



**GOVERNMENT OF IMO STATE OF NIGERIA  
OFFICE OF THE STATE AUDITOR GENERAL**

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*(All replies to be addressed to the Auditor General)*

**ADDRESS: STATE AUDIT HEADQUARTERS  
P.M.B. 1178, OWERRI**

**DATE:**

**FINANCIAL AND COMPLIANCE AUDIT REPORT  
ON  
BASIC EDUCATION AND PRIMARY HEALTH CARE  
IN IMO STATE**

**Prepared For: Imo State Universal Basic Education Board and  
Imo State Primary Health Care Development Agency.**

**Audit Period: 1st January 2024 – 31st December 2024**

**Prepared By: Auditor General, Imo State.**

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## **1. EXECUTIVE SUMMARY**

This report presents the outcome of the Financial and Compliance Audit conducted on the Basic Education and Primary Health Care in Imo state for the period ended 31 December 2024. The audit was carried out to assess the adequacy of financial management practices, compliance with applicable laws and regulations, effectiveness of internal controls, and utilization of public funds to meet the requirements of HOPE PHC & EDU program

The audit revealed significant compliance with financial regulations and procurement procedures across the two sectors. While significant investments were made in infrastructure development, personnel costs, and service delivery programs, several weaknesses were observed in documentation and budget implementation.

Key issues identified include:

- Delayed retirement of advances and imprests;
- Incomplete fixed asset registers;
- Delays in project execution.
- Poor budget implementation

The audit recommends enhanced compliance monitoring, digitization of financial records, regular reconciliation procedures, improved procurement planning, and periodic capacity building for accounting and administrative personnel.

## **2. INTRODUCTION**

The Basic Education and Primary Health Care sectors constitute critical pillars of socio-economic development and public service delivery. Government funding allocated to these sectors is intended to improve educational outcomes, enhance healthcare accessibility, strengthen infrastructure, and promote efficient service delivery.

In line with applicable public financial management laws and audit requirements, a financial and compliance audit was conducted to evaluate:

- The propriety and regularity of financial transactions;
- Compliance with public procurement and financial regulations;
- Adequacy of accounting records and supporting documentation;
- Effectiveness of internal controls;
- Economy, efficiency, and effectiveness in utilization of public resources.

## **3. AUDIT OBJECTIVES**

The objectives of the audit were to:

1. Determine whether funds were utilized for approved purposes.
2. Assess compliance with relevant financial regulations, procurement laws, and administrative guidelines.
3. Verify the accuracy and reliability of accounting records and financial statements.
4. Evaluate the effectiveness of internal control systems.
5. Assess whether projects and programs achieved intended objectives.
6. Identify financial irregularities, weaknesses, and areas requiring improvement.
7. Provide recommendations for improved financial management and accountability.

#### **4. SCOPE OF AUDIT**

The audit covered:

Basic Education Sector

- Imo State Universal Basic Education Board
- Universal Basic Education intervention projects;
- Primary and Junior Secondary Schools;
- Personnel and overhead expenditures;
- Teaching materials and instructional support;

Primary Health Care Sector

- Imo state Primary Health Care Development Agency;
- Some Primary Health Centres;
- Personnel and operational expenditures;
- Infrastructure and rehabilitation projects.

The audit period covered financial transactions and activities from 1 January 2024 to 31 December 2024

#### **5. AUDIT METHODOLOGY**

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs), public sector auditing standards, and applicable government audit guidelines.

The following audit procedures were adopted:

- Review of financial records and accounting books;
- Examination of payment vouchers and supporting documents;
- Verification of bank reconciliation statements;
- Physical inspection of projects and assets;
- Interviews with management and key personnel;
- Review of procurement records and contract files;
- Compliance testing of selected transactions;

- Analytical review of budget performance and expenditure trends;
- Sampling of schools and health facilities.

## **6. APPLICABLE LAWS, REGULATIONS AND STANDARDS**

The audit was guided by the following:

- Constitution of the Federal Republic of Nigeria;
- Imo state Public Procurement Act;
- Financial Instructions;
- Treasury Circulars and Government Financial Instructions;
- International Public Sector Accounting Standards (IPSAS);
- Public Service Rules;
- Universal Basic Education Guidelines;
- National Primary Health Care Development Agency Guidelines;
- Imo State Audit Laws.

## **7. FINANCIAL AUDIT FINDINGS**

### 7.1 Budget Performance

The budget implementation was fairly low

Recommendation

Management should strengthen budget implementation monitoring and ensure timely release and utilization of fund

### 7.2 Weak Asset Management

The audit noted incomplete fixed asset registers and absence of asset tagging in some schools and health facilities.

Recommendation

A comprehensive asset register should be maintained and updated regularly.

### 7.3 Bank Reconciliation Issues

Monthly bank reconciliations were either delayed or not properly reviewed in some units.

#### Recommendation

Monthly reconciliations should be prepared promptly and independently reviewed by supervisory officers.

## **8. COMPLIANCE AUDIT FINDINGS**

The procurement processes complied with relevant extant financial rules

## **9. SECTOR-SPECIFIC FINDINGS – BASIC EDUCATION**

### 9.1 School Infrastructure Projects

Several classroom renovation and construction projects were delayed, and many primary schools class rooms were dilapidated

#### Recommendation

Project monitoring units should intensify supervision and enforce contractor accountability.

### 9.2 Teaching and Learning Materials

Some schools lacked adequate instructional materials despite budgetary allocations.

#### Recommendation

Distribution and monitoring systems should be strengthened to ensure equitable allocation of educational materials.

### 9.3 Utilization of UBEC Intervention Funds

The audit noted delays in accessing and utilizing intervention funds even when the state had paid counterpart funds

#### Recommendation

The Board should liaise with UBEC for release of funds to the state

## 10. **SECTOR-SPECIFIC FINDINGS – PRIMARY HEALTH CARE.**

### 10.3 Primary Health Care Infrastructure

Some health centers visited lacked basic infrastructure such as water supply, electricity, and essential equipment.

#### Recommendation

Priority attention should be given to rehabilitation and equipping of primary health facilities.

## 11. **INTERNAL CONTROL ASSESSMENT**

The audit assessed the adequacy of internal control systems within the sectors.

#### Strengths Identified

- Existence of approval hierarchies;
- Availability of budgetary controls;
- Periodic management meetings;
- Presence of internal audit units.

#### Overall Assessment

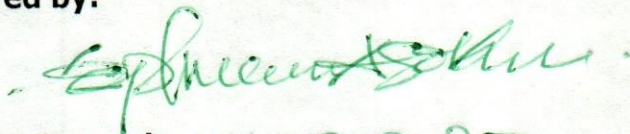
The internal control framework is effective; however, relevant personnel should be retrained to enhance transparency, accountability, and operational efficiency.

**15. CONCLUSION**

The audit concluded that the Basic Education and Primary Health Care sectors have made appreciable efforts toward service delivery and implementation of government programs, including HOPE EDU & HOPE PHC programs. However, significant attention should be given to rehabilitation and construction of infrastructures at primary health care centers and primary schools.

Management is encouraged to implement the recommendations contained in this report within the stipulated timelines.

**Prepared by:**



**Auditor-General**

**Date:** \_\_\_\_\_

11-08-2025