REPORT ON THE PERFORMANCE AUDIT OF BUDGET AND RESOURES UTILIZATION IN GAGARAWA LOCAL GOVT EDUCATION AUTHORITY (LEA)FOR THE YEAR 2024

INTRODUCTION

A Performance Audit of budget and resources utilization in Gagarawa Local Education Authority (LEA) For the year 2024 assesses how economically efficiently and effectively the LEA spend its allocated funds to achieve educational goals

EVALUATION

The Performance Audit evaluate the budget and resources utilization of Gagarawa Local Education Authority (LEA) for the year 2024

OBJECTIVE

The objective of this examination is to determine the variance between Budget and Actual expenditure of Gagarawa Local Education Authority (LEA)for the year 2024

AUDIT PLAN

The Audit was planned on the Actual expenditure incurred which include,

-Personal Cost

-Overhead Cost

-Capital expenditure

Which was compared with the budgeted Amount for a period of January-Decembwer,2024

DATA COLLECTION

we used the secondary source of Data the Audited Financial statement of Gagarawa Local Government Council for the year 2024.

DOCUMENT FINDING

From the Audited Financial Statement, the Efficiency, Effectiveness, Economy(3es) were analyse for as follows

(i) EFFECTIVENESS -Actual expenditure Effectively carry out and measure against budgeted

(ii) EFFICENCY – Budgeted resources are being used wisely.

(iii) ECONOMY-Costs are reasonable for personnel, overhead and Capital expenditure.

OBSErVATION

During the Performance Audit Exercise, the Following were observed as an issue related to financial activities of Gagarawa Local Education Authority (LEA);

1 Personnel Cost- The Sum of Five Hundred and Sixty Three Million Four Hundred and Forty Eight Thousand Six Hundred and Ninety Seven Naira Ninety Six Kobo ₦563,448,697.96 was Expended as Personnel Cost against the budgeted amount of Five Hundred and Eighty Three Million Six Hundred and Four Thousand Eight Hundred and Forty Eight Naira ₦583,604,848.00 the Variance was ₦20,156,150.04

This indicates that, the Local government has efficiently utilized it's Budget representing 96.55%.

2 OVERHEAD COST

The Sum of Fifteen Million Ninety Nine Thousand Nine Hundred and Ninety Nine Naira Ninety Nine Kobo (₦15,099,999.99) was Spend as Overhead cost for the year under review against the budgeted amount of Forty Five Million Four Hundred and Fifteen Thousand Seven Hundred and Fifty Nine Naira Ninety Nine Kobo. (₦45,415,759.99) with Variance of ₦30,315,760.00

This shows that the Budget were not fully utilized as only 33.52% actual expenditure was achieved.

3 CAPITAL EXPENDITURE

The Sum of Twenty Eight Thousand Ninety Naira Seventy Eight Kobo ₦28,090.78 was incurred as Capital expenditure this represent .33%% against the budgeted amount of Eighty Four Million Naira ₦84,000,000 and show the variance of N₦83,971,909.22

There is need for Strength Budget Monitoring and control as only .33% of the Budgeted amount is implemented.

RECOMMENDATION

1. Personnel cost: This shows that, the council has efficiently follows appropriation law as about 96.55% is achieved.

2 Overhead cost : The Budgeted amount were not fully utilized as only 33.52% were incurred this may have negative impact to future budget.

3 Capital expenditure: There is need for the Council to adhere with Budget guidelines as only .33% was utilized.

See Attached Supplementary Note For details

1. SUPLEMENTARY NOTE ONE, Budgeted and actual expenditure

ISMAIL DAUDA ACMA
ZONAL DIRECTOR
GUMEL, ZONE

GAGARAWA LOCAL GOVERNMENT COUNCIL
SUPPLEMENTARY NOTE 2

ACTUAL AND BUDGETTED EXPENDITURE OF LOCAL EDUCATION AUTHORITY						
SECTIONS	**ACTUAL EXPENDITURE (A)**	**BUDGETTED EXPENDITURE**			**VARIANCE**	**PERCENTAGE (%)**
PERSONNEL COST		**INITIAL BUDGET (B)**	**SUPPLEMENTARY BUDGET (C)**	**FINAL BUDGET D=(B+C)**	**E=(D-A)**	**F = A/D*100**
NON-TEACHING	141,537,948.51	52,854,703.00		52,854,703.00	(88,683,245.51)	267.79
TEACHING	421,910,749.45	530,750,145.00		530,750,145.00	108,839,395.55	79.49
ADULT EDUCATION						
SUB TOTAL EXPENDITURE	**563,448,697.96**	**583,604,848.00**		**583,604,848.00**	**20,156,150.04**	**96.55**
OVERHEAD COST						
NON-TEACHING	15,099,999.99	8,000,000.00		8,000,000.00	(7,099,999.99)	188.75
TEACHING	-	-	5,000,000.00	5,000,000.00	5,000,000.00	
ADULT EDUCATION		7,157,880.00		7,157,880.00	7,157,880.00	-
SUB TOTAL EXPENDITURE	**15,099,999.99**	**15,157,880.00**	**30,257,879.99**	**45,415,759.99**	**30,315,760.00**	**33.25**
CAPITAL EXPENDITURE						
NON-TEACHING	280,090.78		30,000,000.00	30,000,000.00	29,719,909.22	0.93

TEACHING		54,000,000.00				
ADULT EDUCATION						
SUB TOTAL EXPENDITURE			**30,000,000.00**	**30,000,000.00**	**30,000,000.00**	**-**
GRAND TOTAL	**578,548,697.95**	**598,762,728.00**	**60,257,879.99**	**659,020,607.99**	**80,471,910.04**	**87.79**