FINANCIAL AND PERFORMANCE AUDIT OF BUDGET AND RESOURES UTILIZATION IN KAFIN HAUSA LOCAL GOVT EDUCATION AUTHORITY(LEA)FOR THE YEAR 2024

INTRODUCTION

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

OBJECTIVE

This objective of this examination is to determine the variance between Budget and Actual expenditure of Kafin Hausa 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 Kafin Hausa Local Government Council for the year 2024.

DOCUMENT FINDING

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

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

OBSEVATION

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

1 Personnel Cost- The Sum of One Billion Nine Hundred and Ninety-Five Million Eight Hundred and Four Thousand Three Hundred and Four Naira Only Seventy-Nine kobo ₦1,095,804,376.79 was Expended as Personnel Cost against the budgeted amount one Billion One Hundred and Thirty-Four Million Five Hundred and Thirty-Two Thousand One Hundred- and Seventy-Five-naira ₦1,134,532,175.00 Variance was ₦38,727,798.21

This shows that there were no issues being 96.59% budget implemented

2 OVERHEAD COST

The Sum of Fifty-Nine Million One Hundred and Seventy-Nine Thousand Sixty-Seven Naira Sixty Kobo Only ₦59,179,067.60 was Expended as overhead cost against the budgeted amount of thirty-Two Million One Hundred and Fifty-Seven Thousand Eight Hundred and Eighty Naira only ₦32,157,880.00 the Variance was (₦27,021,187.60) this represents 184.03%

This shows that the actual expenditure exceeded the budgeted with 84.03%.

3 CAPITAL EXPENDITURE

The Sum of One Million One Hundred and Fifty-Four Million Nine Hundred Eighty-Three Thousand Four Hundred and Forty-Four Naira Thirty-Nine kobo ₦1,154,983,444.39 amount was expended as Capital expenditure against the budgeted amount One Billion Three Hundred and Thirty-Two Million One Hundred and Ninety Thousand Fifty-Five Naira Only ₦1,342,190,055.00. The Variance was ₦187,206,610.61

This indicates that 86.05% budget implemented on Capital expenditure for the year.

RECOMMENDATION

1. Personnel cost Budget and resources were fully utilized.
2. Review budget allocation to ensure alignment with actual needs
3. Capital expenditure Budget and resources were fully utilized.

See attached supplementary notes for details of findings.

Supplementary Note: budgeted and actual expenditure

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KAFIN HAUSA LEA   SUPPLEMENTARY NOTE

ACTUAL AND BUDGETTED EXPENDITURE OF LOCAL EDUCATION AUTHORITY FOR THE YEAR 2024						
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	221,353,842.51	148,295,561.00	-	148,295,561.00	(73,058,281.51)	149.27
TEACHING	874,450,534.28	986,236,614.00	-	986,236,614.00	111,786,079.72	88.67
ADULT EDUCATION			-		-	
SUB TOTAL EXPENDITURE	1,095,804,376.79	1,134,532,175.00	-	1,134,532,175.00	38,727,798.21	96.59
				-	-	
OVERHEAD COST				-	-	
NON-TEACHING	59,179,067.60	15,000,000.00	-	15,000,000.00	(44,179,067.60)	394.53
TEACHING	-	-	10,000,000.00	10,000,000.00	10,000,000.00	-
ADULT EDUCATION	-	7,157,880.00	-	7,157,880.00	7,157,880.00	-
SUB TOTAL EXPENDITURE	**59,179,067.60**	22,157,880.00	10,000,000.00	32,157,880.00	(27,021,187.60)	184.03
				-	-	
CAPITAL EXPENDITURE				-	-	
				-	-	#DIV/0!
TEACHING	-	85,500,000.00	30,000,000.00	115,500,000.00	115,500,000.00	-
ADULT EDUCATION	-	-		-	-	
SUB TOTAL EXPENDITURE	**-**	85,500,000.00	30,000,000.00	115,500,000.00	115,500,000.00	-
GRAND TOTAL	1,154,983,444.39	1,242,190,055.00	40,000,000.00	1,282,190,055.00	127,206,610.61	90.08