa Amaniampong

Chairman

National Audit Committee

Millicent Dawukie Dor

Secretary Audit

National Audit Committee



Recommendations

- Sponsorship funds received should be filed and receipt should be given to donors
- The audit committee should be appointed on time in line with the constitutional stipulated one month to provide ample time for a thorough investigation. In our case, we had less than a week to conduct the audit
- There should be a specific time in the programme outline at congress for audit committee reports
- All accounts from chapters should be audited, in event of no local chapter, an audit team arrangement should be in place for it to be audited by another local chapter audit team or national audit team.
- A thorough bank statement is essential for reconciliation. We recommend FC to have at least two accounts with one account designated for NUGS accounts.
- The bank statement should be printed and filed at least monthly or quarterly.
- The same reporting format (excel) should be made available to all chapters.
- Recommend general meeting of the national audit with all Chapter FC and audit teams
- For continuity, we recommend at least one of the audit members of the past committee stay in for the next team to ensure recommendations are materialised. (review of the constitution)
- Audit to have access to the payment portal to validate payments between chapter FC's and National FC



