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

INTRODUCTION

Financial and Performance Audit of budget and resources utilization in Kaugama 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 Kaugama 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 Kaugama 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 Kaugama 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 Kaugama Local Education Authority (LEA);

1 Personnel Cost- The Sum of Two Hundred and Sixty-Three Million Nine Hundred and eighty Thousand even Hundred and fifty Five naira Fourteen kobo only ₦263,980,755.14 was Expended as Personnel Cost against the budgeted amount One Hundred and sixty Eight Million Three Hundred and Fifty-Five Nine Hundred and Forty-Three Naira only ₦168,352,943.00 Variance was (₦95,627,812.14) this represents 156.80%

This shows that there were over expenditure of about 56 %, budget implement

2 OVERHEAD COST

The Sum of Thirty-Eight Million Four Hundred and Forty-Seven Naira Forty-Eight Kobo ₦,447,880.48 was Expended as overhead cost against the budgeted amount Three Hundred and Twenty-Five Million Naira only ₦325,000,000.00 the Variance was (₦286,552,119.52). this represents 11.83%

This indicates that very little of budgeted overhead was utilized.

3 CAPITAL EXPENDITURE

The Sum of Two Hundred and Forty-Eight Million Four Hundred Forty-Nine Thousand Six Hundred and Eighty-Five Naira Twenty-Six kobo ₦248,449,685.26 amount was expended as Capital expenditure against the budgeted amount Five Hundred and Fifty-Six Nine Hundred And Eighteen Thousand Eighty-Seven Naira only ₦556,918,087.00. The Variance was ₦308,468,401.74

This shows that only 44.61% budget implementation on Capital expenditure for the year.

RECOMMENDATION

1. Implement cost-control measure to prevent future over expenditure
2. Overhead cost Budget and resources were not fully utilized.
3. Revise budget allocations to reflect actual needs and expenditure

See attached supplementary notes for details of findings.

Supplementary Note: budgeted and actual expenditure

Sale Isiyaku
Zonal Director Audit
Malam Madori Zone

KAUGAMA 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	91,303,937.44	62,602,828.00	-	62,602,828.00	(28,701,109.44)	145.85
TEACHING	166,056,342.70	99,454,222.00	-	99,454,222.00	(66,602,120.70)	166.97
ADULT EDUCATION	6,620,475.00	6,295,893.00	-	6,295,893.00	(324,582.00)	105.16
SUB TOTAL EXPENDITURE	263,980,755.14	168,352,943.00	-	168,352,943.00	(95,627,812.14)	156.80
				-	-	
OVERHEAD COST				-	-	
NON-TEACHING	12,095,000.00	17,000,000.00	-	17,000,000.00	4,905,000.00	71.15
TEACHING	23,539,000.00	33,000,000.00	41,000,000.00	74,000,000.00	50,461,000.00	31.81
ADULT EDUCATION	2,813,880.48	104,000,000.00	130,000,000.00	234,000,000.00	231,186,119.52	1.20
SUB TOTAL EXPENDITURE	38,447,880.48	154,000,000.00	171,000,000.00	325,000,000.00	286,552,119.52	11.83
				-	-	
CAPITAL EXPENDITURE				-	-	
NON-TEACHING	52,253,318.26	86,086,487.00	110,000,000.00	196,086,487.00	143,833,168.74	26.65
TEACHING	123,044,809.70	251,831,600.00	49,000,000.00	300,831,600.00	177,786,790.30	40.90
ADULT EDUCATION				-	-	
SUB TOTAL EXPENDITURE	175,298,127.96	337,918,087.00	159,000,000.00	496,918,087.00	321,619,959.04	35.28
GRAND TOTAL	477,726,763.58	660,271,030.00	330,000,000.00	990,271,030.00	512,544,266.42	48.24