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

INTRODUCTION

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

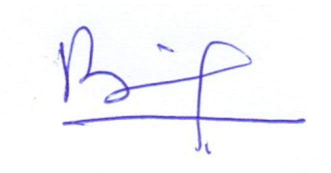
1. **PERSONNEL COST**
   The Sum of Four Hundred and Twenty Five Million, Eight Hundred and Fifteen Thousand, Seven Hundred and Twenty Naira Five Kobo ₦425,815,720.05 was Expended as Personnel Cost against the budgeted amount of Five Hundred and Five Million, Six Hundred and Nineteen Thousand, Seven Hundred and Twenty Seven Naira ₦505,619,727.00 with Variance of ₦79,804,006.95 that represents 84%. This indicated an effective and efficient utilization of resources.
2. **OVERHEAD COST**
   The Sum of Twenty Six Million, Two Hundred and Thirty Six Thousand, Four Hundred and Nineteen Naira ₦26,236,419.00 was expended as overhead cost against budgeted amount of Twenty Eight Million, One Hundred and Fifty Seven Thousand, Eight Hundred and Eighty Naira ₦28,157,880.00 with a variance of ₦1,921,461.00 which represents 93%. This indicates effective and efficient utilisation of resources.
3. **CAPITAL EXPENDITURE**
   There was no expenditure for the period reviewed.

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 budget Allocation in capital.

Find the table attached for details



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RONI 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	88,527,986.59	85,769,228.00		85,769,228.00	2,758,758.59	103.22
TEACHING	337,287,733.46	419,850,499.00		419,850,499.00	(82,562,765.54)	80.34
ADULT EDUCATION				-	-	
SUB TOTAL EXPENDITURE	**425,815,720.05**	**505,619,727.00**		**505,619,727.00**	**79,804,006.95**	**84.22**
				-	-	
OVERHEAD COST				-	-	
NON-TEACHING	26,236,419.00	16,000,000.00		16,000,000.00	10,236,419.00	163.98
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	**26,236,419.00**	**23,157,880.00**	**5,000,000.00**	**28,157,880.00**	**(1,921,461.00)**	**93.18**
				-	-	
CAPITAL EXPENDITURE				-	-	
NON-TEACHING		15,000,000.00	45,000,000.00	60,000,000.00	(60,000,000.00)	-
TEACHING		37,600,000.00		37,600,000.00	(37,600,000.00)	-
ADULT EDUCATION				-	-	
SUB TOTAL		**52,600,000.00**	**45,000,000.00**	**97,600,000.00**	**(97,600,000.00)**	

EXPENDITURE						
GRAND TOTAL	**452,052,139.05**	**581,377,607.00**	**50,000,000.00**	**631,377,607.00**	**(179,325,467.95)**	**177.39**