FINANCIAL AND PERFORMANCE AUDIT OF BUDGET AND RESOURCES UTILIZATION IN KAZAURE LOCALGOVT EDUCATION AUTHORITY(LEA)FOR THE YEAR 2024

INTRODUCTION

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

1. **PERSONNEL COST**

   The Sum of Eight Hundred and Seventy One Million, Four Hundred and Twenty Four Thousand, Seven Hundred and Thirty Seven Naira Sixty Three Kobo ₦871,424,737.63 was Expended as Personnel Cost against the budgeted amount of Nine Hundred and Eighty Three Million, Five Hundred Fifty Five Thousand, Six Hundred and Seventy Five Naira ₦983,555,675.00 with Variance of ₦112,130,937.37 that represents 89%. This indicated an effective and efficient utilization of resources.

2. **OVERHEAD COST**

   The Sum of Twenty Three Million, Two Hundred and Eighty One Thousand, Five Hundred and Sixty Four Naira ₦23,281,564.00 was expended as overhead cost against budgeted amount of Three Million, One Hundred and Fifty Seven Eight Hundred and Eighty Naira ₦3,157,880.00 with a negative variance of ₦10,123,684.00 which represents 177%. This indicates over expenditure by 77%.

3. **CAPITAL EXPENDITURE**

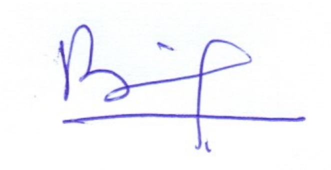
   The Sum of Fifteen Million, Four Hundred and Eighty and Eight Thousand, Three Hundred and Fourteen ₦15,488,314.00 was expended as capital against budgeted amount of Ninety One Million Naira ₦91,000,000.00 with a variance of ₦75,511,686.00 that represents 17%.

This indicated noncompliance with budget provision.

RECOMMENDATION

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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KAZAURE LOCAL GOVERNMENT COUNCIL
SUPPLEMENTARY NOTE 1

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/B*100**
NON-TEACHING	285,494,131.24	131,371,620.00	0.00	131,371,620.00	(154,122,511.24)	217.32
TEACHING	585,930,606.39	852,184,055.00	0.00	852,184,055.00	266,253,448.61	68.76
ADULT EDUCATION			0.00	-	-	
SUB TOTAL EXPENDITURE	**871,424,737.63**	983,555,675.00	0.00	983,555,675.00	112,130,937.37	88.60
			0.00	-	-	
OVERHEAD COST			0.00	-	-	
NON-TEACHING	23,281,564.00	6,000,000.00	0.00	6,000,000.00	(17,281,564.00)	388.03
TEACHING			0.00	-	-	
ADULT EDUCATION		7,157,880.00	0.00	7,157,880.00	7,157,880.00	-
SUB TOTAL EXPENDITURE	**23,281,564.00**	13,157,880.00	0.00	13,157,880.00	(10,123,684.00)	176.94
				-	-	
CAPITAL EXPENDITURE				-	-	

NON-TEACHING				-	-	
TEACHING	15,488,314.00	31,000,000.00	30,000,000.00	61,000,000.00	45,511,686.00	25.39
ADULT EDUCATION			30,000,000.00	30,000,000.00	30,000,000.00	-
SUB TOTAL EXPENDITURE	**15,488,314.00**	31,000,000.00	60,000,000.00	91,000,000.00	75,511,686.00	17.02
GRAND TOTAL	910,194,615.63	1,027,713,555.00	60,000,000.00	1,087,713,555.00	177,518,939.37	83.68