

**MANAGEMENT REPORT
FOR THE AUDIT OF
FEDERAL UNIVERSITY OF TECHNOLOGY, MINNA
FOR THE YEAR ENDED 31ST DECEMBER, 2025**



HARUNA YAHAYA & CO.

(Chartered Accountants & Tax Practitioners)

A member of
mgiworldwide

Corporate Head Office:
Ahmadu Bello House
Shiroro Road
P.O Box 2994
Minna
Phone: +2348030612115

Kaduna Office:
4th Floor, Hamza Zayyad House
No.4 Muhammadu Buhari Way (Waff Road)
P.O Box 8607
Kaduna.
Phone: +2348034495567

Lagos Office:
No. 21 Tafawa Balewa Crescent
Off Adeniran Ogunsanya Street
P.O Box 3043 Surulere
Lagos.
Phone: +2347061806818

Abuja Office:
No. 20, Victoria Ironsi Crescent
Gwarinpa II Estate
Abuja.
Phone: +2348034547524

Table of Content

Contents	Page
Management Letter	2
Scope of Our Review	3-5
Findings & Observations	6-15

BN 986979

CORPORATE HEAD OFFICE:
Ahmadu Bello House,
Shiroro Road,
P.O Box, Minna.
Tel: 08030612115

LAGOS OFFICE:
No. 21, Tafawa Balewa Crescent,
off Adedinran Ogunsanya Street,
P.O. Box 3043, Surulere, Lagos
Tel: 07061806818, 08034547524

ABUJA OFFICE:
No. 20, Victoria Ironsi Crescent,
Gwarinpa II Estate, Abuja.
Tel: 08034547524

KADUNA OFFICE:
4th Floor, Hamza Zayyad House,
No. 4 Muhammadu Buhari Way,
P.O. Box 8607, Kaduna.
Tel: 08078490825, 08034495567

e-mail: infohq@harunayahaya.org
website: www.harunayahaya.org

27th April, 2026.

Vice Chancellor,
Federal University of Technology,
Gidan Kwano,
Minna, Niger State.

Attention: Bursar,

Dear Sir,

MANAGEMENT LETTER FOR THE YEAR ENDED 31ST DECEMBER, 2025

We are conducting the audit of the financial statements of the Federal University of Technology Minna, for the year ended 31st December, 2025.

The purpose of this letter is to use our knowledge of the University to provide useful preliminary comments and observations for your consideration.

Our audit procedures are designed to enable us to express an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with International Auditing Standards (ISAs). The controls tested during our audit were based on their relevance to the financial statements and not to express an opinion on the effectiveness of internal controls.

An audit does not identify all matters that may be relevant to the management of the university. The management should not assume that reports from us indicate that there are no additional matters they should be aware of in meeting their responsibilities, nor does this letter absolve them from taking appropriate action to meet their responsibilities.

We shall be pleased to discuss any of the matters raised further. We would like to take this opportunity to thank the management and staff of FUT for the help and assistance provided to us in the course of our audit.

Yours sincerely,



Maryam Haruna, FCA
FRC/2018/ICAN/00000017781

1. a SCOPE OF OUR REVIEW

We have completed the audit of the University's Financial Statements for the year ended 31st December, 2025 in accordance with the terms of our engagement letter.

During our audit, we examined the University's records and all aspects of the University's accounting and internal control systems.

Overall Assessment

On the basis of our audits we have summarized our assessment as follows:

- We consider the implementation of control measures by the University as adequate
- Material adjustments identified were discussed and agreed with those in charge of the accounting records.
- We found no deviation to any accounting standards.
- Details on the findings and recommendations may be found in section 2 (details findings and recommendations - 2025).

Issues that require urgent attention

The following is the summary of issues and areas that require urgent attention in our opinion

- University Security Department.
- Hostel Environment
- University's Clinic and other Departments/ units.

1. b OPERATING RESULT

	2025 ₦	2024 ₦	% Increase/ Decrease
OPERATING REVENUE			
Recurrent Grants	11,936,327,782	7,879,709,838	51.48
Other Grants	-	-	-
Students` Fees and Charges	4,381,725,714	2,477,499,432	76.86
Other Income	130,949,511	178,993,463	(26.84)
Total Revenue	16,449,003,007	10,536,202,732	56.12
Less:			
OPERATING EXPENSES			
Staff Cost	11,984,405,070	7,983,300,214	50.12
Academic Expenses	942,915,316	521,703,923	80.74
Administrative Expenses	1,807,253,636	1,214,137,366	48.85
Remittance to Consolidated Revenue Fund	15,059,742	-	100
Depreciation Charge	1,441,344,261	1,148,185,815	25.53
Total Expenditure	16,190,978,024	10,867,327,318	48.99
Net Surplus/(deficit) from Operating Activities	258,024,983	(331,124,586)	(177.92)
Non-Operating Revenue (Expenses)			
Gain/Loss on Disposal of Assets	2,753,000	3,200,000	(13.97)
Net Surplus/(Deficit) for the year	260,777,983	(327,924,586)	(179.52)

The total revenue for the year ended 31st December, 2025 increased by 56.12% when compared to the corresponding year ended 31st December, 2024. This includes the University's Internally Generated Revenue (IGR) this consists of students` fees and charges increased by 76.86% and other income which decreased by (26.84%) respectively. Similarly, the expenditures for the same period increased by 48.99% when compared to the figure for year ended 2024, this resulted in an overall decrease of (179.52%) in the deficit for the year in comparison to 2024

The increase in revenue shows the managements` improved efficiency in utilization of the University`s resources. This is commendable and should be upheld and updated by blocking revenue leakages and tracking activities on periodic basis.

EXPENDITURES TO WATCH

	2025	2024	INCREASASE
	₦	₦	%
SIWES Supervision	57,679,417	51,614,890	12
Electricity Expenses	568,133,076	321,906,473	76
Printing of ID cards	295,562,996	2,609,500	1122
Refreshment & Meals	69,504,380	52,345,030	33
Welfare Packages/Hospitality	150,727,786	92,771,850	62
Maintenance of Plant/Generator	89,059,906	18,421,468	383
Printing & Stationeries/ Computer consumable	176,469,522	85,502,430	106
Drugs and Medical supplies	141,261,809	113,639,725	24
Official Ceremonies	107,995,688	98,818,988	9

From the above some of the expenditures that increased significantly during the period under review ranging from 9% to 1,122%, we recommend that the management should watch out on these expenditures in their expenditure control policies of the coming years.

MANAGEMENT RESPONSE

The significant increase in the above expenditures items is as a result of the present economic situation, introduction of new programs.

2. Findings & Observations



1. Review of the University's Security Department

Risk Rating:



Description

During the audit exercise, we still observed the following from the university's security system:

- Vehicle gate passes were not sufficient for all cars entering the university and there's no means of monitoring who receives them, also there is absence of security gadgets for scanning people and cars at the gate.
- The central CCTV control room had insufficient staff and communication gadgets.
- There were improvements with regards to their uniforms but still none was seen with communication gadgets like walkie talkie.
- The security department's admin office looked congested with seized stolen items.
- We were told some gadgets including Guns were purchased recently.
- We were told some part of Bosso Campus wall have fallen due to erosion in the last rainy season.
- Some of the solar streetlights around the two campuses are getting weaker and therefore not giving lights as bright as before.

Risk

We reiterate the risks mentioned in last year's management letter as follows:

- Absence of record of who was issued a vehicle gate pass weakens control, thereby increasing the risk of unauthorized entry and possibly theft.
- Inadequate manpower and insufficient working gadgets limit the ability of security staff to discharge their duties effectively.
- The seized items especially the debris could easily be used by students to cause

Recommendation

We reiterate our recommendations in the last year's management letter as follows:

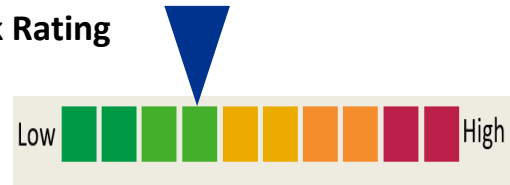
- Provision of enough gate passes and maintaining record of passes given out and to ensure every vehicle is given a pass and duly checked when leaving.
- Additional security personnel, uniforms and gadgets should be deployed to strengthen the security operations of the university.
- Strict supervision of the security personnel and punishment of those who abandon their duty posts without appropriate authorization or permission.

Management Response

Management has taken note of the recommendation and appropriate measures are being implemented to ensure that all observations are considered and effectively addressed such as employment of new and qualified IT personnel's for the CCTV, award of contract to renovate and upgrade the school gate house at Gidan kwano and this will include passes. Also renovation of the fallen walls at Bosso campus will be repaired before the next heavy rains.

2. University's Guest House Assessment

Risk Rating



Description

On our previous visit to the Guest house, we observed that the University was carrying out major renovations at the guest house. This is commendable and upon completion, it will attract more patronage and generate additional revenue for the university.

During the current visit, we observed the following:

1. Renovation is completed and income is being earned and the rates and condition of the rooms are moderately affordable.
2. The guest house intends to outsource its kitchen services.
3. Generally, cleanliness of the guest house can be improved as the cleaners are not supervised.
4. Source of water is only from the water tanker about three times weekly.

Description cont'd

5. The small rooms are only 4 while the big ones are 10, this is inadequate.
6. Plumbing work correction was ongoing due to no proper channeling of rain water.

Risk

The following are the identified risks for the observations:

1. May result in poor service quality, food safety issues, and reputational risk if not properly managed.
2. Weak supervision may lead to poor hygiene and reduced guest satisfaction.
3. Dependence on tankers may cause water shortages and operational disruptions.
4. Imbalance in room types may lead to low occupancy and inefficient utilization.
5. Poor drainage may cause flooding, structural damage, and increased maintenance costs.

Recommendation

From our observations we recommend the following:

1. Implement periodic pricing reviews and benchmarking to optimize income.
2. Choose the vendors through competitive bidding and establish formal contracts, SLAs, and vendor monitoring mechanisms.
3. Introduce dedicated supervision and routine inspection schedules.
4. Provide alternative water sources like tap or borehole and adequate storage systems.
5. Conduct demand analysis and in the long run build more room sizes to fit the demand of the guests.
6. Complete drainage corrections and implement preventive maintenance.

Management Response

Management has noted the observation. However, the guest house business moving forward has been handed over to the consultancy unit is now a self-accounting, self-funding and independent entity.

3. Hostel Environment

Risk Rating



Description

On our previous visit to the Student's hostels and its environments we observed the following:

- Smoke detectors were not seen in place in all the hostels visited.
- No running tap water in all the hostels visited.
- No clothes' hanging ropes, hence students hung and dry their clothes on the staircases and rails.
- A solar street light was damaged and almost falling at the NEED assessment male hostel.
- Most students were cooking in their rooms with electric cookers/stoves even where there is provision of kitchen areas sighted in the hostels.
- TETFUND male hostel which was said to be commissioned in Jan. 2024, has some of its windows breaking already
- All the CCTV cameras at the NEED assessment male hostel were not working and we were informed by the security personnel in charge that it has been so for over a year now.

During the current visit, the following were observed at the various hostels:

1. Distribution boxes were scattered in some of the male hostel, this can be tempered with by the students.
2. Water supply was grossly inadequate in all hostels except in female medical hostel.
3. Fire extinguishers were not available in most of the hostels visited and where available, they have expired.
4. No security personnel were sighted in most of the male hostels visited.
5. Most of the Hostels visited did not have television in their common room and for those that have, the cable subscription has not been made.
6. Drainages and gutters of some of the hostels visited were damaged while some like the ASR male medical, Shehu Aliyu Female did not have drainages at all, this is causing smelly stagnant water around.
7. We were told the CCTV cameras have been fixed. Although the control room was closed as at the time of visit

Risk

The current state of the hostel facilities poses a threat to the university's operational safety and student well-being. The most critical danger lies in the life-safety violations, where the combination of unsecured electrical distribution boxes and expired or missing fire extinguishers creates a high probability of electrocution or uncontrollable fire outbreaks. These hazards are compounded by significant security lapses, as the absence of physical patrols in male hostels and the lack of a verified CCTV system leave students vulnerable to theft, violence, and unauthorized intrusions. Furthermore, the public health risks are acute; the gross inadequacy of water supply and the presence of stagnant water from broken or non-existent drainages create a high risk for the spread of waterborne diseases and malaria, which could lead to a campus-wide health crisis and institutional liability.

Recommendation

To mitigate these risks, the university must prioritize immediate infrastructure and safety upgrades, beginning with the procurement of functional fire extinguishers and the installation of secure, lockable housing for all electrical distribution boxes. Security protocols should be tightened by deploying dedicated personnel to all hostel blocks and conducting a mandatory verification of the CCTV control room to ensure continuous monitoring and recording.

Recommendation cont'd

Regarding health and sanitation, management should initiate emergency repairs on water pumping systems and commence civil works to construct or desilt drainage channels, particularly at the ASR and Shehu Aliyu hostels. Finally, to improve student morale and welfare, it is recommended that the university restore common room amenities, such as television and cable services, to provide a conducive living environment that supports social engagement and reduces student agitation.

Management Response

Although comprehensive renovations have always been done annually, management through the committee on Hostel Maintenance will sustain that approach and ensure that all hostels are kept in good and habitable condition. Also, actions are already underway to address the identified issues including the procurement of the fire extinguishers.

4. Review of Other Departments` Activities

Risk Rating



Description

At the time of visitation and interaction with the various departments we observed the following:

UNIVERSITY CLINIC:

- At the Bosso campus clinic drug store, bin cards were up to date and physical quantities were the same with quantities in the tally cards for inventory items tested. This was not the case at Gidan Kwano.
- Drugs were supplied without adequate and necessary documentation.

UNIVERSITY FARM

- There were no any changes from the last year`s observation therefore we reiterate them and urge the management to put in measures to revive and reactivate it to generate more income for the university.

BOSSO CAMPUS STORE AND WORKS DEPARTMENT PREMISES

- Abandoned Tractor was seen on this premises, this could be a hide out for reptiles
- Ceiling of some of the offices was falling due to leakage of the roof.
- There were a lot of obsolete and damaged items like fridges, televisions, mattresses, reports and other paper documents like file, log books, exam sheets e.t.c.

THE UNIVERSITY SENATE BUILDING

- The general hygiene of the senate building has significantly improved as even the toilets were no longer smelly, this is commendable and should be maintained.

THE UNIVERSITY LIBRARY

- New photocopier was seen at the Liberian`s office used for commercial photocopy.
- The CCTV camera were said to be ``not functioning`` for over two years now
- Modalities have been put in place for the repair and/or replace the anti-theft detector door and shelves for student`s luggages.
- We were also informed that the network challenge with the KOHA app has been addressed.

Risk

The current state of the university facilities presents a significant threat to operational integrity, physical safety, and data security. Discrepancies in clinical inventory records and gaps in documenting drug supplies at Gidan Kwano may increase the risk of stock losses, potential stockouts, and challenges in maintaining proper clinical accountability, while the accumulation of abandoned machinery and leaking roofs poses an immediate safety hazard by providing cover for reptiles and causing structural degradation. Furthermore, the storage of obsolete electronics and sensitive documents like exam sheets and logbooks acts as a major fire hazard and a breach of confidentiality, as private information is left unmonitored. Even the commendable improvements in the Senate Building remain at risk of operational backsliding if a formal maintenance culture is not institutionalized to prevent a return to unsanitary conditions.

Recommendation

To address these issues, the university should immediately implement a mandatory dual-entry inventory system at all clinic locations, supported by monthly independent audits to reconcile physical stock with tally cards. The Works Department must be mandated to evacuate abandoned machinery and clear overgrown premises, alongside a phased maintenance plan to repair leaking roofs before structural damage worsens. A formal Disposal Committee should be established to auction off obsolete equipment and securely shred or incinerate sensitive paper documents (exams and logs) to maintain administrative integrity. Finally, to sustain the hygiene of the Senate Building, management should formalize cleaning protocols through a daily supervisor's log and ensure a consistent budgetary release for sanitation supplies to prevent any decline in standards.

Management Response

Management will ensure that all recommendations are considered and addressed. Especially for the store it will be decongested the as soon as the new central store is completed at the Gidan kwano campus and increased sanitation of all the stores. The CCTV and anti-theft detector will be fixed immediately.

Appreciation

We wish to place on record our appreciation of the courtesies and co-operation extended to our representatives by Management and entire staff of **Federal University of Technology Minna**, during the course of the audit.