FINANCIAL AND PERFORMANCE AUDIT OF BUDGET AND RESOURCES UTILIZATION IN HADEJIA LOCAL GOVT EDUCATION AUTHORITY (LEA) FOR THE YEAR 2024

INTRODUCTION

Financial and Performance Audit of budget and resources utilization in Hadejia 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 Hadejia 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 Hadejia Local Education Authority (LEA) for the year 2024

AUDIT PLAN

This Audit was planned on the Actual expenditure incurred which include: -

-Personal Cost

-Overhead Cost

-Capital expenditure

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

DATA COLLECTION

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

DOCUMENTS FINDINGS

From the Audited Financial Statement, the Efficiency, Effectiveness, Economy(3es) were analysed as follows: -

(i) EFFECTIVENESS -Actual Expenditure Effectively carried out and measure against budgeted
(ii) EFFICENCY – Budgeted resources have been used wisely.
(iii) ECONOMY-Costs are reasonable for personnel, overhead and Capital expenditure.

OBSERVATION

During the Performance Audit carried out, the Following were observed as an issues related to financial activities of Hadejia Local Education Authority (LEA);

1 PERSONNEL COST

The Sum of Eight Hundred and Seventy Six Million, One Hundred and Eighty Two Thousand, Six Hundred and Seventy Two Naira Fifty Six Kobo ₦876,182,672.56 was Expended as Personnel Cost against the budgeted amount of Nine Hundred and Sixty Two Million, Seven Hundred and Thirty Six Thousand, Two Hundred and Seventy Seven Naira ₦962,736,277.00 with Variance of ₦86,553,604.44 that represents 91%. This indicated an effective and efficient utilization of resources.

2.OVERHEAD COST

The Sum of Fifty Three Million, One Hundred and Ninety Two Thousand, Two Hundred and Twenty Six Naira Seventy Four Kobo ₦53,192,226.74 was expended as overhead cost against budgeted amount of Thirty Two Million, One Hundred and Fifty Seven Thousand, Eight Hundred and Eighty Naira ₦32,157,880.00 with a negative variance of ₦21,034,346.74 which represents 165%. This indicates over expenditure by 65%.

3 CAPITAL EXPENDITURE

The sum of Ten Million, Two Hundred and Eighty Eight Thousand, Six Hundred and Seventy Naira Fifty Kobo ₦10,288,617.50 was expended as capital against budgeted amount of Fifty Million, Two Hundred and Eighty Eight Thousand, Six Hundred and Seventy Fifty Kobo ₦50,288,617.50 with a variance of ₦40,000,000.00 that represents 20.46%.

This indicated noncompliance with budget in operation.

RECOMMENDATIONS

1. Personnel cost Budget and resources were fully utilized
2. The budget need to be review for overhead cost.
3. There is need for improvement on budget compliance.

Find The Table Attached for Details

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HADEJIA 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 = D/A*100**
NON-TEACHING	104,455,426.60	61,871,250.00	0.00	61,871,250.00	(42,584,176.60)	168.83
TEACHING	771,727,245.96	900,865,027.00	0.00	900,865,027.00	129,137,781.04	85.67
ADULT EDUCATION			0.00	-	-	
SUB TOTAL EXPENDITURE	**876,182,672.56**	962,736,277.00	0.00	962,736,277.00	86,553,604.44	91.01
OVERHEAD COST				-	-	
NON-TEACHING	53,192,226.74	20,000,000.00		20,000,000.00	(33,192,226.74)	265.96
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	**53,192,226.74**	27,157,880.00	5,000,000.00	32,157,880.00	(21,034,346.74)	165.41
CAPITAL EXPENDITURE				-	-	
NON-TEACHING	4,038,617.50	10,000,000.00	4,038,617.50	14,038,617.50	10,000,000.00	28.77
TEACHING	6,250,000.00	30,000,000.00	6,250,000.00	36,250,000.00	30,000,000.00	17.24
ADULT EDUCATION				-	-	

SUB TOTAL EXPENDITURE	**10,288,617.50**	40,000,000.00	10,288,617.50	50,288,617.50	40,000,000.00	20.46
GRAND TOTAL	939,663,516.80	1,029,894,157.00	15,288,617.50	1,045,182,774.50	105,519,257.70	89.90