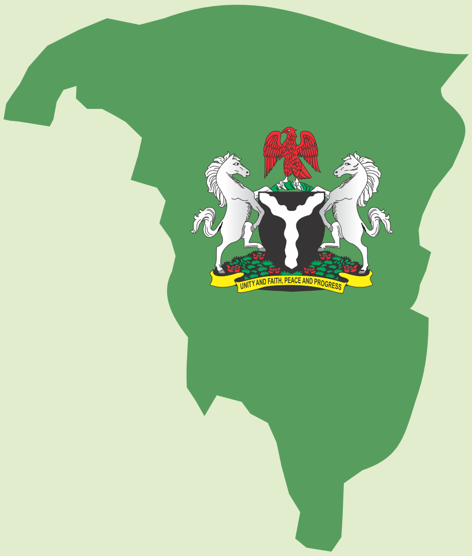
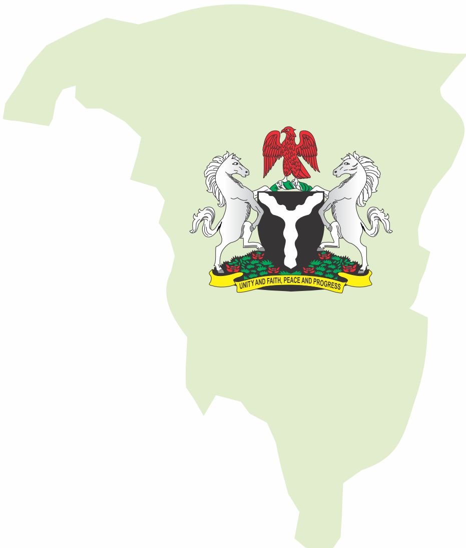


YOBE STATE GOVERNMENT

MINISTRY OF FINANCE AND ECONOMIC DEVELOPMENT

ACCOUNTING MANUAL FOR PUBLIC FINANCIAL MANAGEMENT



YOBE STATE GOVERNMENT

MINISTRY OF FINANCE AND ECONOMIC DEVELOPMENT

ACCOUNTING MANUAL FOR PUBLIC FINANCIAL MANAGEMENT

FOREWARD

As we strive towards ensuring a transparent and efficient public finance management system, the Yobe State government has taken a proactive step by enacting the Yobe State Public Finance Management Law 2020. S.8(1) of the law mandates the Ministry of Finance to produce a comprehensive financial manual to guide the implementation of the law. As the commissioner of the Ministry of Finance, I am pleased to introduce this financial manual, which serves as a guide for all stakeholders involved in the management of public funds in Yobe State.

The manual contains the procedures and guidelines for effective financial management, with the ultimate goal of promoting accountability and transparency in the use of public funds. It is important to note that while this manual provides a general overview of the processes and procedures of public finance management, it is not intended to replace other finance manuals such as the budget manual, accounting and reporting manual, and audit manual. These manuals provide more detailed and specific guidelines for their respective areas of expertise. Nevertheless, this financial manual serves as a vital tool for government officials, and all stakeholders involved in public finance management in Yobe State. It outlines the responsibilities and duties of each stakeholder, the processes for budget preparation and execution, and the procedures for financial reporting and auditing. This will ensure that all parties involved are held accountable for their actions, thus promoting a culture of transparency and efficiency in the management of public funds.

Furthermore, the manual also highlights the roles of oversight agencies, such as the Auditor General's Office and the House of Assembly, in ensuring that public funds are managed in compliance with the law. This is a crucial aspect of promoting good governance and preventing financial malpractice in our state. In addition to promoting accountability and transparency, this financial manual also aims to enhance the efficiency of public finance management in Yobe State. By streamlining procedures and providing a standardized framework, we can reduce wastage of resources and improve the effectiveness of our financial operations. The manual will be subject to further review from time to time to reflect changes in accounting standards, legislations and functions.

I would like to express my gratitude to all the stakeholders who played their part in the development of this manual. It is a collaborative effort that showcases our commitment to promoting good governance and responsible financial management in Yobe State. In conclusion, I am confident that with the implementation of this manual, we will be able to achieve our goal of a transparent and efficient public finance management system in Yobe State. I urge all stakeholders to familiarize themselves with the procedures outlined in this manual and to adhere to them diligently. Let us work together to build a better and more prosperous Yobe State.

Mohammed Abatcha Geidam FCNA, mni
Hon Commissioner,
Ministry of Finance and Economic Development,
Yobe State

PREFACE

As the Accountant General of Yobe State, it is my pleasure to introduce the latest edition of the financial manual produced by the Ministry of Finance and Economic Development. This comprehensive guide is in compliance with S 8 (1) of the Yobe State Public Finance Management Law 2020. At its core, this manual serves as a vital tool for all government agencies, departments, and parastatals in the state to effectively manage their financial resources. It provides clear and concise guidelines for budgeting, expenditure control, revenue management, and overall financial management, in accordance with the best international practices. With the ever-evolving landscape of public finance management, it is imperative that all stakeholders are equipped with the necessary knowledge and skills to navigate these complexities. This manual has been meticulously crafted to serve as a practical resource for all financial officers, procurement officers, and other key personnel involved in the management of public funds. One of the key highlights of this manual is its alignment with the Yobe State Public Finance Management Law 2020. This law aims to promote sound financial management practices, ensure the efficient and effective use of public funds, and enhance public confidence in government financial operations. This manual truly embodies the spirit of this law and will serve as a valuable tool in its implementation. Furthermore, I am confident that this manual will serve as an essential reference guide for all financial officers in Yobe State and contribute to the overall improvement of our public finance management system.

It is with great pride that I present this manual, and I believe it will be a valuable asset in building a financially responsible and sustainable state. In conclusion, I would like to express my gratitude to all those involved in the production of this manual, and I am confident that it will serve its purpose in promoting transparency, accountability, and efficiency in managing public funds. I urge all stakeholders to utilize this manual to its full potential and continue to work towards the financial prosperity of our beloved state.

Muhammad Alkali Dinkiri FCNA
Accountant General,
Ministry of Finance and Economic Development,
Yobe State

HOW TO USE THIS MANUAL

The Financial Manual presents the basic policies and procedures; the accounting books, reports/forms and financial statements, and illustrative accounting entries to be adopted by all Ministries, Departments and Agencies (MDAs) in Yobe State. The Manual should be used in conjunction with the extant laws, rules and regulations for Public Finance Management in Yobe State including the following:

1. The 1999 Constitution of the Federal Republic of Nigeria (as amended);
2. Yobe State Public Finance Management Law 2020;
3. Yobe State Fiscal Responsibility Law 2016;
4. Yobe State Public Procurement Law 2016 (as amended);
5. Yobe State Revenue (Codification) Law 2021 (as amended)
6. Yobe State Appropriation and Supplementary Appropriation Law;
7. Yobe State Financial Regulations;
8. Yobe State Public Procurement Guidelines, 2019;
9. Revised State Budget Classification and Chart of Accounts;
10. Manual of Public Procurement Practice in Yobe State, 2022; and
11. Treasury and Circular Letters.

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LIST OF ABBREVIATIONS

AIE………………	Authority to Incur Expenditure
CoA ……………..	Chart of Account
COFOG…………..	Classifications of the Functions of Government
CPO………………	Central Pay Office
CRF………………	Consolidated Revenue Fund
CSO………………	Civil Society Organisation
DMB……………..	Deposit Money Bank
DMO……………..	Debt Management Office
DVEA…………….	Departmental Vote Expenditure Account
DVRA…………….	Departmental Vote Revenue Account
FAAC……………..	Federation Account Allocation Committee
FIFO………………	First-In First-Out
FOAR……………..	Fixed Overhead Absorption Rate
FRL……………….	Fiscal Responsibility Law
FSP………………..	Fiscal Strategy Paper
GPFS……………..	General Purpose Financial Statements
GRN………………	Goods Receive Notes
IMF……………….	International Monetary Fund
IPSAS…………….	International Public Sector Accounting Standards
LPO……………….	Local Purchase Order
MDA………………	Ministries, Departments and Agencies
MRN………………	Material Requisition Note
MTBF……………..	Medium Term Budget Framework
MTEF……………..	Medium Term Expenditure Framework
MTSS……………..	Medium Term Sector Strategy
NCoA………….….	National Chart of Account
NHF……………....	National Housing Fund
NHIS…………….	National Health Insurance Scheme
PAYE……………..	Pay-As-You-Earn
PE………………..	Personnel Emolument
PFM……………..	Public Financial Management
PFML…………….	Public Financial Management Law
PPE…………….....	Property Plant and Equipment
PPP……………….	Public Private Partnership
PV………………....	Payment Voucher
SCA…………….....	Service Concession Arrangements
SIV…………….....	Store Issue Voucher
SRN…………….....	Stores Requisition Note
SRV…………….....	Store Receive Voucher
TB……………….	Tenders Board
TIN……………….	Tax Identification Number
TSA………………	Treasury Single Account
VOAR……………	Variable Overhead Absorption Rate

CHAPTER ONE
INTRODUCTION

1.1 Public Financial Management

Public Financial Management (PFM) is concerned with resource mobilisation and strategic allocation to achieve macro-fiscal stability and economic growth. It consists of the laws, organizations, systems and procedures available to governments to secure and use resources economically, efficiently, effectively, transparently and ensure accountability. It deals with taxes and other government revenue, borrowing and debt management, and expenditure management.

A good PFM system ensures that the policies of governments are implemented as intended and achieve their objectives. According to Public Expenditure and Financial Accountability (PEFA) metrics, the three core outcomes of a good PFM system are:

1. Aggregate fiscal discipline: This seeks to ensure that there is effective control of the total budget and management of fiscal risks;
2. Strategic allocation of resources: The objective is to ensure that government financial resources are allocated in line with government priorities in the budget with the aim of achieving policy objectives; and
3. Efficient service delivery: The goal is to ensure that budgeted revenues are used to achieve the best levels of public services within available resources.

1.2 Regulation of PFM

Public Financial Management is regulated by extant laws and regulations to ensure economy, efficiency, effectiveness, transparency, and accountability. The extant laws and regulations relevant to the financial operations of Yobe State include:

1. The 1999 Constitution of the Federal Republic of Nigeria (as amended);
2. Yobe State Public Finance Management Law 2020;
3. Yobe State Fiscal Responsibility Law 2016;
4. Yobe State Public Procurement Law 2016 (as amended);
5. Yobe State Revenue (Codification) Law 2021 (as amended)
6. Yobe State Appropriation and Supplementary Appropriation Law;
7. Yobe State Financial Regulations;
8. Yobe State Public Procurement Guidelines, 2019;
9. Revised State Budget Classification and Chart of Accounts;
10. Manual of Public Procurement Practice in Yobe State, 2022; and
11. Treasury and Circular Letters.

This Manual is prepared in pursuant to S.8 of Yobe State Public Finance Management Law (PFML), 2020 which provides that:

(1) the Ministry of Finance shall publish financial manuals and forms which may be used by government entities to support implementation of this Law.
(2) the financial manuals and forms, issued in accordance with this Law shall facilitate adoption of international standards and emerging best practices.
(3) the publications under subsection (1) of this section shall be made with the approval of the Commissioner.

(4) the financial manuals shall contain relevant procedures for the budget preparation, budget execution, keeping of books of accounts, formats of financial statements and Government standard chart of accounts.

In line with the foregoing, this Accounting Manual has been developed to facilitate the financial management and accounting operations of Ministries, Departments and Agencies (MDAs) in Yobe State. The Manual presents the basic policies and procedures for budget preparation, budget execution and financial reporting to be used by all MDAs.

It also took into consideration that accrual basis International Public Sector Accounting Standards (IPSAS) would be implemented in the nearest future and therefore provisions adequately made in the Manual. The Manual is not exhaustive and therefore should be used in conjunction with the extant laws, rules and regulations governing public finance, accounting, auditing and financial management in Yobe State.

1.3 Objectives of the Manual

The objectives of the Manual include:

1. to document the accounting policies, processes and procedures required for processing financial and accounting transactions in Ministries, Departments and Agencies (MDAs).
2. to highlight the authority and responsibilities of officers handling financial transaction, authorisation of transactions and the responsibility for the safe keeping of assets and records.
3. to ensure uniformity, completeness and consistency in the performance and processing of financial and accounting transactions in MDAs.
4. to avoid discretionary and inconsistent definition and interpretation of government accounting policies and procedures.
5. to enforce the use of established controls.
6. to assist government officials in understanding the financial and accounting transactions of governments, the policies, controls, processing steps and who is responsible for processing them.
7. to serve as an accounting procedural guideline that is available and accessible to new and existing staff of Yobe State Government.
8. as a procedure, the manual provides structure to government financial activities to:
    a. ensure adoption of best practices,
    b. improve transaction efficiency,
    c. minimise errors,
    d. facilitate computerisation,
    e. ensure adherence to controls,
    f. ensure that decisions are carried out thereby improving governance
    g. facilitate employee training

1.4 Benefits Expected from the Use of Manual

The procedures are expected to provide several benefits including:

1. facilitating transparency, accountability and prudence in financial resource management;
2. managing the financial affairs of MDAs in a cost-effective manner and reducing the levels of errors, irregularities or fraud;

3. Assisting in the preparation of monthly and quarterly reports and annual financial statements;
4. Providing financial information required by the government and other stakeholders for better decision;
5. Facilitating the work of the Auditor-General thereby reducing audit costs and time;
6. Facilitating the achievement of the following PFM core objectives:

    a. Aggregate fiscal discipline through ensuring effective control of the total budget and management of fiscal risks.
    b. Strategic allocation of resources through planning and executing the budget in line with government priorities aimed at achieving policy objectives.
    c. Efficient service delivery through using budgeted revenues to achieve the best levels of public services within available resources.
    d. Transparency and accountability through compliance with extant laws and regulations.

CHAPTER TWO

LEGAL AND INSTITUTIONAL FRAMEWORK FOR FINANCIAL MANAGEMENT

2.0 Introduction

The legal and institutional framework of the financial manual serves as the foundation for ensuring transparency, accountability, and efficient management of the state's financial resources. This manual will examine the financial authorities and responsibilities of the key players in Yobe State's public finance management, comprising multiple entities, namely, the Ministry of Finance and Economic Development, Ministry of Budget and Economic Planning, Office of Auditor Generals (State and Local Government), State Internal Revenue Service, Bureau for Public Procurement and Fiscal Responsibility Board. These departments work together to manage public funds, oversee the budget process, and monitor the performance of government-funded projects.

2.1 Financial Authority

The authority for financial management is derived from extant laws, rules, regulations and policies of the government. These include, but not limited to, the Nigerian Constitution, Yobe State Public Finance Management Law, Yobe State Fiscal Responsibility Law, Yobe State Public Procurement Law, Yobe State Revenue Service Law, Financial Regulations and Instructions.

2.1.1 Constitution of the Federal Republic of Nigeria 1999 (as amended)

The Constitution regulates the receipt and disbursement of public funds, the process of accounting and reporting in government, the audit of public accounts, the budgeting procedures and other financial matters. For instance, S.120 of the Constitution provides that revenues and other moneys raised by government should be paid into the Consolidated Revenue Fund of the State and no moneys shall be withdrawn from it except authorised by an Appropriation Law. The Constitution also provides for the inspection and audit of the accounts of government entities under S.125.

2.1.2. Yobe State Public Finance Management Law (PFML) 2020

This was enacted to regulate the financial management of Yobe State Government, its Ministries, Departments, Agencies and the Local Government Councils. It seeks among others to:

1. ensure that all revenue, expenditure, assets and liabilities of Government are
2. managed efficiently and effectively;
3. provide for the responsibilities of persons entrusted with Financial Management in Government.
4. ensure proper accountability in the use of public funds through adoption of the International Public Sector Accounting Standards (IPSAS)

2.1.3 Yobe State Fiscal Responsibility Law 2016

It provides for the prudent management of the state resources, to ensure long term macro-economic stability of the State, to secure greater accountability and transparency in fiscal operations within a medium-term fiscal policy framework. The Fiscal Responsibility Board is saddled with the responsibility for the promotion and enforcement of the Law towards achieving State's economic objectives. The Law provides among others:

1. Budgeting process and budget execution
2. Cash management and forecasting
3. Procedures for government acquisition of loans

2.1.4. Yobe State Revenue Law 2021 (as amended)

The Law was enacted to restructure the Internal Revenue Service as sole body responsible for assessing, collecting, accounting for and enforcing payment of the various taxes and non-taxes revenues-imposed laws, on behalf of the state government.

2.1.5. Yobe State Bureau of Public Procurement Law 2016 (as amended)

The Law was enacted to bring sanity and uniformity to public procurement processes in MDAs with a view to ensuring transparency, competitiveness, economy, efficiency, effectiveness, value for money, probity, accountability and curb corrupt practices. The Bureau has responsibilities for providing guidelines, monitoring and oversight of procurements of all MDAs and Local Government Councils.

2.1.6. Yobe State Finance and Appropriation Law

The Appropriation Law is enacted by the House of Assembly annually and assented to by the Governor in line with the Constitution to authorise government to use the sums contained therein to deliver public goods and services for a fiscal year. Without these Laws, government cannot spend a kobo from the Consolidated Revenue Fund (CRF).

2.1.7. Financial Regulations.

Financial Regulations are administrative procedures and controls in the operation and management of government revenue, expenditure, assets and liabilities. It is an operational guide to all public officers in the management and accountability of public funds. Its objectives include:

1. providing a body of guiding principles as well as methods and procedures to be followed to ensure uniformity in the way and manner financial transactions are carried out, documented, recorded, and reported.
2. facilitating continuity, orderliness, safeguard of assets, comparability, accuracy and keeping of adequate and complete financial records.
3. aiding the achievement of prudence, value for money, fiscal compliance, probity, transparency, and accountability in government finance management.

2.1.8. International Public Sector Accounting Standards (IPSAS).

The Federal Government of Nigeria in 2010 adopted IPSAS for implementation by Public Sector Entities in Nigeria. The Federation Account Allocation Committee (FAAC) subsequently adopted it for implementation by States and Local Governments. IPSAS has been codified in Yobe State PFML 2020 and therefore mandatory for application in all financial transactions of MDA.

2.1.9. Revised State Budget Classification and Chart of Accounts.

To facilitate the implementation of IPSAS, a National Chart of Accounts was developed by Federation Account Allocation Committee (FAAC) IPSAS Technical Committee for use by Federal, States and Local Governments in Nigeria for budgeting and accounting purposes. The Chart is a complete list of budget and accounting items where each item is uniquely represented by a code and grouped into tables of related data for the purpose of tracking. It has 52 digits with six segments covering administrative, economic, function, programme, fund and geo-location. The Chart of Accounts (CoA) aligns with the bestknown classification systems such as:

1. United Nations Classification of the Functions of Government (COFOG) with focus on the core functions of government; and
2. International Monetary Fund (IMF) Government Financial Statistics developed for reporting purposes (economic and functional reporting).

Table 2.1: The Structure of the CoA

S/N	Segment	No. of Digits	Description
1	Administrative	12	Entity Responsible/Cost or Revenue Centre/Who? e.g. Min. of Health
2	Economic	8	What Transaction? e.g. Local Travel & Transport
3	Function	5	Purpose? e.g. General Medical Services
4	Programme	14	Why? e.g. Primary Health Care
5	Fund	5	Source/Financed by? Main Envelope-CRF, Domestic Aid & Grants

6	Geo-code	8	Where? (Location of Benefit of Transaction) e.g. Gujba LGA, Yobe State
	Total	52	

It is designed to facilitate uniformity, comparability, accountability and transparency in government budgeting, accounting and financial reporting. The Chart has been domesticated by the State Government and all MDAs should apply the appropriate codes in all financial transactions.

2.1.10. Treasury and Circular Letters.

These are administrative instruments that are issued from time to time by the Accountant General to provide guidance on the day- to-day financial operations of MDAs. They are designed to convey policy statements and to effect desirable modification to the existing rules and regulations. Circular letters may be issued by the Commissioner of Finance, Secretary to the State Government, Head of Civil Service, etc that may have financial implication and therefore should be taken into consideration in the conduct of public expenditure management of MDAs.

2.2 Roles and Responsibilities of Principal Officers in Public Financial Management

The scope of the public finance management comprises multiple entities The principal officers in these entities are responsible for the effective and efficient use of public resources and play a crucial role in shaping the State's financial landscape and economic development. The key roles and responsibilities of principal officers in the public finance management of Yobe State include:

2.2.1 Commissioner of Finance

He is the Chief Executive Officer (CEO) and Political Head of the Ministry. He is the Chief adviser to the Governor on financial and economic matters. He is responsible for:

1. Fiscal policy development.
2. Budget implementation;
3. Revenue mobilization;
4. Financial planning; and
5. Accounting and financial reporting.

2.2.2 Commissioner of Budget and Planning

He is the Chief Executive Officer (CEO) and Political Head of the Ministry. He is the Chief adviser to the Governor on budget and planning matters. He is responsible for:

1. Budget formulation and Implementation:
2. Developing comprehensive and realistic budgets to address the developmental needs of Yobe State.
3. Ensuring effective implementation of budgetary allocations.
4. Development planning that align with the long-term vision of the state.

5. Resource mobilization to enhance the state's financial capacity through collaborate with revenue-generating agencies to optimize revenue collection.
6. Performance monitoring and evaluation of projects and programs.
7. Public engagement to gather input on budget priorities to foster transparency and inclusivity in the planning and budgeting process.

2.2.3 Accountant-General

Accountant-General (AG) exercises the general management and supervision of all the accounting operations of Government under the direction of the Permanent Secretary, Ministry of Finance. He is the Head of the State Government Accounting Services and the Treasury and the Chief Accounting Officer of the receipts and payments of the Government. His responsibilities include:

1. providing adequate accounting systems and controls in the MDAs;
2. disbursement of public funds;
3. issue officially approved forms bearing treasury numbers for use in all MDAs for uniformity;
4. servicing of public debts and loans as approved;
5. ensuring that adequate provisions exist for the safe custody of public funds, properties and security documents;
6. compilation, preparation and publishing statutory Financial Statements;
7. establishment of internal audit department or unit in all MDAs;
8. conducting routine and in-depth inspection of the books of accounts of MDAs;
9. approve and ensure compliance with Accounting Codes or National Chart of Accounts;
10. advising on the formulation of accounting policies;
11. deployment of Treasury Officers from the pool of Accountants in the Office of Accountant-General to all MDAs;
12. providing financial guidelines through the issuance of Treasury Circulars;
13. training of accounts and internal audit personnel in all MDAs.

2.2.4 Auditor-General

Auditor-General (AuG) is appointed in accordance with the provisions of section 126 of the Constitution to audit the books, records, returns and other documents relating to those accounts of MDAs and Courts and therefore has unrestricted access to all accounting books and records. The Auditor General has power to conduct periodic checks of all government statutory corporations, commissions, authorities, agencies, including all persons and bodies established by Law.

The Auditor-General submits his audit report to the Public Accounts Committee of the House of Assembly within ninety days of receipt of the Accountant-General's financial statement and annual accounts of the State.

2.2.5 Accounting Officer.

This is the Permanent Secretary/Chief Executive Officers of MDAs saddled with the management of men, money and materials. His responsibilities according to S.21 of the PFM Law include:

1. ensuring that the most effective means of achieving desired program outcomes are used;
2. maintaining effective systems of internal control;
3. ensuring that all government revenues are collected and paid into the Consolidated Revenue Fund promptly; and
4. ensuring compliance with any tax, levy, duty, pension, commitments and audit commitments as may be provided for by Law;
5. report any unauthorised, or irregular expenditure in writing to the relevant authority with a copy to the Accountant-General;
6. promptly consult and seek the prior views of the Commissioner on economic viability and financial implications on any new entity which an entity intends to establish or in the establishment of which it took the initiative;
7. not commit State entity to any liability for which money has not been appropriated.
8. In line with extant laws and regulations therefore, his responsibilities include:

a) ensuring that proper budgetary and accounting systems are established in the MDAs to enhance internal control, accountability and transparency;
b) ensuring that the essential management control tools are put in place to minimize waste and fraud;
c) ensuring that all Government revenues are collected and paid into the Consolidated Revenue Fund promptly;
d) rendering monthly and other periodical accounting returns and financial reports to the Accountant-General of the State;
e) ensuring the safety and proper maintenance of all Government assets under his care;
f) answering all audit queries pertaining to his MDAs including appearance before the Public Accounts Committee;
g) ensuring accurate collection and accounting for all public moneys, received and expended
h) ensuring prudence in the expenditure of public funds

The Permanent Secretary can delegate these responsibilities in writing as provided for in S.22 of the PFM Law, however, delegation of power does not take away the responsibility of the accountability from the Accounting Officer.

2.2.6 Director/Head of Finance and Supply.

His duties include the following:

1. to advise the Permanent Secretary on all Financial matters and on the financial implications of all questions of policy;
2. to ensure consultation with the Ministry of Finance at the official level where necessary;
3. to supervise the preparation of Advance Proposals and Draft Estimates for the Ministry and to control its requirements for supplementary provision;

4. to ensure the maximum degree of control over provision voted for the service of the Ministry and in particular, to ensure that funds are properly applied without waste to the purposes for which they were voted;
5. to ensure the efficient collection of all revenue due to the Ministry and to maintain a constant review of the charges for the various services performed;
6. to ensure a high standard of accounting with a view to the prevention of waste and fraud;
7. to ensure that the operations of the Ministry are not at variance with the financial policies of Government.
8. to carry out, under the direction of the Permanent Secretary, such other financial responsibilities as may devolve upon his Ministry,

2.2.7 Public Finance Management Standing Committee.

A public finance management standing committee is a committee that oversees the management of State's public fund. S.16 of PFM Law 2020 provides for the establishment of this Committee in the government entity to provide strategic guidance on public finance management matters. The Committee membership are:

1. the Accounting Officer as chairman of the committee;
2. an officer designated by the accounting officer as secretary of the committee and who shall be the head of finance of the entity; and
3. Heads of departments or administrative units dealing with public finance matters.

The Committee is required to meet at least once every quarter to coordinate management of public finance for entities and report to the State Chief Executive (Commissioner) responsible for the entity or in case of House, to the Speaker quarterly. The Standing Committee by the provision under S.17(1) of the PFM Law, is responsible for the following:

a) ensuring that there is prioritisation on resources allocated to a government entity for the smooth implementation of the entities' mission, strategy, goals, risk policy plans and objectives;
b) regularly review, monitor budget implementation and advice on the entities accounts, major capital/ fundamental expenditures and review performance and strategies at least on a quarterly basis;
c) identifying risks and implementation of appropriate measures to manage such risks or anticipated changes impacting on the entity;
d) review on a regular basis the adequacy and integrity of the entity's internal control, acquisition and divestitures and management information systems including compliance with applicable laws, Rules and guidelines;
e) establish and implement a system that provides necessary information to the stakeholders including stakeholder communication policy for the entity;
f) monitor the effectiveness of the corporate governance practices under which the entity operates and propose revisions as may be required from time to time;
g) monitoring timely resolution of audit issues; and
h) any other matter referred to it from time to time by the responsible Chief Executive or in the case of House, the Speaker.

Every Ministry should have such Committee to provide strategic direction to its operations towards the achievement of the overall policy goals of government.

2.2.8 House of Assembly

The Yobe State House of Assembly plays a vital role in ensuring the proper management of public finance in the state. It is responsible for enacting the Appropriation laws and other laws (such as Public Finance Management Law, Audit Law, Fiscal Responsibility Law, Public Procurement Law, State Revenue (codification) Law) that promote probity, accountability and transparency in the management of public finances. It also has powers to direct or cause to direct an enquiry or investigation into the management of public finances of MDAs, receive the report of the Auditor General on the Financial Statements of Government and conduct regular oversight on the implementation of the budget, ensuring that public funds are utilized for the intended purposes.

CHAPTER THREE

BUDGETING AND BUDGET PREPARATION

3.1 Budget

A budget is a plan expressed in monetary terms for the policies, programmes, projects and activities of government approved by relevant authority for implementation in a fiscal year. Budgeting is the whole process of planning, mobilising, allocating, managing and controlling financial resources towards delivery of public goods and services. Yobe State House of Assembly is responsible for the enactment of the budget law annually that runs from 1st January to 31st December of each year in line with the provisions of S. 120(2) of the Nigerian Constitution.

S. 120(2) of the 1999 Constitution as amended provides that "No moneys shall be withdrawn from the Consolidated Revenue Fund of the State except to meet expenditure that is charged upon the fund by this Constitution or where the issue of those moneys has been authorized by an Appropriation Law, Supplementary Appropriation Law or Law passed in pursuance of section 121". The responsibility for preparation and presentation of the budget rest on the shoulder of the Governor as per S.121 of the Constitution. The Appropriation will convey how much revenue the government plans to raise, sources and its allocation to strategic priorities of government for delivery of public goods and services.

Generally, the budget should fit macro-economic policies and resource constraints, policy priorities and good operational management. It should be comprehensive, covering all revenues and expenditures and debt/other financing sources.

The budget therefore serves as:

1. Financial plan of action. It spells out the policy direction of the State Government in terms of how it allocates and utilises resources aimed at promoting economic growth, poverty alleviation, security and welfare of the citizens.
2. Authority for spending public funds. No expenditure can be incurred except provided for within the approved budget.
3. Instrument for fiscal discipline. It serves as mechanism to control expenditure by ensuring that spending is within budget limit and if to be exceeded that steps are taken to obtain supplementary authorisation.
4. Instrument of accountability through reporting of budget outturn and citizens' access to the budget publication thereby building trust between government and the citizens.

3.2 Budgeting System

There are several approaches for making the budget including the following:

1. Incremental budgeting.

This is a budgeting method where the previous year's budget or actual performance is used as the base for the next year's budget with certain percentage or amount added (in respect of inflation plus new activities) to arrive at the budget proposal.

2. **Zero based budgeting.**

It is a budgeting method that starts with the assumption of expenditure planning starting from scratch (base zero) for every line item and requiring each MDAs to justify every activity and spendings proposed for the new year's budget. Under the system, all programs must be justified from scratch annually.

3. **Planning Programming budgeting.**

The Planning Programming Budgeting aims to define the objectives of the functional areas of government and their programme of activities for which criteria will be established for measuring performance against inputs, objectives and set targets. It focuses on what government does (provision of education, health service, etc.) rather than what government buys. It ensures a better linkage between objectives and goals, programs and activities thereby strengthening the linkages between planning, programming, budgeting and performance evaluation.

3.3 Budgeting Process

This is a continuous set of actions that occur repetitively from one fiscal year to another. The principal stages of the budgeting process also called the budget cycle are:

1. **Budget Formulation and Planning.**

This involves macro-economic forecasting and scenario building of the likely future state of the economy under which the budget will be implemented in the ensuing fiscal year. Activities such as the formulation of Medium-Term Expenditure Framework (MTEF), Fiscal Strategy Paper (FSP), Medium Term Budget Framework (MTBF) etc.

2. **Budget preparation and authorisation.**

The annual budget preparation starts with the issuance of Call Circular which is to guide MDAs in the preparation of the budget for the forthcoming year. The budget when prepared has to be authorised by the State House of Assembly in line with S.120 of the Constitution.

3. **Budget Execution**

This is putting into effect the approved budget through its implementation. The implementation requires compliance with the extant laws, rules and regulations, observance of established controls and continuous monitoring to ensure budget credibility (that is, that the budget is implemented as approved).

4. **Accounting and reporting**

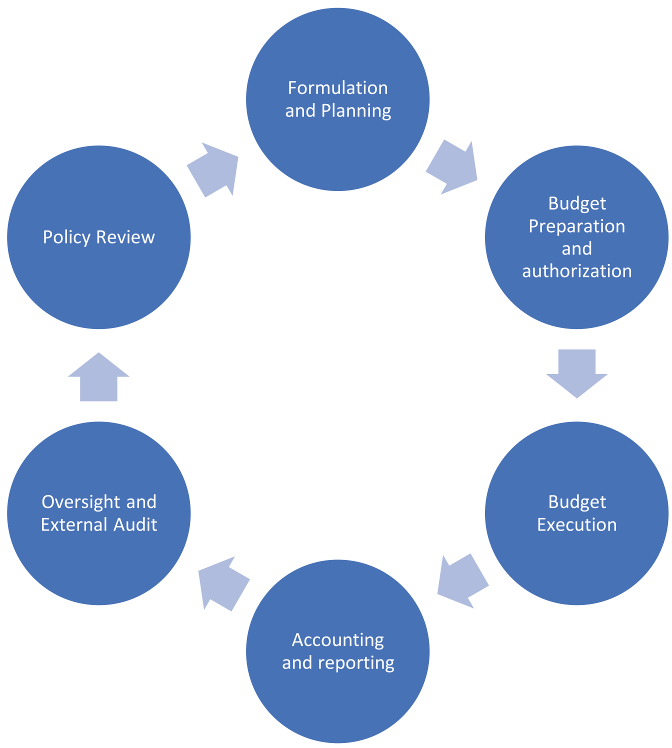
These are the activities carried out by Finance and Supplies Departments to ensure compliance with extant laws, rules and regulations, proper documentation and compliance with the approved standards (IPSAS) in financial reporting.

5. Oversight and External Audit.

S. 128 of the Constitution provides among others that the House of Assembly shall have power by resolution published in its journal or gazette or in the office gazette of the government of the state to direct or to cause to be directed an inquiry or investigation into disbursing or administering monies appropriated or be appropriated by such house. Similarly, External Audit is a statutory requirement pursuant to the provision of S. 125 of the Constitution.

6. Policy Review.

Usually at mid-year and before the beginning of the next budget cycle, a review of budget performance is carried out to know the budget outturn, successes and failures, issues encountered during implementation with a view to addressing the challenges.



3.4 Budget Preparation Process

The processes for involved in the formulation of the budget up to its enactment into Appropriation Law~~. It~~ involves several role players from the Executive and legislative arms of government, Civil Society Organisations (CSO), the citizens and other stakeholders. The preparation of budget shall consider the provisions of S. 24 and S. 25 PFML. In Particular S. 25 provides that a fiscal strategy paper should contain an assessment of the current state of the state economic environment which may include:

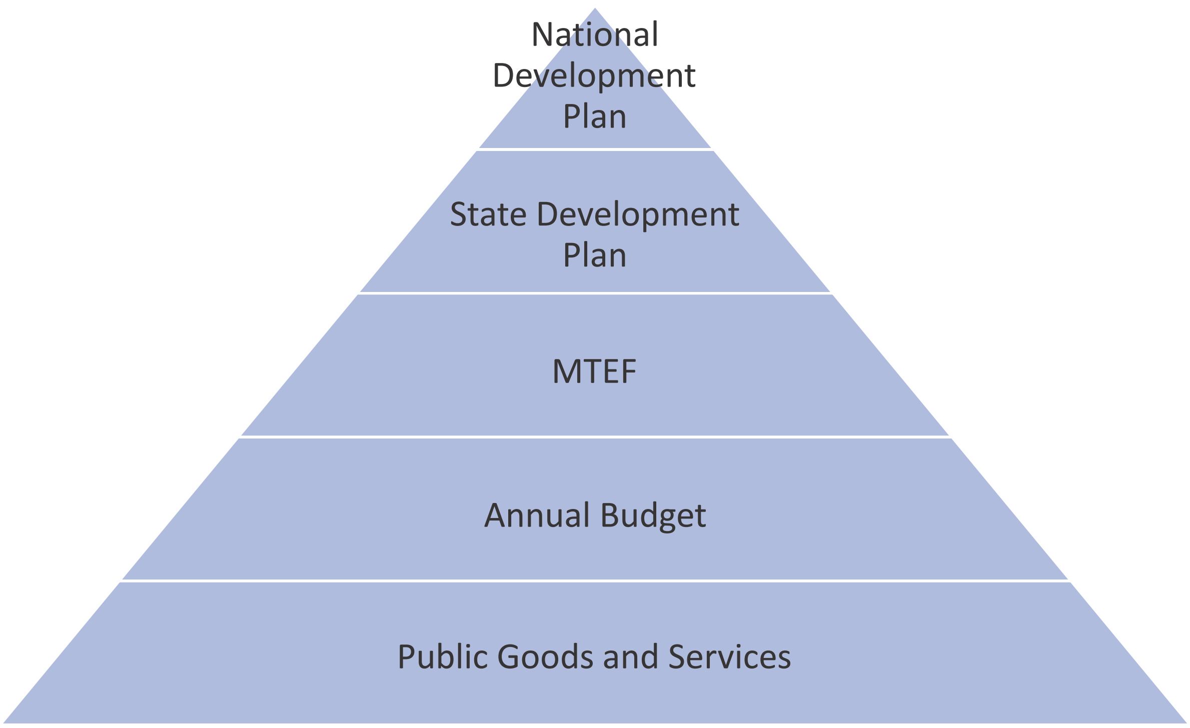
a) the medium-term macroeconomic framework and it is outlook as contained in the budget policy statement and how it implies on the state's economic environment

b) a medium-term fiscal framework defining a top down aggregate resource envelope and broad expenditure level
c) indicative allocation of available resources among government entities
d) the economic assumptions underline the budgetary and fiscal policy over the medium term and
e) a statement of fiscal responsibility principles as specified in this law and fiscal responsibility law
f) fiscal risk statement

The FSP shall be submitted to the House and once adopted, it shall form the basis for expenditure ceilings in the Medium-Term Expenditure Framework (MTEF). The MTEF shall be approved by the House and be binding for the next three budget years. The annual budget is derived from the MTEF.

3.4.1 Linkage of Policy to Service Delivery

The baseline for the preparation of the annual budget starts from the State Development Plan (SDP) which may flow from the National Development Plan. The 3-year Medium Term Expenditure Frameworks and Fiscal Strategy Paper are derived from SDP. The Medium-Term Expenditure Framework (MTEF), Medium-Term Sector Strategies (MTSS), and the Fiscal Strategy Paper (FSP) form the basis for the preparation of the annual estimates of Revenue and Expenditure. The process of preparing the MTSS and the MTEF should be highly participatory with different stakeholders including Civil Society Organisations (CSOs) and the general public.



3.4.2 Budget Preparation Phases and Timeline

The Annual Budget are designed to show clearly the form of and the amount of money to be spent on each service and define the scope of each service and prescribe the authorized establishment. They are intended to cover all foreseeable expenditures. S.29(1) of the PFM Law provides the detailed steps required in budget preparation and some timelines/Calender.

Budget preparation have different stages that involves different parties such as Ministry of Finance and Economic Development, Ministry of Budget and Economic Planning, Spending Ministries Departments and Agencies (MDAs), State Executive Council, State House of Assembly, Civil Society Groups and Citizens consultation. The Calendar shows time-line for each stage to enable the enactment of the Appropriation Law before a new fiscal year.

The budget calendar documents the stages with activities, responsible entity or entities, and timeline (i.e. period for performing each activity) in planning, preparation and approval of annual budget. The following activities should be carried out in budget preparation in order to ensure appropriate and transparent allocation of public resources to the identified sectoral priorities of Government:

Table 3.1 Timeline for budget preparation

Task	Time Line	Key Output	Responsible
Budget startup and planning activity	Early April	Budget Working Group (BWG) constituted	MoBEP
Release of Budget Calendar outlining in detail the required steps and activities for both the planning and budget preparation activities	Mid April	Annual Budget Calendar	MoBEP
Review Economic and Fiscal Updates	1st week May	A statement of economic & fiscal updates	Budget Working Group
Preparation/up-dating of the Medium-Term Sector Strategy (MTSS)	2nd week May	Updated MTSS	Sector Ministries
A formulation of multi-year fiscal targets including projections of revenues and expenditures.	Mid May	Aggregate Fiscal Framework Statement	The BWG
Review of Annual Budget Policy	End of May	Annual Budget Policy Statement	MoBEP
Conduct pre-budget stakeholders' consultations	End of May	The stakeholders' consultation would provide feedbacks and contributions to serve as inputs into budget	
Preparation of Draft Annual Budget Call Circular	1st Week June	Draft Annual Budget Call	MoBEP

		circular with Calendar and Sector Ceilings	
Consideration/Approval of Draft Call Circular	Mid June	Approved Annual Budget Call Circular	Budget Working Group
Issue the approved Annual Budget Call Circular to the MDAs	1st week July	Budget Call Circular	MoBEP
Preparation and Submission of MDA's Budget Proposals	1st Week of August	Draft MDAs Budget proposals	MDAs
Budget Bilateral Discussions	September/October		MoBEP/MDAs
Consolidation of MDAs' Budget Proposals	End of October	Consolidated Draft Budget Estimates.	MoBEP
Review and Approval of Draft Budget proposals	End of October	Approved Draft Budget proposals	EXCO
Presentation of Proposed Budget to SHoA	1st week of November	Finance and Appropriation bill	HE, the Exec. Governor
Budget Defence by MDAs before ShoA	November	Finance and Appropriation bill	ShoA/MDAs
Debate and Approval of Budget	December	Finance and Appropriation Law	
Governor's Assent	End of December	Approved Finance and Appropriation Law	HE, the Exec. Governor

3.4.3 MDAs Budget Preparation

The accounting officer is responsible for the budget preparation of his/her MDAs. which include ensuring:

1. compliance with the content of the Budget Call Circular
2. that all services which can be reasonably foreseen are included in the estimates and that they are within the capacity of his entity during the financial year;
3. the estimates prepared are complete and accurate as possible;
4. the estimates have been framed with economy and efficiency;
5. the requisite authority has been obtained, where necessary, before provision is made in the estimates;
6. the estimates are submitted to the Ministry of Budget and Economic Planning in the manner and format as contained in call circular.

The PFM Law 2020 S.29(1)(c) has prescribed a budget format that supports program-based budget system for all MDAs in line with the National Budget Classification and Chart of Account. The programme segment of the National Chart of Accounts currently has 21 items and five segments – sector, objective, programme, project and activities which all government expenditures shall fall within. The programme areas are included in table 3.2.

Table 3.2 Programmes areas

Code	Description
01	Economic Empowerment through Agriculture (General)
02	Societal Re-Orientation (General)
03	Poverty Alleviation
04	Improvement in Human Health (General)
05	Enhancing Skills and Knowledge (General)
06	Housing and Urban Development (General)
07	Gender (General)
08	Youth (General)
09	Environmental Improvement (General)
10	Water Resources Rural Development
11	Information Communication and Technology (General)
12	Growing the Private Sector
13	Reform of Government and Governance (General)
14	Power (General)
15	Rail (General)
16	Water Ways (General)
17	Roads (General)
18	Airways (General)
19	COVID
20	Climate Change
21	Oil and Gas Infrastrucure (General)

3.5 Budget Reallocation Process

This arises during budget implementation when there is insufficient fund in one economic line and there are savings or excess fund in another within the same class of expenditure. PFML S.43 provides detailed process for reallocation of funds within programmes. In all cases:

1. a register should be maintained of all budgetary reallocations
2. report of all reallocations should be prepared and submitted to the Commissioner in charge of budget not later than the 10th day of each month and measures taken to mitigate against future reallocations.
3. Commissioner in charge of budget is required to consolidate all reallocations and include them in the next revised budget and seek approval for the reallocation by the House.

Fiscal Responsibility Law (FRL) S.33 confers on the Commissioner for Budget and Economic Planning to approve virement within same class of expenditure and issue warrant accordingly. However, the justification for it should be signed by the Accounting Officer and communicated to the House of Assembly for approval.

Virement is an acceptable practice in budget execution but it should not be abused because:

1. excessive virement is an indication that budget preparation was not thorough; and
2. it is often a reflection of poor budget classification.

3.6 Supplementary Budget

The supplementary budget is authorised following the same process for annual approriation. It is used if the expenditure on a line item is to exceed the amount provided for in the approved appropriation and the necessary additional amount cannot be accommodated by budget reallocation process.

CHAPTER FOUR
BUDGET EXECUTION - GENERAL

4.1 Budget Execution and Control

Budget execution covers the whole process and activities in the implementation of the Appropriation Law or Supplementary Appropriation Law. It is the process of implementing, monitoring and reporting on the current year's budget.

The efforts of public servants are to see to the achievement of the budget policy objectives and the delivery of public goods and services that assures economy, efficiency, effectiveness, transparency and accountability.

4.2 Principles Guiding Budget Execution

S.37 of the PFM law provides the general principles that applies to carrying out government expenditure to include:

1. aggregate reallocations for a particular appropriation line in a given fiscal year may not exceed the amount appropriated for that line in the annual Appropriations Law amended from time to time through budgetary reallocations and any supplementary Appropriations Law.
2. total payments for a detailed budget line in a given fiscal year may not exceed the reallocations issued against that budget line.
3. debt service payments shall be a first line charge on the Consolidated Revenue Fund and the Commissioner shall ensure this is done.
4. debt payments shall be made whether or not they meet the general rules of Appropriation limit.
5. no payment shall be made from the Consolidated Revenue Fund as a direct charge, except under an item identified in the annual budget estimates.

It is important to note that MDAs are responsible for carrying out expenditures to deliver public goods and services within regulatory controls set by the Ministry of Finance and Economic Development. Accounting Officers should therefore see to the successful execution of the budget as appropriated in an economic, efficient and effective manner.

4.3 Budget Execution Process

The FRL laid down in S.31 and 32 the process for budget execution.

1. The Ministry of Budget and Economic Planning is to prepare within one month after the signing of the Appropriation Law an Action Plan for implementation of the Law for approval of the State Executive Council.
2. The Governor is to issue General Released Warrant thereafter.
3. Within one week after the issuance of the General Released Warrant, the Ministry of Finance and Economic Development is to prepare an Annual Cash Plan setting out the projected monthly cash flow (Inflow and Outflow) and

revised the same periodically to reflect current reality. The Cash Plan should be aligned with the Annual Work Plan.

4. The Commissioner of Finance and Economic Development is also required to prepare and publish a disbursement schedule derived from the Annual Cash Plan for the purpose of implementation of the Appropriation Law.
5. The Heads of Budget and Planning in MDAs are to submit capital budget work-plan for the quarterly budget execution.
6. The consolidated work plan adjusted in line with government priorities form the basis for making capital expenditure projections on quarterly basis.

4.4 Cash Planning and Forecasting

Cash planning is a strategy for orderly execution of the budget by ensuring that cash is available to meet expenditure needs at a future period. It provides room to plan ahead for any envisaged cash flow shortfall which can be met from borrowing or other sources.

In line with S.39 and 40 of PFML:

1. Accounting Officers are to provide the Commissioner with an annual cash flow plans as a requisition for funds needed for that financial year.
2. Accounting Officers are to break the Annual Cash Plan into a three-month rolling basis and adjusted to reflect any implementation changes.
3. Quarterly cash flow projections to be supported by a procurement plan approved in accordance with the Public Procurement Law.
4. The Commissioner shall consolidate all expenditure approval of cash limits issued to Chief executive
5. The Commissioner shall issue a Treasury Circular communicating cash flow projections agreed with the Chief Executives.
6. In the event of unanticipated cash flow fluctuations, the Commissioner shall inform the Chief Executives through a circular requesting for revision of cash flow projections.

4.1 Format of Annual Cash Flow Projections Plan

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Total
	₦	₦	₦	₦	₦	₦	₦	₦	₦	₦	₦	₦	₦
Balance B/F													
Inflows (Receipt)													
Share of FAAC													
Share of VAT													
Independent Revenue													
Grants													
Total Inflow													
Out Flow													

Personnel Cost													
Overhead Cost													
Debt service													
Capital													
Total Outflow													
Balance C/F													

4.2 Format of Quarterly Cash Flow Projections Plan

	Jan	Feb	Mar	Total
	₦	₦	₦	₦
Balance B/F				
Inflows (Receipt)				
Share of FAAC				
Share of VAT				
Independent Revenue				
Grants				
Total Inflow				
Out Flow				
Personnel Cost				
Overhead Cost				
Debt service				
Capital				
Total Outflow				
Balance C/F				

4.5 Stages of the Budget Execution Process

After the Appropriation Law is enacted, there are usually six main stages in the spending process.

4.5.1 The authorization stage

Once a budget is approved and assented to by the Governor, MDAs are legally authorized to spend money consistent with the appropriations for each line item. However, MDAs can only embark on actual spending of the amount appropriated upon receipt of a Warrant or Authority to Incur Expenditure (AIE).

Where the budget has not been enacted before the budget year starts, the Constitution provides under S.122 that the Governor can authorise the withdrawal from the Consolidated

Revenue Fund of the State to carry on the services of the government for a period not exceeding six months or until the Appropriation Law is passed whichever is earlier. The Governor's authorisation is limited to amount proportionate to the total amount in preceding year's Appropriation Law.

4.5.2 The commitment stage

1. This is the stage where a future obligation (liability) to pay is incurred. A commitment arises when a purchase order is made or a contract is signed (legal commitment), which implies that goods will be delivered or services rendered (financial commitment), and that a bill will have to be paid later on.
2. The general practice is to recognise commitment when goods are delivered or services rendered. This shall apply in all MDAs. This is because the relevant Ministry or spending agency may change its mind or disagree with the supplier later.
3. Maintaining adequate record of commitment and ensuring that it is consistent with planned future cash availability helps to avoid potential danger of accumulation of payment arrears.
4. It is imperative to maintain Adequate records of data on commitments that can be monitored and verified should be maintained because of its eventual crystalisation into cash payments to be made later and may have important financial programming implications.

4.5.3 The verification stage

1. At this stage, the effort is to ensure that goods have been delivered fully or partially according to the contract, or that the service has been rendered and the bill or invoice has been received. MDAs making the purchase should check the bill, that is, verify that the supply has been received in full compliance with all the terms or conditions.
2. The bill or invoice received should be recognized as a liability in line with IPSAS accrual accounting basis.

4.5.4 Expenditure authorization stage

1. Warrant release is an authority which empowers ~~to~~ the Accounting Officer of MDAs to carry out expenditure on the line item(s) or purpose specified. It is an indication of availability of fund upon which goods and services can be procured in line with the Public Procurement Law.
2. Transfer of money by the Accountant-General to MDAs does not translate to actual expenditure but as Transfer to be utilised to pay for recurrent expenditure.
3. Payment for capital expenditure shall be paid by the Ministry.

4.5.5 Payment stage

This occurs when the MDAs actually process payment in favour of beneficiary for works, goods delivered or services rendered supported with relevant documentation and approvals.

1. Every payment voucher and its supporting documents should be subjected to pre-payment audit by the Internal Auditor of MDAs before payment can be made.

2. Payments should be made through electronic transfer to the designated bank account of the beneficiary by the MDAs in line with the Treasury Single Account policy of the State.
3. All payments should comply with established financial controls which are intended to enhance accountability of resources management.

4.5.6 Accounting stage

This stage involves recording financial transactions in the appropriate books of accounts in line with accounting principles, conventions and standards. Under cash basis accounting system, the Cash Book is the main book of account while under accrual accounting basis, aside the cash book, other accounting records have to be maintained. Reconciliation should be carried out monthly for early detection of errors and fraud as well as assurances that posting to the cash book is complete and accurate.

4.5.7 Budget Performance Reports

The initiation of project execution should require constituting a project implementation team in MDAs headed by a Senior Officer who would be responsible for liaising with all participants/Departments in the project and preparing project implementation report for each project. The following should be observed by everyone involved in budget implementation:

1. Compliance with the Appropriation Law to achieve budget credibility. The approved budget is the authority for any expenditures and therefore no expenditure should be incurred without being budgeted for.
2. All financial activities and operations should be geared towards the achievement of the policy aims of Government.
3. Arrangement should be put in place for continuous budget monitoring and evaluation of performance during budget implementation. Such basic monitoring and evaluation tools include: Work Plans, Progress reviews, Variance Analysis, Budget Tracking (Financial/Physical), and Benchmarking with Key Performance Indicators (KPIs).
4. Budget, Planning, Research and Statistics Department should generate budget performance data to allow for comparison of actual expenditure with budgeted (variance analysis) and produce appropriate monthly, quarterly and annual budget performance reports.
5. Variances should be investigated, corrective action taken for improvement in budget implementation

4.5.8 Budget Execution Progress Reporting

In the course of budget execution, government and other stakeholders need to know the progress of implementation of the budget to facilitate evaluation and assist in decision making.

PFML S.49 (1) requires all MDAs' Chief Executive of an entity to not later than the 10th day of each month submit a monthly financial and non-financial budgetary reports for the preceding month to the Accountant-General with copies to the Commissioner in charge of budget and the Auditor-General.

The report to be produced include:

(a) actual revenues, including appropriations in aid;

(b) expenditures in respect of:

i. personnel cost;
ii. pension and gratuity;
iii. use of goods and services;
iv. transfer to other levels of government; and
v. capital expenditure;

(c) pending payments with an age of over ninety days;
(d) projection of expected expenditure and revenue collection for the remainder of the financial year;
(e) an explanation of any material variances; and
(f) a summary of the steps that are to be taken to ensure that the projected expenditure and revenue remain within budget.

Table 4.3 Budget Performance Report Format

Details	**(a) Budget**	**(b) Actual**	**(a-b) Variance**
Revenue:			
FAAC receipt	x	y	x-y
Independent revenue	x	y	x-y
Other revenue	x	y	x-y
Total Revenue	**xx**	**yy**	**xx-yy**
Expenditure:			
Personnel	x	y	x-y
Pension and Gratuity	x	y	x-y
Overhead	x	y	x-y
Transfers	x	y	x-y
Total Recurrent (Non-debt)	**xx**	**yy**	**xx-yy**
Debt servicing (recurrent Debt)	xx	yy	xx-yy
Total Recurrent	**xx**	**yy**	**xx-yy**
Transfer to CDF	x	y	x-y
Other Financing items:			
Loans	x	y	x-y
Grants	x	y	x-y
Aid	x	y	x-y
Total Fund for Capital	**xx**	**yy**	**xx-yy**
Capital expenditure	xx	yy	xx-yy

CHAPTER FIVE
REVENUE COLLECTION AND CONTROLS

5.0 Introduction

The purpose of accounting procedures for revenue is to ensure that budgeted revenues are collected, properly recorded and accounted for. The Yobe State Revenue (codification) Law 2021 as amended per S.36(1) empowers the Yobe State Internal Revenue Service to assess, collect, account for and enforce payments of the various taxes, non-taxes revenues and laws specified in the schedule to the Law including those of Local Government Councils. It is responsible for giving instructions on the procedure for collecting and accounting for such revenue due to Government and printing/issuing receipts and licence books.

5.1 Revenue Collection and Accounting

Revenue is germane to the ability of government to implement the annual budget. It is therefore imperative that adequate procedures are put in place to:

1. Provide safeguards for identifying revenue collections opportunities
2. Ensure proper billing for services
3. Ensure that actual amounts due are collected
4. Monitor its timely collection
5. Ensure accountability for collection including lodgement with designated banks
6. Ensure compliance with extant laws, rules and regulations

It is important to note the following provisions in the Yobe State Revenue (codification) Law 2021 as amended:

S.106 as amended, provides that the Service shall be the sole body to collect, recover and pay to the designated account all taxes due to the State Government and all delegated revenues of Local Government Councils in the State under this or any other enactment through an electronic payment platform; issuance of receipt and maintaining records of all revenue collections and remission.

S.104 also provides that each MDA, or legislature and Judiciary shall display at the conspicuous place in all the offices a chart showing the approved collectable rate or levies and the expected time of payment.

S. 105. provides that no MDA or legislature and Judiciary shall utilize any revenue or part thereof it collected for the State save in manner authorized by this or any other relevant law.

S. 107. in compliance with the provision of the law, the legislature, Judiciary, and all MDAs shall within ten (10) working days of the succeeding months, report their monthly collections to the office of the Executive Chairman who shall report to the Ministry of Finance and Economic Development, and Ministry of Budget and Economic Planning in addition to any statutory requirement as contained in the second schedule of the Law or as may from time to time be approved by the relevant authority.

S. 108. where it appears that a person liable to pay rate, fee or charges defaults to pay, the relevant MDA, legislature or Judiciary may demand from such person payment of the rate, fees or charges by serving an assessment thereof in a demand notice requesting the payment of the total amount due within thirty (30) days from the service of the demand notice. The demand notice shall be in a form stipulated in the Schedule to the law as may from time to time be approved by the relevant authority.

Furthermore, S.27 of the Yobe State Revenue (codification) Law 2021 empowers the Accountant-General to deduct at source from budgetary allocation of MDAs in respect of the unremitted taxes and pay or remit it to the Service.

It is also important to note that all MDAs are agents of government for revenue collection and accounting. They are to ensure prompt remittance of all the revenues collected into the designated account.

5.2 Classes of Revenue

S. 52 of PFML classified government revenue into Domestic and External receipts.

(i) Domestic receipts:
(a) tax revenues;
(b) non tax revenues;
(c) statutory revenues;
(d) domestic grants and aids; and
(e) domestic loans receipts.

(ii) External receipts:
(a) external grants and aids;
(b) external loans including credit purchase.

Despite the provisions of the Yobe State Revenue (codification) Law 2021, ~~the~~ S. 56 of PFML, provides that the receiver for Statutory Allocation, loans, Aids and grants fund shall be the Accountant-General.

Government Internally Generated Revenue has also been classified in terms of tax revenue or non-tax revenue. Examples of such in the CoA is as shown in the Table 4.1 below.

Table 5.1 IGR Classification

Type	Class
Tax Revenue	Personal Income Tax
	Other Taxes:
Non-Tax	Licences - General
	Fees - General
	Fines - General
	Sales - General
	Earnings - General
	Rent on government property - General
	Rent on land and others - General
	Investment income
	Interest earned
	Reimbursement - General

5.3 Revenue Collector Responsibilities.

Accounting Officer and Revenue Collector are responsible for revenue management under S.58 of PFML. They should ensure that:

1. adequate safeguards exist and are applied for the prompt collection and proper accounting for all government revenue and other public funds;
2. appropriate legal actions are taken to obtain or effect collection;
3. official receipts are issued for all revenues received.
4. there is notice displayed that a numbered official receipt will be issued for all revenue paid to government.

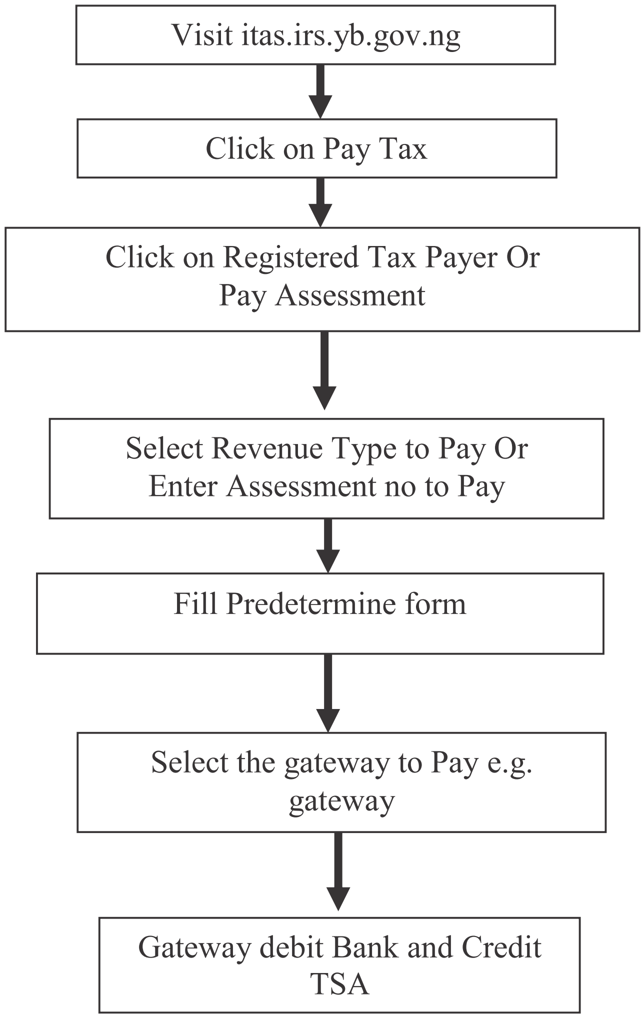
5.4 Demand notice and collection of Revenue accruals

In view of the adoption of IPSAS accrual accounting basis, specific revenue items like rent, sale of items, etc. should be recognized on the date of demand notice. MDAs should be responsible for issuance of Revenue Invoices to all customers. All collections against invoice revenue should be matched against the relevant revenue invoices and receipts issued accordingly. All Payers of revenues should pay directly into designated bank account through any Deposit Money Bank or approved electronic channels.

5.5 Receipt through Payment Gateway

1. Payment Gateway is an electronic payment platform through which revenue payer can make payment to the State Government.
2. Revenue payer visits the website of gateway at www.itas.irs.yb.gov.ng and follow the interface as applies.
3. Below is the flow chart for revenue payment through the gateway (Figure 5.1).

Figure 5.1: Flow Chart of Revenue Payment through Gateway



5.6 Refund of Revenue

1. S.26 of the Yobe State Revenue (codification) Law 2021 as amended provides for refund of overpayment to taxpayers after proper auditing by the Service. Such refund is to be made within 90 days of the decision of the Service.
2. The State Accountant General is required to open a dedicated account into which monies for settling refunds are paid.
3. The Service is to prepare annual budget for refunds for approval of State House of Assembly

CHAPTER SIX

PROCUREMENT OF WORKS, GOODS AND SERVICES

6.0 Introduction

The purpose of this section is to provide guidelines on the procurement of works, goods and services carried out by the State, Local Government Councils and all other Procuring Entities in the State.

6.1 General Guidelines

1. Procurement plan shall be prepared yearly by the Chief Executive Officer of MDAs to form the basis for procurement activities undertaken by their entities in the ensuing fiscal year.
2. The procurement plan, where necessary, shall include estimated costs of procurement, insurance, clearing, forwarding, wherehousing and demurrage charges for goods imported and have to undergo clearing and forwarding through ports of entry into the country.
3. All purchases of goods, works and services from suppliers, including capital investments, shall comply with the provisions prescribed in the S. 5 of Yobe State Public Procurement Law and any other relevant law and shall have the prior approval of the Chief Executive.
4. All commitments for supply of goods or services shall be done not later than the 30th of November each year except with the express approval of the Chief Executive in writing.
5. Expenditure commitments for goods and services shall be controlled against spending and procurement plans approved by the responsible Chief Executive, based on allocations and allotments from approved budgets.
6. The Chief Executive of any entity shall make an expenditure commitment only against the procurement plan approved for that entity in accordance with the Public Procurement Law.
7. At minimum, a procurement plan shall include proper descriptions of the procuring items, unit cost, the estimated contract value, and the procurement method relating to the annual portion of a multi-year contract and delivery schedule.
8. Any change in the procurement plan during the year shall be approved by the responsible Accounting Officer in consultation with the Chief Executive Officer responsible for that entity.

6.1.1 Key Principles of Public Procurement

Public procurement is conducted in accordance with key principles that are enshrined in Public Procurement Law and in other countries that are also committed to good governance:

1. Planning:
2. Value for Money:
3. Efficiency:
4. Fairness:
5. Transparency:
6. Accountability:
7. Ethical standards

6.2 Contract Award Thresholds and Approval

6.2.1 Contract Award Thresholds

The following award thresholds (until amended by relevant authority) are to be observed strictly by the relevant contract awarding or approving authorities, for the purposes of accountability, probity and transparency in the conduct of Yobe State public procurement:

S/No.	Awarding/Approving Authorities	Monetary Thresholds
1.	Chief Executive of Boards Parastatals and Extra Ministerial Departments	up to ₦500,000
	Heads of Departments in the case of Local Government	up to ₦100,000
	Directors	up to ₦100,000
2.	Governing Boards, Parastatals and Extra Ministerial Department	up to ₦1m
	Local Government DPMs	up to ₦500,000
3.	Hon. Commissioner, SSG, HoS.	up to ₦5m
	Permanent Secretary	up to ₦1m
	Local Government Chairmen	up to ₦1m
4.	Executive Governor	up to ₦200m
	Ministerial Tenders Board	up to ₦10m
	LG Executive Council	up to ₦20m
	Executive	Anything above ₦20m shall be referred to the Executive Governor for approval.
5.	State Executive Council	anything above ₦200m

All recommendations for the contract award as indicated above shall be with the consent of the State Governor.

6.2.2 Bureau's Review and Approval

Procuring Entities shall, for all contracts whose value exceeds ₦10 million or as may be prescribed by the Bureau, apply for prior review and certification by the Bureau at each of the following stages of procurement:

1. After the compilation or preparation of tender documents/dossier, before commencement of procurement or issuing of invitation to bid or prequalify;
2. After the evaluation of expressions of interest, proposals or bids, before the notification of prequalification or award to bidders, and signing of contract between the Procuring Entity and the successful contractor; and
3. Before payment of mobilization fee, contract sum or retention money to the contractor.

6.2.3 Certificate of No Objection

The following are the two types of due process certification:

a. Due process certificate for the award of contract; and
b. Due process certificate for progress payment.

6.2.4 Importance of Due Process Certification

1. The Bureau shall issue a Due Process Certificate to Procuring Entities for complying with the procurement law and guidelines. This is issued after careful review of the process to confirm that it was transparent and produced the right winner and the cost for the contract.
2. No Procuring Entity shall pay for any capital project without a due process certificate.
3. The Accountant General shall not make payments in respect of any capital project except if the request for such payment is accompanied by a Due Process Certificate, among other required documentations.
4. Procuring Entities are entitled to spend their monthly recurrent expenditure without seeking any further approval, except where a single expenditure exceeds Ten Million Naira (₦10,000,000), in which case the proposed expenditure supported by all necessary documents shall be forwarded to the Bureau for vetting, after which it shall then be forwarded to the State Governor for approval.
5. All contract for works, goods and services shall, relying on market indicators, attract a profit of not more than 25% and 7.5% value added tax (VAT) where applicable.

6.2.5 Mobilization Fees

In addition to any other regulations as may be prescribed by the Bureau as per S.37 Public Procurement Law, a mobilization fee of no more than 40% to supplier or contractor may be paid subject to the approval of an Advance Payment Guarantee (APG) by the Bureau and supported by the following:

1. In the case of National Competitive Bidding - an unconditional bank guarantee issued by an institution acceptable to the Procuring Entity;
2. In the case of International Competitive Bidding - an unconditional bank guarantee issued by a banking institution acceptable to the Procuring Entity;
3. Once a mobilization fee has been paid to any supplier or contractor, no further payment shall be made to the supplier or contractor without an interim payment certificate issued in accordance with the contract agreement.

6.2.6 Retention Money

The procurement guideline 2019 issued by the Yobe State Bureau for Public Procures provides for retention money. Retention money is a portion of the payments due under the contract which is retained to ensure performance by the supplier/contractor. When used as a guarantee, it shall not exceed 10% of the contract value. Instead of the Procuring Entity retaining part of the due payments, the supplier/contractor may also provide a money retention security in form of a bank guarantee or irrevocable Letter of Credit.

If the contract provides for both a performance guarantee and retention fees, the total amount of both the performance guarantee and retention fee shall not exceed 20% of the contract sum.

6.2.7 Payment for Consultancy Services

For the release of any Advance Payment or subsequent invoices approved by the Accounting Officer, the Head of the Procurement management unit will complete payment advice and forward to the Accounts Department, ensuring the deduction of any advance payments already made, and any contractual penalties incurred by the Consultant. Attach the original invoice from the Consultant, and copies of relevant information from the contract document, records of approval and financial authorisations.

6.2.8 Procurement Planning Committee

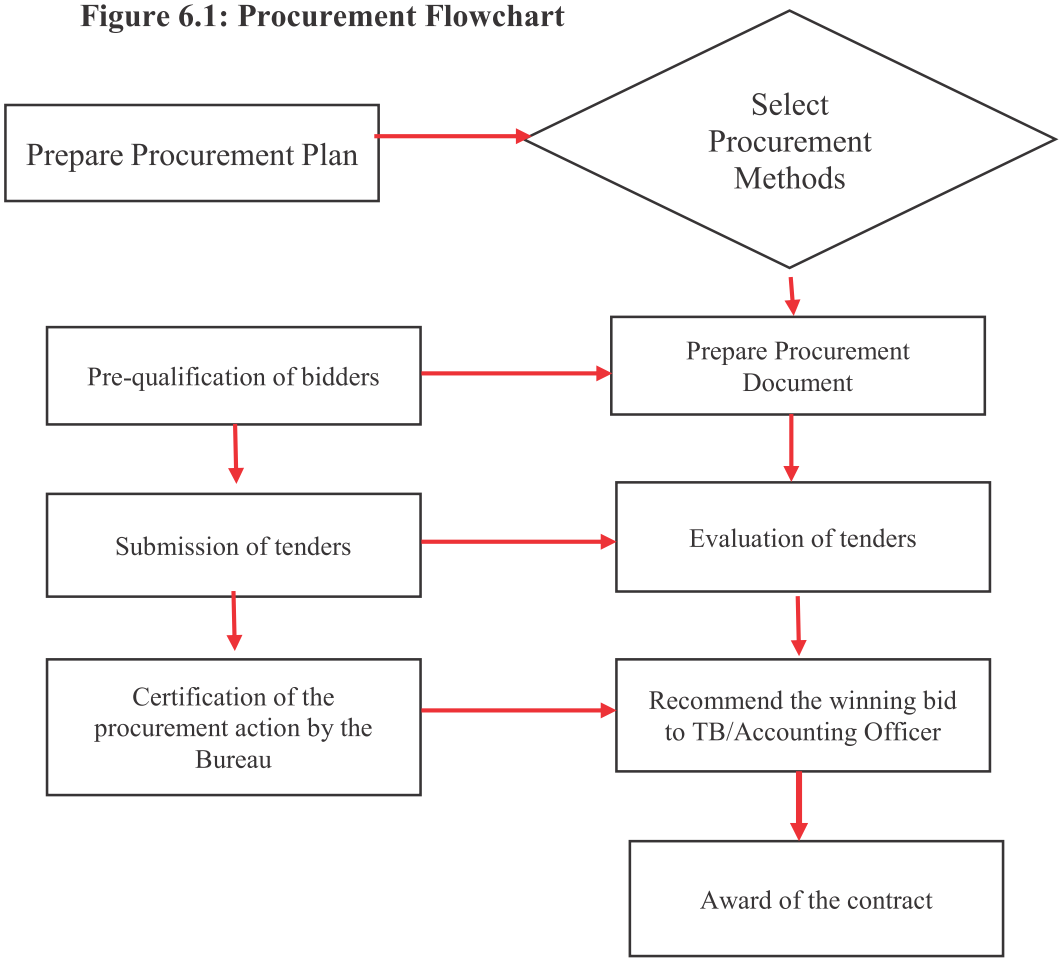
The committee identifies procurement needs and prepares the annual procurement plan aligned with budgetary provision. Members of the committee include:

1. Accounting Officer or his representative – chair
2. Representative of Procurement Unit – secretary
3. Representative of main end-user
4. Technical experts
5. Officer responsible for financial planning and approval
6. Officer responsible for planning, research and statistics
7. Representative of legal department.

6.2.9 Public Procurement Flowchart

The steps to be adopted for procuring goods, works and services are depicted in the flowchart below:

Figure 6.1: Procurement Flowchart



CHAPTER SEVEN

PAYMENT PROCESSING AND CONTROLS

7.0 Introduction

The purpose of accounting procedures for payment is to ensure that all payments are duly approved, fully documented and in line with the Appropriation Law or other extant laws and regulations. The payment process outlined under this chapter is in line with SIFMIS being adopted by the Yobe Ministry of Finance and Economic Development.

7.1 Objectives of Payment Procedures

Some of the objectives are:

1. To ensure that all payments are made based on authorisation for approved purpose;
2. To provide guidance in processing and approving payments;
3. To ensure that all suppliers and beneficiaries receive payments promptly;
4. To ensure proper controls are followed and the relevant documentations are raised; and
5. To ensure payments are made to the right payees.

7.2 Disbursement of Funds Authority

The disbursement of funds to MDAs for the execution of projects, programmes and activities contained in the Appropriation Law is a critical phase. Fund is a separate fiscal and accounting entity in which resources are held, governed by special regulation, separated from other funds and established for specific purposes.

The purpose of a fund is to carry on specific activities or to enable the attainment of specified objectives in accordance with regulations or special restrictions or limitations. Examples include:

1. Consolidated Revenue Fund
2. Contingencies Fund
3. Development Fund
4. Special and Trust Funds
5. Revolving Loans Fund.

7.3 Procedures for Disbursement of Funds

The disbursement of public funds must be covered by a provision in the Annual or Supplementary Appropriation Law in line with the Constitution of the Federal Republic of Nigeria, 1999 (as amended) and the following Laws, rules and regulations:

1. PFM Law 2020 provides under S.19(1) that the Commissioner in charge of budget shall obtain General Warrants signed by the Governor authorising issues from the Consolidated Revenue Fund in accordance with the respective Appropriation Law.
2. The approved General Warrant confers authority on the Commissioner to issue Treasury Warrant to the Accountant General to disburse funds accordingly and grants

authority to Accounting Officers to incur expenditure for the year in respect of their votes.

3. No expenditure may be incurred by any officer on any service until he has received an authority to do so vide Warrant or AIE.
4. PFM Law S.41(2) provide for Release of Funds from the Consolidated Revenue Fund to Government entities based on cash flow plan and should be in line with the authority granted by the Governor together with the written instructions of the Commissioner.
5. The Accountant-General is required to make requisition to the Commissioner for the treasury withdrawal of funds and subsequently issue a treasury circular informing the entity of the amounts authorised.

7.4 Classification of Expenditure

Public expenditure is broadly classified into Recurrent and Capital Expenditure.

7.4.1 Recurrent Expenditure

This relates to regular operational spending for the day-to-day activities of MDAs. It is further classified into:

1) Recurrent non-debt which are made up of Personnel Costs and Overhead Costs; and
2) Recurrent (Debt) which covers debt servicing charges, interest and sinking fund provisions.

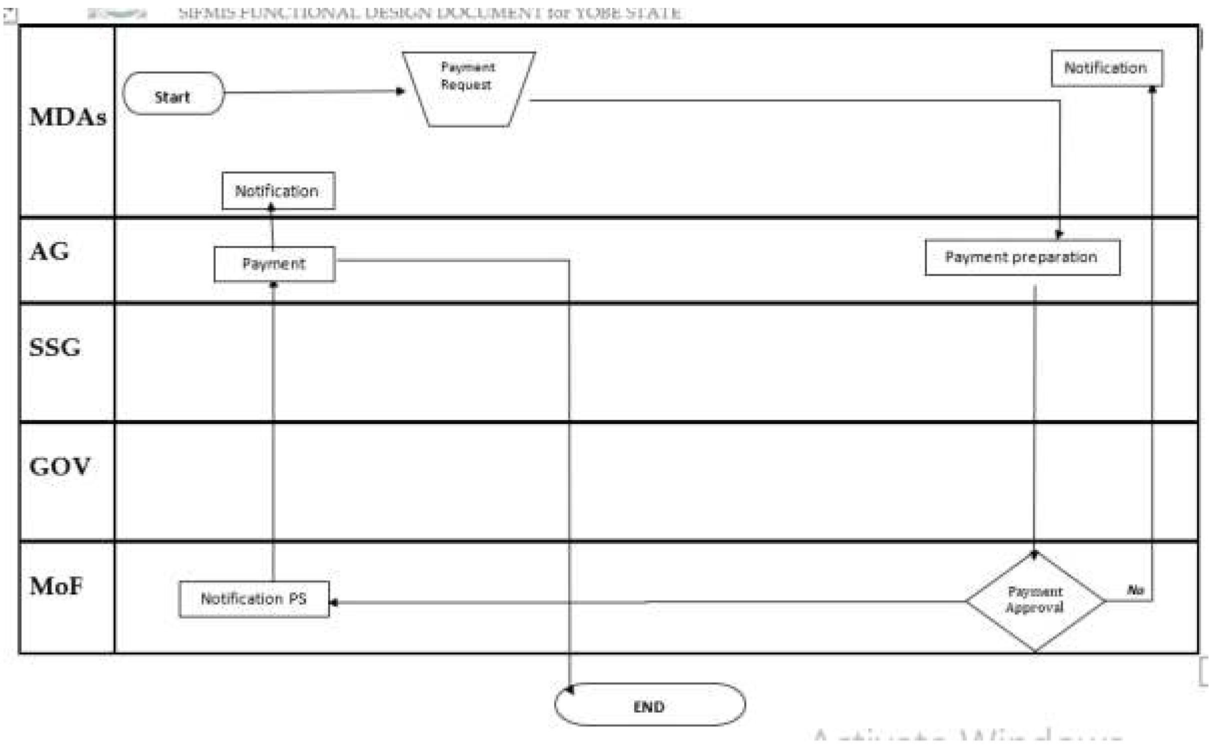
7.4.2 Capital expenditure

This relates to spending that increase the government stock of physical assets including human capital asset.

7.5 Recurrent Expenditure Authority

Section 20 of PFML authorises the Commissioner to issue~~, on receipt of general warrant, issue~~ to the Accountant-General warrant granting authority to accounting officers to incur expenditure for the year in respect of their votes.

At Governor's approval, Accountant – General funds MDAs upon the receipt of letters from MDAs. The Accountant General prepares payment and forwards to the Permanent Secretary of Ministry of Finance and Economic Development. A notification of approval will be sent to the Accountant General upon which a payment is made to the relevant MDA. The following flowchart depicts the payment process under the SIFMIS platform.



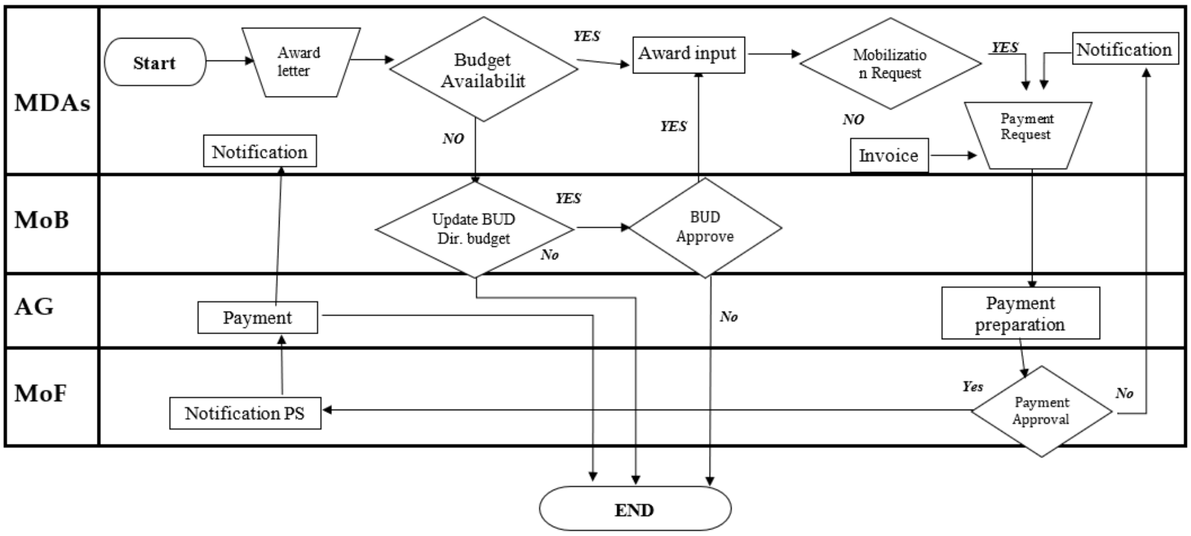
7.6 Capital Expenditure Authority

After a capital expenditure contract is signed the MDA posts the contract order on the SIFMIS platform. The contract order to be posted should include all applicable fees and deductions. Where the contract terms require mobilization, a workflow request for approval is routed through the SSG to the Governor. The SSG may either reject and return the request to the MDA or recommend and forward to the Governor for approval. Upon the receipt of the Governor's approval, Commissioner of Finance directs the Permanent Secretary Ministry of Finance and Economic Development to effect the payment. The Permanent Secretary subsequently authorizes the Accountant General to pay the contractor directly.

7.6.1 Payment procedures for capital expenditure

The payment procedure for contract commences from the receipt of award letter from the relevant MDA. The affected MDA sends the payment request on the SIFMIS Platform. Subsequently, the Accountant General process the payment on the SIFMIS platform and recommends for approval of the Permanent Secretary. Upon the receipt of the Permanent Secretary approval the Accountant General pays the contractor directly.

The following flowchart depict the accounting process under the adopted SIFMIS platform:



7.7 Authority to Incur Expenditure (AIE)

This instrument is provided by S.23 (1) of PFML for use by the Accounting Officer to authorise in writing (or form prescribed by the Accountant-General) a public officer in another entity to incur official expenditure on his behalf.

1. A register should be kept of all AIE holders.
2. Accounting officer remains responsible for any expenditure incurred as a result of that delegation.

7.8 Expenditure Management

Efficient and effective management of public expenditure is critical to the achievement of government policy objectives and delivery of public goods and services. Consequently, S.38 of PFM Law place upon the Accounting Officer the responsibility of exercising budgetary control measures by ensuring that:

1) Accounting Officers shall provide the Commissioner with an annual cash flow plans as a requisition for funds needed for that financial year.
2) The government entities shall execute their approved budgets based on the annual appropriation Law, and the approved annual cash flow plan with the exception of unforeseen and unavoidable spending dealt with through the Contingency Fund or supplementary estimates.
3) The annual cash flow plans prepared by Accounting Officers shall be broken down into a three-month rolling basis and shall be adjusted to reflect any implementation realities in consultation with the Commissioner.
4) As far as possible, quarterly cash flow projections prepared by the Accounting Officers shall be supported by a procurement plan approved in accordance with the Public Procurement Law.

7.9 Preparation of Payment Voucher and Documentation

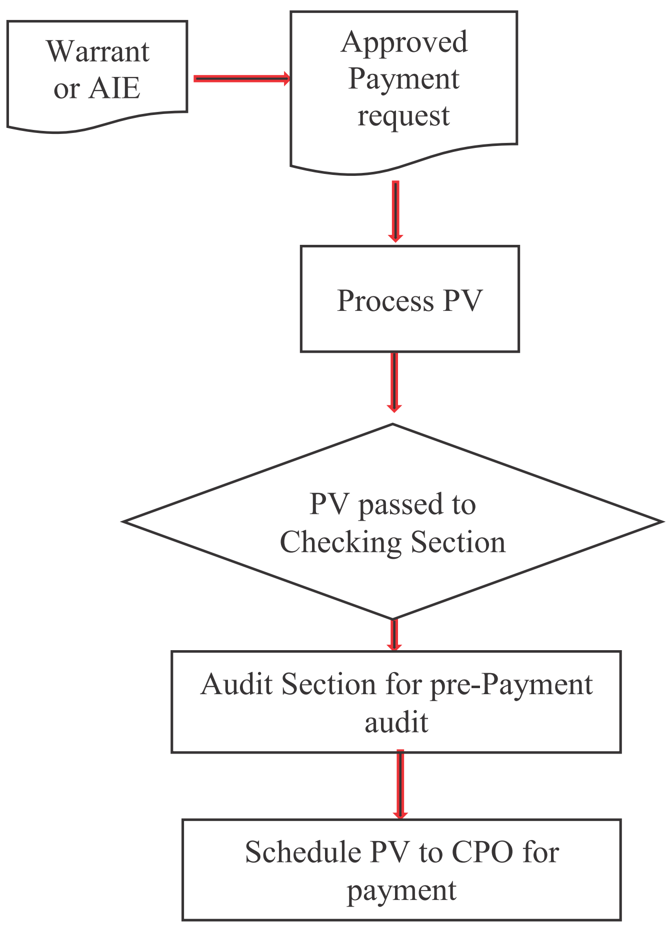
The preparation of payment voucher is an important phase in public expenditure process. The Voucher which is in a prescribed form details financial transaction. It provides documentary evidence that shows discharge of obligation through disbursement of money.

In order to prepare a payment voucher, there must be a minute authorizing the payment by the Accounting Officer of the MDAs. It is important to check that the approval is for items that are correctly chargeable to the MDAs and to appropriate vote of charge with sufficient funds available to meet the expenditure.

~~Payment~~ Voucher can be categorised into:

1) Payment voucher and
2) Remittance voucher

7.1 Flowchart of Payment Voucher Preparation:



The vote control mechanisms are automated in the SIFMIS platform

7.10 Contents of a Payment Voucher

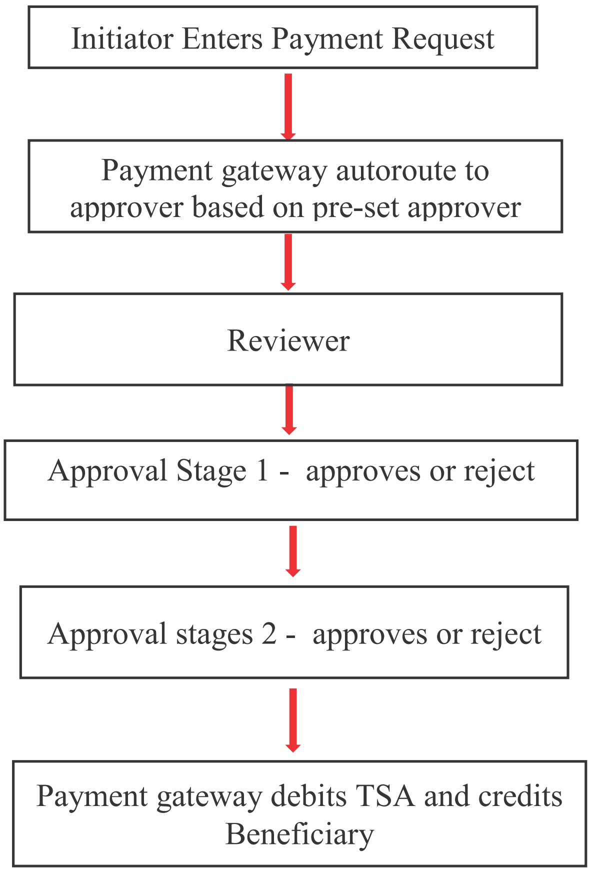
As minimum requirements, all payment vouchers should contain the following in line with S.97 of PFM Law which provides that:

1. All receipts and payments vouchers of public funds shall be properly supported by pre-numbered receipt and payment vouchers and shall be supported by the appropriate authority and documentation.
2. All receipt and payment vouchers shall be or made out in indelible ink and shall contain adequate narration of the particulars of the services, goods or works procured and being paid for.
3. All amounts appearing in a voucher shall be written in words as well as in figures.

In Addition, the following must be observed

1. Departmental Number Station of Payment (Geo-location Code);
2. Head (Administrative Code);
3. Sub-head (Economic Code);
4. Amount in Figures and Words;
5. Address of the Payee;
6. The Voucher should contain the name and Signature of the officer who prepared the voucher, the officer who checked the voucher, and the officer controlling the vote
7. The signature of the payee
8. The vouchers must contain the full particulars of each service such as date, number, quantities, distance and rate, so that checking could be carried out without reference to any other document;
9. All relevant documents should be attached e.g. LPO, Contract Agreement, Invoices, Delivery Notes, SRV;
10. Certificate to confirm that the amount on the voucher is correct and was incurred under the authority granted and the services have been duly performed;
11. The financial authority (Warrant or AIE) used must be quoted on the voucher;
12. Date of the voucher and the officer controlling expenditure signature with date. This is very important as the liability of a voucher is counted from the date it is signed to a period of twelve months after which the voucher becomes stale for payment;
13. If the voucher relates to a contract, reference to such contract and details of any previous payment under it must be stated;
14. only the originals of Local Purchase Order and Invoices must be used to support voucher. If copies are used, there must be a letter of indemnity from the payee;
15. No alterations of any kind is allowed;
16. The voucher must have been entered into the vote book and duly signed and stamped to that effect.;
17. Certified for payment by authorised officer;
18. Stamped “checked and passed for payment at ……only” and signed by checking officer;
19. Not more than three months after it was signed by officer controlling expenditure;
20. Audited and passed by the Internal Auditor; and
21. Accompanied with schedule to CPO
22. Where part payment or recovery is being made, this must be stated on the voucher so that all the payments/recovery for that transaction can be linked to avoid fraud or overpayment.

7.2 **Treasury Single Account Payment Flow**



7.11 Required Attachments in Payment for Contracts Works

The execution of contracts are sometimes done in stages and therefore requires that payments are made when a milestone is achieved.

7.11.1 Contracts for Works

(a) Payment of Mobilization Fees. The following should be attached to the PV:

1. Request for payments with Bank details and Tax Identification Number (TIN)
2. Approval of Contract (Memo Approved by the Accounting Officer or Minutes of Tenders Board (TB) Meeting duly signed or Council Extracts), in line with the approved thresholds.
3. Letter of Contract award
4. Contract Agreement
5. National Competitive Bidding: Unconditional Bank Guarantee by the procuring entity.
6. International Competitive Bidding: Unconditional Bank Guarantee by a Banking Institution acceptable by the procuring entity.

7. Approval for payment by the Accounting Officer.
8. Submission of the visual of projects (pictures, video)

(b) Interim Payment (Optional). The following should be attached to the PV:

1. Request for payments with Bank details and Tax Identification Number (TIN).
2. Approval of Contract (Memo Approved by the Accounting Officer or Minutes of TB Meeting duly signed or Council Extracts).
3. Letter of Contract Award
4. Contract Agreement
5. Valuation Certificates
6. Progress Reports
7. Interim Payment Certificate duly signed by the end user/competent officer
8. Approval for payment by the Accounting Officer
9. Submission of the visual of projects (pictures and videos).

(c) Final Payment. The following should be attached to the PV:

1. Request for payments with Bank details and Tax Identification Number (TIN).
2. Approval of Contract (Memo Approved by the Accounting Officer or Minutes of TB Meeting duly signed or Council Extracts) in line with approved thresholds.
3. Original Letter of Contract Award
4. Contract Agreement
5. Valuation Certificates
6. Final Progress Reports
7. Final Completion Certificate duly signed by the end user/competent officer
8. Final Payment Certificate
9. Approval for payment by the Accounting Officer
10. For contracts having provisions for retention, the Auditor-General or his representative and the representative of the MDAs should co-sign the Certificate releasing final payment.
11. Submission of the visual of projects (pictures and videos).

7.11.2 Contracts for Goods

(a) Payment of Mobilization Fees (Optional). The following should be attached to the PV:

1. Request for payments with Bank details and Tax Identification Number (TIN).
2. Approval of Contract (Memo Approved by the Accounting Officer or Minutes of TB Meeting duly signed or Council Extracts), in line with the approved thresholds.
3. Letter of Contract award
4. Contract Agreement
5. National Competitive Bidding Unconditional Bank Guarantee acceptable by the procuring entity.
6. International Competitive Bidding: Unconditional Bank Guarantee by a Banking Institution acceptable by the procuring entity.
7. Approval for payment by the Accounting Officer.
8. Submission of the visual of projects (pictures and videos).

(b) Interim Payment (Optional). The following should be attached to the PV:

1. Request for payments with Bank details and Tax Identification Number (TIN).
2. Approval of Contract (Memo Approved by the Accounting Officer or Minutes of TB Meeting duly signed or Council Extracts), in line with the approved thresholds,
3. Letter of Contract Award
4. Contract Agreement
5. Delivery Notes
6. Store Receipt Voucher
7. Interim Payment Certificate duly signed by the End-users
8. Approval for payment by the Accounting Officer
9. Submission of the visual of projects (pictures and videos).

(c) Final Payments. The following should be attached to the PV:

1. Request for payments with Bank details and Tax Identification Number (TIN).
2. Approval of Contract (Memo Approved by the Accounting Officer or Minutes of TB Meeting duly signed or Council Extracts), in line with the approved thresholds.
3. Original Letter of Contract Award
4. Contract Agreement
5. Delivery Notes
6. Store Receipt Voucher
7. Final completion certificate duly signed by the End-users/competent user
8. Final Payment Certificate
9. Approval for payment by the Accounting Officer.
10. For contracts having provisions for retention, the Auditor- General or his representative and the representative of the MDAs shall co-sign the Certificate releasing final payment.
11. Submission of the visual of projects (pictures and videos).

7.11.3 Contracts for Consultancy

(a) Payment of Mobilization Fees (Optional). The following should be attached to the PV:

1. Request for payment with Bank Details and Tax Identification Number (TIN)
2. Approval of Contract (Memo Approved by the Accounting Officer or Minutes of TB Meeting duly signed or Council Extracts), in line with the approved thresholds.
3. Letter of Contract Award
4. Contract Agreement
5. National Competitive bidding; Unconditional Bank Guarantee acceptable by the Procuring Entity.
6. International Competitive Bidding; Unconditional Bank Guarantee by a Banking Institution acceptable by the Procuring Entity.
7. Approval for payment by the Accounting Officer.
8. Submission of the visual of projects (pictures and videos)

(b) Interim Payment: (Optional). The following should be attached to the PV:

1. Request for payments with Bank Details and Tax Identification Number (TIN)

2. Approval of Contract (Memo Approved by the Accounting Officer or Minutes of TB Meeting duly signed or Council Extracts), in line with the approved thresholds.
3. Letter of Contract award
4. Contract Agreement
5. Certified Progress Reports
6. Completion certificates duly signed by the End-users/competent officer
7. Original receipts/Invoice for payment of reimbursable claims, ticket stubs for travelling expenses, hotel bills, etc.
8. Interim Payment Certificate
9. Approval for Payment
10. Submission of the visual of projects (pictures and videos).

(c) Final Payments. The following should be attached to the PV:

1. Request for payments with Bank Details and Tax Identification Number (TIN)
2. Approval of Contract (Memo Approved by the Accounting Officer or Minutes of TB Meeting duly signed or Council Extracts), in line with the approved thresholds.
3. Original Letter of Contract Award
4. Contract Agreement
5. Delivery Notes
6. Store Receipt Voucher (SRV)
7. Final Completion Certificate duly signed by the End-users/competent officer
8. Final Payment Certificate.
9. Approval for payment by the Accounting Officer.
10. For contracts having provisions for retention, the Auditor- General or his representative and the representative of the MDAs shall co-sign the Certificate releasing final payment.
11. Submission of the visual of projects (pictures and videos).

7.12 Personnel Emolument (PE) Payroll Preparation

All staff in the employment of government are entitled to payment of monthly emoluments as specified in his or her term of employment except where there is disciplinary action that direct withholding of an officer's salary. Section 113 of PFML provides for payroll certification by accounting officer.

Personnel emolument PE preparation procedures:

1. MDAs initiate the payroll variations through variation orders to Ministry of Finance and Economic Development
2. The Ministry of Finance processes the variation orders on SIMPCA
3. The payroll variation committee at the Ministry of Finance headed by the Permanent Secretary Ministry of Finance verifies all variation orders against payroll.
4. The Ministry of Finance pays the payroll centrally on receipt of the approval of the Payroll Verification Committee.

CHAPTER EIGHT

SUBSIDIARY ACCOUNTS: DEPOSITS, ADVANCES, REMITTANCES AND IMPREST

8.0 Introduction

A subsidiary account is an account kept within a subsidiary ledger that is used to track information at a very detailed level for certain types of transactions such as deposits, advances, remittances and imprest. The purpose of this section is to provide detailed procedures for accounting for such transactions.

8.1 Deposits

This refers to monies paid to the government for safe keeping or specific purposes ~~and~~ which can be withdrawn by depositors at maturity or based on agreed terms. S.99 of PFML provides that "unless otherwise exempted by any Law of the State, any deposit which has remained unclaimed for 5 years may, with the approval of the Commissioner, be paid into Consolidated Revenue Fund and thereafter the Commissioner may refund the deposit to any person entitled thereto, if he is satisfied that the claim is authentic". Deposits include:

1. Contract retention fees
2. Caution fees
3. Bonds and sureties
4. Housing deposit

In addition:

1. All deposits should be paid into the TSA account or any approved designated bank account and treasury receipt issued to the depositor.
2. Deposits accounting entries: Debit Bank and credit Deposits.
3. Withdrawals: Debit Deposit and Credit Bank
4. The necessary books and records to be maintained are:
   - Deposit ledger – this is maintained to record receipts and withdrawals. The entries into the ledger comes from voucher schedules and vouchers received from final account.
   - Deposit Register – it records details of all deposits received and withdrawals made. It has the format below:

Deposit					Withdrawal			
Date	Name of Depositor	Purpose	No. RV	Amount	Date	PV No.	Amount	Remarks

8.2 Advances

Advances are not expenditure and should not be charged as such in the Cash book. Advances can be classified into two categories:

1. Personal Advance – cash advance granted to employee in the service for his personal benefits such as salary advance, rent advance, motor vehicle advance, etc.
2. Non-personal advance – cash advance granted to an officer to carry out certain tasks on behalf of the MDAs.
3. Advances should be classified to Receivable.
4. All advances should be entered in the Advances Register per format below before payment:

Name of Officer………………………………………					
Type of advance……………………………					
Dept………………………					
No. of Installments………………………..					
Date	PV No.	RV No.	Dr.	Cr.	Balance

On retirement, journal should be raised by the Advances Section and relevant expenditure code should be debited and receivables (Advances) credited. The treatment retirement of advances will depend on if:

- Exact amount granted was spent. A journal is raised by Advances Section debiting all expenditure line items per retirement vouchers using an analysis sheet and crediting Receivables (Advances) with the full amount.
- Advances granted not fully expended and a refund is made: A journal is raised by Advances Section debiting all expenditure items per retirement voucher for the amount expended while amount refunded is debited (Bank) and Receivables (Advances) credited with total advances amount.
- Amount expended more than Advances granted: A journal is raised by Advances Section debiting all expenditure items per retirement voucher for the amount expended while amount claimed is credited to Payables and Receivables (Advances) credited with total advances amount.

8.3 Remittances

This refers to transfer of fund from one office to another through the bank. It may be to meet the transactions of MDAs or revenue collected from outstation being remitted to designated account of government.

If the transfer is for MDAs usage, payment will be made by e-payment in favour of the MDAs after due processes are followed. A remittance register should be maintained both by remitting and receiving stations.

A remittance register should be maintained both by remitting and receiving stations per sample below:

Issues					**Recipraocation**				
Date	**b/f whom made**	**No. PV**	**Code**	**Amount**	**Date Received**	**RV**	**Code**	**Amount**	**Remarks**

8.4 Imprest

As stated in S.84 of PFML, an imprest is a form of cash advance or a float which the Chief Executive may authorise to be issued to officers who in the course of duty are required to make payments which cannot conveniently be made through the cash office of an entity or bank account. The authority for imprest is conveyed by the Chief Executive through issuance of Imprest Warrant. Imprest shall be issued for a specific purpose, and any payments made from it shall be only for the purposes specified in the imprest warrant. There are two types of imprest per PFML S.86(2) & (3):

a) Temporary Imprest. It is issued mainly in respect of official journeys and are intended to provide officers with funds with which they can meet traveling, accommodation and incidental expenses.
b) Standing Imprest. This may be replenished from time to time but must be retired at the end of each financial year.

8.4.1 Procedures for issuance of imprest

1. Once the Imprest Warrant is issued, the following procedures shall apply:
2. Application for imprest shall be made through DFS/Head of Account to the Permanent Secretary.
3. DFS/Head of Account shall ensure that the budget line expense has not been exhausted.
4. DFS/Head of Account shall check against imprest ledger to ensure that the officer has no outstanding imprest;
5. If satisfied, DFS shall endorse the application to the Permanent Secretary for approval;

6. Upon approval, payment voucher shall be raised and payment effected to the officer's account.
7. Where banking facilities are available, Imprest Holders may open accounts in their official designations.
8. Imprest shall only be used for the purpose for which it was granted
9. Imprest Holders shall keep cash books and record all receipts and payments
10. Imprest Holders shall observe all regulations regarding the control of
11. expenditure and the disbursement of public funds**.**

8.4.2 Retirement of Imprest.

Temporary Imprest. The full amount shall be retired at the end of the project/programme.

1. Where the exact amount granted was spent, a journal is raised by Advances Section debiting all expenditure line items per retirement vouchers using an analysis sheet and crediting Receivables (Imprest) with the full amount.
2. If imprests amount was not fully expended and a refund is made, a journal is raised by Advances Section debiting all expenditure items per retirement voucher for the amount expended while amount refunded is debited (Bank) and Receivables (Advances) credited with total advances amount.
3. Amount expended more than Imprest granted: A journal is raised by Advances Section debiting all expenditure items per retirement voucher for the amount expended while amount claimed is credited to Payables and Receivables (Imprest) credited with total advances amount.

CHAPTER NINE

CASH MANAGEMENT AND TREASURY PROCEDURES

9.0 Introduction

This Chapter outlines the policies and procedures for the management of government cash resources so as to:

1. ensure safeguard of public funds;
2. ensure efficiency in disbursement of funds;
3. ensure that funds are used in line with extant laws and regulations;
4. facilitate monitoring of budget implementation; and
5. facilitate cash planning.

9.1 Cash Management

Cash Management is the strategy and associated processes put in place by entity to ensure that cash is available as and when needed and that there is adequate plan to meet any shortfall and invest any surplus. The strategy is aimed at maximizing inflows, controlling outflows, avoiding discretionary spending, minimizing deficit and ensuring that borrowing is within limits as well as invest any surplus.

Effective cash management involves proper analysis of seasonality of revenue and expenditure, preparation of cashflows and adoption of portfolio management approaches to optimize liquidity position so that cash is available when needed.

The TSA main Account is the State Consolidated Revenue Fund (CRF) maintained with the Central Bank of Nigeria (CBN)/Deposit Money Bank (DMB). The sub-accounts are other subsidiary accounts of MDAs linked to the TSA or approved to be maintained in any other bank by the Governor. All the accounts are to be reconciled monthly by MDA operating the account(s).

S.76 (1) of PFML saddles the Ministry of Finance with responsibility for cash management by putting in place sound cash management systems, procedures and processes to ensure efficient and effective banking and cash management practices. It entails:

a. assessing the cash inflows and outflows expected at any one time;
b. ensuring payments, including transfers to other levels of government and the entities are made when due for economic, efficient and effective programme delivery;
c. avoiding accumulation of idle balances;
d. using short-term borrowing only when it is necessary;
e. avoiding repayments for goods or services unless required by the contractual arrangements with the supplier;
f. accepting discounts to effect early payment only when the payment has been included in the monthly cash flow estimates provided to the Ministry of Finance;
g. pursuing debtors with appropriate sensitivity and rigour to ensure that amounts receivable by the government are collected and banked promptly; and

h. recognising the time value of money and managing inventories to the minimum level necessary for efficient and effective programme delivery, and selling surplus or under-utilised assets

9.2 Cash Management Advisory Committee

To ensure effective management of cash resource, S.79 (1) of PFML states that the Governor may establish a Cash Management Advisory Committee made up as follows:

a. Secretary to the State Government who shall be the chairman;
b. Commissioner, Ministry of Finance;
c. Commissioner, Ministry of Budget and Economic Planning;
d. Attorney General of the State;
e. Permanent Secretary, Ministry of Finance;
f. Permanent Secretary, Ministry of Budget and Economic Planning;
g. Accountant General of the State;
h. Chairman Internal Revenue Service;
i. Director Budget of the Ministry of Budget and Economic Planning; and
j. Director of Treasury Operations of the State who shall be the secretary.

The Committee's functions as contained in S.79(3) are:

a. Review and approve the aggregate monthly expenditure projection prepared by Ministry of Budget and Economic Planning in collaboration with Ministry of Finance;
b. Advice on the mobilisation of Government financial resources and on the judicious allocation of the monthly revenues based on the approved aggregate monthly expenditure projections;
c. Monitor revenue inflow and expenditure performance and review expenditure projections to be in line with inflow and level of expenditure performance; and
d. Any other functions that may be assigned by the Governor.

Both the Annual and monthly cash plans and disbursements plans are inputs for the exercise of the mandate of the Committee.

9.3 Benefits of Efficient Cash Management

1. Increases certainty that payments are made by the due date;
2. Minimises the volumes of idle cash held by MDA (cost effective);
3. Ensure linkage of all government accounts to provide visibility of flows;
4. Provides the government with greater flexibility to manage its finances and avoid the risk of high borrowing costs;
5. Contributes to the development of an efficient short-term securities market;
6. Supports aggregate fiscal discipline, strategic allocation and use of resources;
7. keep spending within limits;
8. Increases the predictability of funding for implementing agencies and delivery of public goods and services and achievement of government Agenda.

9.4 Treasury Cash Management

The Ministry of Finance through the Office of the Accountant-General is responsible for the maintenance of the Consolidated Revenue Fund and other public funds.

1. Receivers of revenue shall promptly deposit into the Consolidated Revenue Fund
2. The treasury shall issue receipt to a Revenue payer to acknowledge the receipt of revenue thereof.

9.5 Maintenance of Bank Account

The State by the provision of PFML operates Treasury Single Account (TSA) per S.88 of PFML and the Commissioner from time-to-time issue guidelines to MDAs for the operations of the TSA. Accordingly, S.75 - 81 of PFML provide that:

a) application for opening and operating bank account by MDAs shall be submitted to the Accountant General for approval.
b) all Government accounts shall be opened at the Central Bank of Nigeria (CBN) unless exempted by the Commissioner in writing where the CBN has no branch or banking facilities.
c) imprest bank accounts for petty cash shall be maintained outside the CBN
d) signatories to the account shall be approved by the Accounting Officer.
e) no government bank account shall be overdrawn, nor any advance or loan be obtained from a bank account for official purposes beyond the limit authorised by the Governor.
f) personal cheques shall not be deposited in an official bank account.
g) application to indicate in opening bank account that the Commissioner may request bank statements for that account without any reference to the authorised signatories of that bank account.
h) the Commissioner may suspend the operations of any government bank account or impose certain conditions, if he reasonably believes the purpose of that account no longer exists, or that fraud or fraudulent transactions are being undertaken in that specific account and shall institute investigations immediately.

9.6 Signatories and Custody of Banking Documents

In line S.78 PFML, the mandate for signing cheques or bank mandate shall be vested in the Accounting Officer. There shall be at least two signatories to MDAs bank account classified into categories A and B and each having alternate signatory in case any is indisposed. For cheque/transfer to be valid, the Director of Finance and Supplies/Head of Account must sign.

The Head of Central Pay Office shall be the custodian of all bank related documents and ensure that they are properly secured in a safe in the office. All cheques / bank mandates issued must be filed serially and recorded in the cheque/ bank mandate register. A register shall be maintained for all accountable documents. In the event that a cheque book or a bank mandate goes missing, the officer responsible shall immediately report to the DFS.

9.7 Bank Accounts Returns by MDA

Pursuant S.80 (3) of PFML, all MDAs should provide the Treasury with up-dated list of bank accounts held by the entity by 31st January of every year stating:

a) name of the bank where the account is held;
b) name of the bank account;
c) type of bank account;
d) signatories of the bank account;
e) date on which the bank account was opened;
f) the bank account number;
g) purpose for the bank Account (if different from the main operational bank account of the entity
h) the bank account balances as at 31st December each year; and
i) the reference number and date of the Accountant General's letter granting approval for opening and operating the bank account.

On the other hand, the Treasury is required to maintain a register of Treasury Single Account and its subaccounts and other bank and ensure its periodic reconciliation with the records maintained by banks.

9.8 Cash Book Maintenance

The Treasury Cash Book is the main accounting book of original entry and a component of the Ledger accounts. It is used for recording all receipts and payments.

Cash Book should be posted to reflect each day's transactions and balanced to know the cash position at close of business each day.

S. 93 of PFML provides that "Accounting Officers shall keep in all offices concerned with receiving cash or making payments a cash book showing the receipts and payments and shall maintain such other books and registers as may be necessary for the proper maintenance and production of the accounts of the Vote for which he is responsible".

Below is Cash Book Format in manual system which is similar content with electronic format.

Cash Book

Receipt Side Of Cash Book							Payment Side Of Cash Book					
Date	Received From	Description	con. Code	Ref No. (Rv)	Amount Received		Date	Paid To	Description	con. Code)	Ref No. (Pv)	Amount

Note: At period end (e.g. month end) raise a journal entry for receipts and payment side of the cash book

9.9 Cash Books Types

The following are the various Cash Books to be maintained:

1. Revenue Cash Book
2. Personnel Cost Cash Book
3. Overhead Cost Cash Book
4. Capital Cash Book
5. Aid and Grants Cash Book
6. Special Fund Cash Book

9.10 Balance Statement.

This is required to support the cash book balancing on a daily basis as follows:

Opening Balance	xx
Add Total Receipts	xx
Deduct Total Payments	xx
Closing Balance	xx

9.11 Bank Reconciliation Statement (BRS)

Cash is the most liquid asset of any organisation with the attendant risks of fraud, embezzlement, cybercrime and other malfeasance. It is important to keep tab of movement of cash placed under the custody of bank through regular monthly reconciliation.

The Director of Finance and Supplies/Head of Account shall ensure bank statements are availed collected on a monthly basis from the bank to facilitate reconciliation and monitoring of movement of funds in the bank account. The DFS/Head of Account shall carry out monthly bank reconciliation of all bank accounts maintained including any sub account maintained in any other approved bank.

Bank reconciliation is a process carried out to agree the cashbook balance with the Bank statement balance. It is meant to agree records of transactions (receipts and payments) as entered in MDAs Cash book and the records kept by bank as contained in the bank statement. Both records of MDAs and bank may differ due to timing of entry of financial transactions in their books; dishonoured / uncleared cheque,/mandate; bank charges; interest credited; direct deposit/transfers; etc.

PFML S.83 (1) requires that the Accounting Officer of MDAs ensure that bank accounts reconciliations are carried out monthly for each bank account maintained and submit a bank reconciliation statement not later than the 10th of the subsequent month to the Ministry of Finance with a copy to the Auditor-General.

Where Integrated Financial Management Information System is operational, bank reconciliation processes involve:

1. Downloading the bank statements automatically or manually;
2. Reconciling the statement automatically or manually;

9.11.1 Bank Reconciliation Statement Format

Ministry …………………………………..
Bank Reconciliation Statement as at Date….Month…..Year…..

		₦	₦
Cash book balance as at	(a)		xxx
Add: Unpaid mandates (list attached)		xx	
Credits in bank not in cash book (list Attached)		xx	
Sub Total	(b)		xxx
Less: Debits in Cashbook not in Bank (list Attached) Uncredited lodgments (list Attached)		xx	
Debits in Bank not in Cashbook (list Attached)		xx	
Sub Total	(c)		xxx
Balance as per Bank Statement (a + b - c)	(d)		xxxx

Prepared by………………….	Date………..	Signature………
Checked by…………………..	Date………..	Signature………
Approved by…………………	Date………..	Signature………

To ensure prompt clearance of items in bank statements not in the cashbook:

1. Check payments (debits) in Bank Statement not in cashbook thoroughly to establish its genuineness and bring it into the cashbook.
2. Obtain bank advice to confirm the various entries in the bank statement not in the cashbook and bring it into the cashbook.

9.12 Cash Forecasting and Cash-Flow Planning

Cash forecasting is the projection of receipts and payments over a period of time. The FRL requires the Accountant General to take responsibility for the Annual Cash Plan to be updated quarterly based on outturn. MDAs which depend on funding from the Treasury should make realistic estimate of their quarterly cash requirements to assist the Accountant-General. An annual cash-flow plan/statement must be prepared based on historical experience and knowledge of future events. It must also be updated on a regular basis throughout the fiscal year.

9.12.1 Procedure for cash forecasting and Cash Plan.

Cash forecasts which recognize the impact of operational and seasonal factors on cash flow should be prepared periodically in each MDAs. The procedure for cash forecasting carried out during the year include the following:

1. Identify each cash release obtained in a format which will facilitate forecasting
2. Record spending authorizations; warrants, supplementary warrants, A.I.Es etc.
3. Record accumulated disbursements (payments and A.I.Es with cash-backing issued) and undischarged commitments from records and compute balance
4. Project expenditures by categories for the balance of the year
5. Check projection with responsible officers to ensure that there are no special circumstances which may alter previous experience or otherwise affect the forecast.
6. In the case of capital expenditures, obtain independent forecasts from project officers and compare.
7. The same treatment is to be given to grants, subventions and ad-hoc payments to statutory corporations, parastatals and government-controlled enterprises
8. Record the forecast for the period and compare with balance
9. Document the basis used in forecasting to facilitate the updating or as a reference
10. Finalize the results of the forecast i.e. turn the forecast into a cash plan by smoothing and/or effecting management's decision on the forecast.

9.12.2 Quarterly Cash Flow Projections

Description	Jan.	Feb.	Mar.	Q1 Total
Balance B/F	**xx**	**xx**	**xx**	**xx**
Warrant/Fund Received	xx	xx	xx	xx
Grants and Aid	xx	xx	xx	xx
Others	xx	xx	xx	xx
Total Inflow	**xx**	**xx**	**xx**	**xx**
Expenditure:	**xx**	**xx**	**xx**	**xx**
Personnel cost	xx	xx	xx	xx
Overhead cost (Various)	xx	xx	xx	xx
Capital (Various)	xx	xx	xx	xx
Total Outflow	**xx**	**xx**	**xx**	**xx**
Balance C/F	**xx**	**xx**	**xx**	**xx**

CHAPTER TEN

ACCOUNTING PROCESSES AND RECORDS KEEPING

10.0 Introduction

This chapter describes the procedures for keeping relevant books of account vis-à-vis the accounting records to be kept. Accounting Officers are required to maintain all relevant books and registers as may be necessary for the proper maintenance and production of the accounts of the Vote of their entities. The objective of accounting processes is to establish guidelines for the preparation of the accounting books and records required to ultimately prepare Annual Financial Statements in line with International Public Sector Accounting Standards (IPSAS).

10.1 General Entries to Books of Account

1. The initial step in processing accounting information consists of receiving a source document in electronic or paper form, analyzing the transaction to determine its nature and then assigning the appropriate coding.
2. Entries to books of account must be supported by relevant source documents (e.g. Receipts, Payment Vouchers, Receipts Vouchers, Journals, Store Vouchers, etc.).
3. Balancing of the books shall be done at each month end and finally at year end.
4. Postings to the General/Subsidiary Ledgers
5. Balancing of General Ledger and Subsidiary Ledgers

   10.2 Books of Account to be maintained:

The books of account to be maintained electronically or manually include:

1. Cash book
2. Revenue Receivable Register
3. Accounts Payable Register
4. Salaries and Wages Register
5. Journal Voucher
6. Investment Register
7. Vote book
8. General/Subsidiary Ledger
9. Property, Plant and Equipment Register

10.2 Procedures for Raising Books of Account

S/No.	Books	Description	Procedures
1.	Cash Book	Cash Book is the main book of original entry and an important component of the ledger accounts. It is used to record all cash receipts and payments. The cash books are maintained for Personnel, Capital, Overhead, Revenue, Aids & Grants, and other Special Accounts	Each of the Cashbook shall be properly balanced, analysed and journalized by CPO using the CoA as part of their report for onward transfer to the Final Accounts for posting into the General Ledger.

2.	Revenue Receivable Register	Government Receipts from the Revenue line items shall be reported as receivable if the payer does not pay within the period, it falls due.	The revenue section shall be advised through a copy of the debit notes issued to the payer, conveying details of the expected revenues. • A copy of debit note shall be forwarded to the Revenue Section of the entity to inform the Section of a probable inflow. • The debit notes shall be entered into Revenue Receivable Register At the end of each month, all entries in the Register shall be credited into the personal Ledgers of each Customer showing their individual receivable status.
3.	Accounts Payable Register	Accounts Payable are present obligation of an entity arising from past events, the settlement of which is expected to result in an outflow having enjoyed economic benefits. Expenses of government can be incurred in two broad ways, cash and credit transactions. Unpaid expenses are transactions that constitutes payables such as unpaid salary, approved travel expenses, etc.	• Open and maintain the Accounts Payable Register. • Post invoices of all credit Procurement (Recurrent/Capital) and Services consumed into the Register and analyse them according to the line items in the CoA. • Open personal Ledger for each of the employee and post the expenses to the respective Ledgers • Open personal Ledger for each of the supplier and service provider and post the invoices to the respective Ledgers • Obtain Creditors payment schedule from the CPO and update the respective Creditors Ledger with the amount paid and extract Payables from the Ledgers.
4.	Salaries & Wages Register	Salaries and Wages Register known as payroll register is the document that records all the details about employees' payroll at month end	Populate the payroll schedule for the month listing all relevant payroll captions including basic pay, allowances, gross pay, deductions and net pay for all staff; then • Debit Consolidated Salary and Non-Regular allowances with the gross pay • Credit Liabilities (Deductions and Net Salary) When payment is made, • Debit Liabilities (Deductions and Net Salary) • Credit Cash Book/Bank (Deductions and Net Salary)

			• The liabilities accounts shall have a nil balance after every month salary payment. • Any credit balances on the liabilities Accounts show that the various remittances of deductions from staff salaries are not yet paid.
5.	Journal Voucher	Journal vouchers are used to capture accounting entries into the various books of accounts and subsequent postings into the General Ledger. The Journal vouchers are also used to effect adjustment, corrections of errors and reclassification of accounting entries.	• Adjustments and correction of errors are made by raising Journal entries which involves transfers from one account to another without actual movement of funds; • Journal Voucher is also prepared to correct errors detected in the Financial Statements.
6.	Investment Register	It records investment from quoted and non-quoted Companies, Treasury Bills, Bond, Debenture, Preference Shares, etc.	Open the register to capture key information about the investment held by the State.
7.	Vote Book	It is used to record and monitor revenue and expenditure in the government.	• Maintain Departmental Vote Revenue Account (DVRA) and Departmental Vote Expenditure Account (DVEA) for control of revenue and expenditure respectively. • Record revenue and expenditure transactions on separate pages for each head and sub-head of DVRA and DVEA.
8.	General/ Subsidiary Ledger	A general ledger is a complete record of financial transactions over the life of an entity and holds account information that is needed to prepare the General-Purpose Financial Statements, and it includes Accounts for Assets, Liabilities, Equity, Revenues and Expenses. A general ledger is typically used by organization that employs the double entry method. While a subsidiary ledger is a group of similar accounts whose combined balances equal the balance in a general ledger account. The combined balance of every account in this subsidiary ledger equals the balance of accounts receivable in the general ledger.	• Post balances from the books of original entry either manually or electronically to subsidiary ledgers and to control accounts in the general ledger.
9.	Property, Plant and	A PPE register is a detailed list of all PPE which are owned by an entity.	• Record and maintain both financial and non-financial information pertaining to each

	Equipment Register		asset to easily identify and verify assets when required to enable users' take informed decision. • Upon acquisition/transfer or discovery of PPE, open and post details of the asset into the PPE Register, if it meets the recognition criteria; • Upon assets revaluation, PPE register should be updated to reinstate the new values; and • Prepare PPE/Intangible Asset/Investment Schedule and reconcile with the General Ledger balances for each class of Asset;

10.3 Property, Plant and Equipment Register

This is a memorandum of records of all assets owned by the MDAs. S. 125 of PFML provides that Chief Executive of an entity shall take full responsibility and ensure that proper control systems exist for assets and that:

1. preventive mechanisms are in place to eliminate theft, security threats, losses, wastage and misuse;
2. movement and conditions of assets can be tracked; and
3. stock levels are at an optimum and economic level.

The Ministry of Finance and Economic Development shall provide guidelines on government assets management. The guidelines should include the procedure of keeping up to date register of all government assets. The sources for updating the register are:

1. Contract award letter
2. Stores Receipt Voucher.
3. Payment Voucher
4. Payables
5. Journal raised at year end

10.4 Accounting for Revenue

Accounting for revenue involves the process of recording revenues in the relevant books of account and proper treatment in the Financial Statement.

Accounting for Revenue include:

1. Recognition in the Day Books
2. Subsidiary Ledger; and
3. General Ledger

10.4.1 Recognition of Revenue in Day Books

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets/equity, other than increases relating to contributions from owners. Revenues are mainly classified as revenue for exchange and non-exchange transactions. Revenue will be recognized at the point when it is probable that the future economic benefits or service potential associated with the resource will flow to the entity and the fair value of the inflows can be measured reliably.

Procedures

S/No.	Role Players	Procedure	Recipient
1.	Revenue Collector	Cash Revenue • Issue receipt voucher when revenue is received • Post each receipt to the cash book • At month end, raise subsidiary and general ledgers for items in the Cash book based on the CoA. • Carryout periodic reconciliation of assessed amount and collections Revenue Receivable • Ascertain the revenue amount. • Capture the transaction in the Revenue Receivable Register. • At month end, raise subsidiary and general ledgers for items in the Revenue Receivable Register.	Final Account

10.5 Accounting for Recurrent Expenditure

Accounting for Recurrent Expenditures involves the process of recording expenses in the relevant books of account and proper treatment in the Financial Statement.

Accounting for expenses include:

1. Recognition in the Day Books
2. Subsidiary Ledger; and
3. General Ledger

10.5.1 Recognition of Expenses in Day Books

Expenses are spending that results in decreases in economic benefits/service potentials during the accounting period in form of outflows or depletion of assets or incurrence of liabilities that results in decrease in net assets/equity, rather than those relating to distribution to owners. Expenses are recognized when service potential or future economic benefits are consumed or otherwise diminished. Recurrent expenses are classified based on either nature (e.g. salaries, overhead, etc.) or function (e.g. Education, Health, etc.). However, entities classifying expenses by function should disclose additional information on the nature of expenses.

Procedures

S/No.	Role Players	Procedure	Recipient
1.	Other Charges	Cash Expenses • Confirm budget provision for the expenses • Obtain approval for the acquisition from appropriate authorities • Post all expenses to the cash book using source document such as payment vouchers • At month end, raise subsidiary and general ledgers for expenses in the Cash book based on the CoA. Accrued Expenses • Ascertain the expenses amount.	Final Account

		• Capture the transaction in the Payable Register. • At month end, raise subsidiary and general ledgers for expenses in the Payable Register.	

10.6 Accounting for Extra-Budgetary Fund (EBF)

Extra-Budgetary Funds are special accounts, segregated from the budget, and intended for carrying out a specific activity, or to benefit a specific agency. Service-Wide Vote is common source of extra-budgetary fund.

10.6.1 Accounting for Extra-Budgetary Fund include:

1. Recognition in the Day Books
2. Subsidiary Ledger; and
3. General Ledger

10.6.2 Recognition of Extra-Budgetary Fund in Day Books

Extra-Budgetary Fund are mainly used for activities which are to a large extent self-financing but which are not suitable for commercial provision, or whose provision the Government wishes to guarantee. The purpose of extra-budgetary accounts is to protect some activities from regular budgetary reviews of financial allocations, to ensure the resilience of funding over time.

Procedures

S/No.	Role Players	Procedure	Recipient
1.	Final Account	• All transaction in Extra-Budgetary Fund shall be part of the whole State financial transactions and shall be accounted. • All payments and receipts shall be accounted for in line with accrual basis of accounting. • All assets acquired shall be debited as assets and charged as expenses to the EBF. • Expenses including provisions shall be debited to the EBF account while inflows shall be credited to the fund. • All revenues, expenses, assets and liabilities arising from the EBF shall be consolidated with revenues, expenses, assets and liabilities of the whole of government.	OAG

10.7 Accounting for Employee Benefit

Accounting for Recurrent Expenditures involves the process of recognizing the obligations arising from employee benefit in the relevant books of account and proper treatment in the Financial Statement. Accounting for employee benefit include:

1. Recognition in the Day Books
2. Subsidiary Ledger; and
3. General Ledger

10.7.1 Recognition of Employee Benefit in Day Books

Employee Benefits are all forms of consideration given by an entity in exchange for service rendered by employees or for the termination of employment. Employee benefits are classified into short-term employee benefits and post-employment benefits.

Procedures

S/No.	Role Players	Procedure	Recipient
1.	Payroll section	• Confirm budgetary provision for employee benefits • Confirm various employee contracts, offers and provisions of Establishment Law • Recognize employee benefits in the various books • Recognize and accrue for employee benefits not yet paid for • Recognize actuarial valuation gain or loss	Final Account

Sample of Individual Subsidiary Ledger (Accounts Receivable)

TRY NO. 0002

NAME OF MDA: ....

SOURCE OF FUND CODE: ....

REVENUE RECEIVABLE REGISTER

DATE	NAME (RECEIVEABLE FROM)	DESCRIPTION / DETAILS OF REVENUE	NCOA CODE (ECONOMIC CODE)	AUTHORITY DOCUMENT REF No. (DEBIT NOTE)	CUSTOMER LEGDER REF. NUMBER	AMOUNT RECEIVABLE ₦

NOTE: AT PERIOD END (E.G. MONTH END) RAISE JOUNAL ENTRY BY DEBIT ACCOUNT RECEIVABLE AND CREDIT RELEVANT REVENUE SOURCES

Sample of Accounts Payable Register

TRY NO. 0008

NAME OF MDA: ....

SOURCE OF FUND CODE:..

ACCOUNTS PAYABLE REGISTER (CREDIT PURCHASES/VALUATIONS YET TO BE PAID)

DATE	NAME OF SUPPLIER	DESCRIPTION / DETAILS OF EXPENDITURE/ASSETS	NCOA CODE (ECONOMIC CODE)	AUTHORITY DOCUMENT REF No. (E.G. DEBIT NOTE & LPO)	CUSTOMER LEGDER REF. NUMBER	GROSS AMOUNT PAYABLE		ANALYSIS OF GROSS AMOUNT PAYABLE				
								NET PAYABLE TO SUPPLIER	WHT	VAT	STAMP DUTY	OTHER DEDUCTIONS
						CODE		CODE	CODE	CODE	CODE	CODE
						₦		₦	₦	₦		₦

NOTE: AT PERIOD END (E.G. MONTH END) RAISE JOURNAL ENTRY DEBIT THE RELEVANT EXPENSES/ASSETS ACCOUNTs AND CREDIT ACCOUNTS PAYABLE

Sample of Salaries and Wages Register

TRY NO. 0007

NAME OF MDA:..

SALARIES AND WAGES REGISTER

SNO	PAY POINT	CONSOLIDATED SALARY	NON REGULAR ALLOWANCE	EMPLOYER CONT. PENSION DEDUCTED	GROSS PAY	DEDUCTIONS									NET PAY
						PAYE	PENSION DEDUCTION	MV LOAN	HOUSING LOAN	CO-OP DUES	SALARY ADVANCE	UNION DUES	OTHER DEDUCTIONS	TOTAL DEDUCTIONS	
		₦	₦	₦	₦	₦		₦	₦	₦	₦	₦	₦	₦	₦
		JOURNAL POSTING 1:									JOURNAL POSTING 2:				
				NCOA	DR	CR					NCOA	DR	CR		
					₦	₦						₦	₦		
		CONSOLIDATED SALARY			XXX				PENSION DEDUCTED***			XXX			
		NON REGULAR ALLOWANCE			XXX				ALLOCATION TO FUND RECURREN EXP.				XXX		
		PAYE				XXX			TOTAL			XXXXXX	XXXXXX		
		PENSION DEDUCTION***				XXX									
		MOTOR VEHICLE LOAN				XXX									
		UNION DUES				XXX									
		CO-OPERATIVE DUES				XXX									
		OTHER DEDUCTIONS				XXX		*** RECONCILE THIS AMOUNT WITH EMPLOYEE PENSION DEDUCTED BY FEDERAL MINISTRY OF FINANCE							
		TOTAL			XXXXXX	XXXXXX									

Sample of Journal Voucher

TRY NO. 0003

NAME OF MDA: ……………………………………………………………………………………

SOURCE OF FUND CODE:……………………………………………………………………………………

JOURNAL VOUCHER

DATE	DESCRIPTION / DETAILS	NCOA CODE (ECONOMIC CODE)	DEBIT	CREDIT
			₦	₦

NARRATION: ……………………………………………………………………………………

PREPARED BY: ………………………SIGNATURE……………………………………………DATE………………………

CHECKED BY: ………………………SIGNATURE……………………………………………DATE………………………

APPROVED BY: ………………………SIGNATURE……………………………………………DATE………………………

AUDITED BY: ………………………SIGNATURE……………………………………………DATE………………………

Format of Fixed Asset Register

NAME OF MDA:

……

……………

	PROPERTY, PLANT AND EQUIPMENT (PPE) REGISTER		NCOA CODE (FUND & ECONOMIC CODE)	
DESCRIPTION	LOCATION	TYPE OF PPE:	DISPOSAL DATA	
MAIN SUPPLIER OR CONTRACTOR	MANUFACTURER		NAME & ADDRESS OF PURCHASER	
NAME & ADDRESS	SERIAL NO		AMOUNT REALISED	
	CHASSES NUMBER		RECIPT NO	
	ENGINE NO		EFFECTIVE DATE OF DISPOSAL	
	IDENTIFICATION OR REGISTRATION NO			

YEAR	DETAILED OF PAYMENT PV NO AND DATE	INITIAL COST	ADDITIONAL COST	TOTAL COST	DEPRECIATION RATES	ANNUAL DEPRECIATION	AGGREGATE DEPRECIATION	CARRYING AMOUNT (NBV)	DISPOSAL PROCEED	GIAN/LOSS ON DISPOSAL
		₦	₦	₦	%	₦	₦	₦	₦	₦

CHAPTER ELEVEN

ACCOUNTING FOR NON-CURRENT ASSET

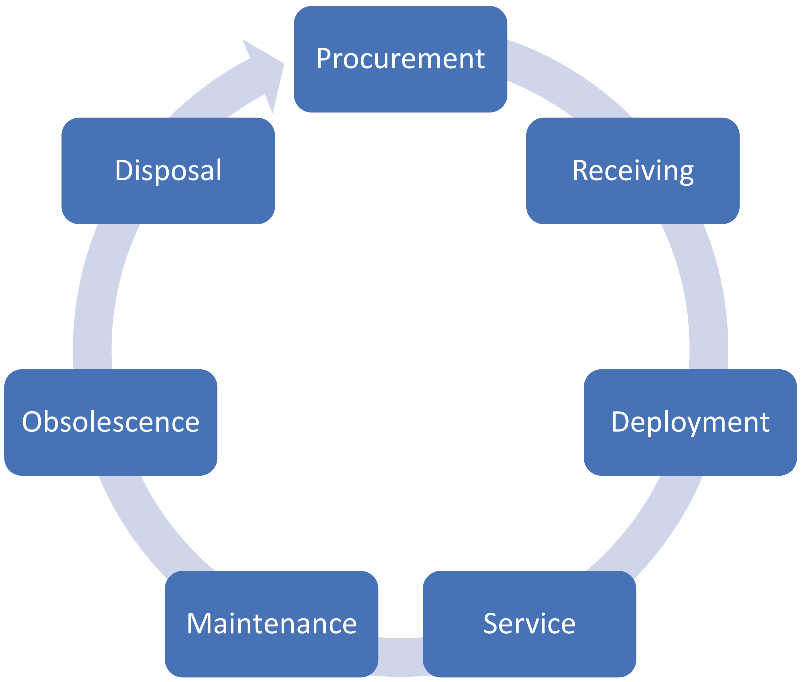
11.0 Introduction

This chapter details the accounting procedures involved in recognizing, analysing and reporting of Non-Current Assets including:

1. Property, Plant and Equipment (PPE)
2. Investment Property
3. Intangible Assets

11.1 Life Cycle of a PPE

PPE life cycle is the stages in the lifespan of the PPE. All PPE undergo the life cycle as shown below:



11.1.1 Procurement

Procurement means the acquisition of assets at the best possible total cost of ownership, in the right quality and quantity, at the right time, in the right place and from the right source. It is generally via contract. Implied procurement is the selection of items being procured through setting service levels and planning for asset solutions.

How to determine the value of PPE

1. **For Purchased PPE;** use historical costs including all non-refundable purchase taxes, and all appropriate ancillary costs less any trade discounts or rebates. If the historical cost is not practicably determinable, use the deemed cost.
2. **Self-constructed PPE;** collate all direct costs and project management costs associated with a construction/development project. An entity may choose either to construct its own assets or hire an outside contractor to do the construction. All direct construction costs and indirect costs that are related to construction of non-current assets are to be recorded in the account incurring the expenditures.

11.1.2 Receiving

This includes the written acknowledgement that delivery has been made.

Procedures for Receiving the PPE

S/No.	Role Player	Procedure	Recipient
1	Head, Assets' Management	Obtain duplicate copy of asset delivery documents which may include Delivery Note, Way Bill, Copy of LPO, Store Receipt Voucher, Statement of Asset Valuation etc. from the Store Officer and review against capitalisation criteria. Where asset does not meet capitalisation criteria, treat as mere expenses. Capitalisation Criteria: • It is probable that future economic benefits or service potential associated with the asset will flow to the entity; • The cost or fair value of the asset can be measured reliably; • The entity has control over the asset; • The asset is expected to last for more than one year; and • The value of the asset meets the capitalisation threshold.	Final Account
2	Head, Assets' Management	Enter details of asset in the PPE Register with Relevant details to be obtained from CoA and receipt invoice: • PPE identification number • Asset Description • Asset Cost/Value • Asset Category • Invoice Number • Purchase Order Number • Location (of assigned user) • Purchase Date	Final Account
3	Head, Assets' Management	Post all expenditures in respect of outright acquisition to the ledger	Final Account

11.1.3 Accounting Procedures

For Purchase PPE:

Dr PPE Account Cr Account Payable	With cost and ancillary cost of purchase
Dr Account Payable Cr Cash/Bank	When payment is made

For Constructed Asset

Dr PPE Account Cr Account Payable	With all attributable costs of construction/development accrued
Dr Account Payable Cr Cash/Bank	When all attributable costs of construction/development are paid

11.1.4 Deployment

Deployment means to put the assets received into use or action. This includes placing an asset where it will be operated and bringing it into operation. PPE in the store is treated as inventory until issued to user department when it will be properly classified and put to use.

The Chief Executive of an entity shall take full responsibility and ensure that proper control systems exist for assets and that:

a. Preventive mechanisms are in place to eliminate theft, security threats, losses, wastage and misuse; and
b. Movement and conditions of assets can be tracked;

11.1.5 Service

Service is the use of the PPE for delivery of service. When PPE is put to use, wear and tear occur. The reduction in the service capacity of the PPE is recognized as expenses in form of depreciation and/or impairment:

1. Depreciation of PPE
    a. Review the statement of accounting policies on the method and rates applicable;
    b. Apply the rates in computing the depreciation; and
    c. Post the depreciation to the books/ledgers using accounting journals
2. Impairment of PPE
    a. Review the accounting policies on impairments;
    b. Test for impairments;
    c. Obtain approval for recognition of impairment charges; and
    d. Recognize impairment charges in the books using the relevant accounting journals

11.1.6 Maintenance

This refers to those activities and expenses required to conserve as nearly, and as long as possible the original condition of an asset while compensating for normal wear and tear. This is different from refurbishment which are cost that extend the economic value of the asset and which are capitalized. Maintenance costs are expensed in the period they are incurred.

Dr Expenses Account Cr Account Payable	With expenses incurred on maintenance
Dr Account Payable Cr Cash/Bank	When payment is made

11.1.7 Obsolescence

Obsolescence is the loss in the utility of an asset due to the development of improved or superior equipment, but not due to physical deterioration. Obsolescence can also cause impairment of the non-current asset.

11.1.8 Disposal

This is the act of getting rid of assets and includes sale, trade-in, loss, destruction, theft or write-off. This process covers the activities involved in the disposal of obsolete or damaged assets.

The objectives of the process are to:

1. Establish standardised procedures for the disposal of the PPEs.
2. Ensure that the PPEs disposal process is executed in a transparent manner and in compliance with relevant rules and accounting policies:

Procedures for Disposal of PPE

The Yobe State Public Procurement Law 2016 (as amended) in S. 56 provides that every procuring entity shall also be disposing entity. The open competitive bidding shall be the primary source of receiving offers for the purchase of any public property offered for sale. The Bureau shall, with the approval of the council, determine the applicable policies and practices in relation to the disposal of all public property; issue guidelines detailing operational principles and organizational modalities to be adopted by all procuring entities engaged in the disposal of public property; and issue standardized document, monitor implementation, enforce compliance and set reporting standards that shall be used by all procuring entities involved in the disposal of public property

11.2 Revaluation of PPE

Property, Plant and Equipment are revalued based on the requirement of the Statement of Accounting Policies to review the residual value and useful lives of PPE at intervals to ensure they are appropriately valued in the financial statement.

Procedures:

1. Review the statement of accounting policies on revaluation;
2. Engage services of approved experts and professional valuer to carry out revaluation of PPE;
3. From the approved revaluation report, extract the revalued balances of the PPE;
4. Compare the revalued balances and the carrying value of the PPE; and
5. Recognize the difference in the books by raising the relevant accounting journal entries.

11.3 Investment Property

Investment property is a land or building or part of a building or both held to earn rentals, or for capital appreciation or both rather than for:

1. use in the production of goods and services, or for administrative purposes (PPE); or
2. sale in the ordinary course of business (Inventories)

It is distinguished from other PPE by its capacity to generate cash flows largely independent of other assets of the entity.

11.3.1 Classes of Investment Property

The following constitutes classes of investment property:

1. land held for long-term capital appreciation rather than for short-term sale in the ordinary course of business.

2. land held for a currently undetermined future use. (If an entity has not determined that it will use the land as owner-occupied property or for short-term sale in the ordinary course of business, the land is regarded as held for capital appreciation).
3. a building owned by the entity (or held by the entity under a finance lease) and leased out under one or more operating leases.
4. a building that is vacant but is held to be leased out under one or more operating leases.
5. property that is being constructed or developed for future use as investment property.

11.3.2 Accounting Treatment of Investment Property

All accounting treatments applicable to PPE are applicable to Investment Property except in the area of subsequent measurement which is based on cost or fair value of the asset.

11.4 Intangible Assets

Intangible Assets are identifiable non-monetary assets without physical substance. In other words, they are assets that can generate economic benefits but cannot be seen physically or felt and can either be purchased or internally generated.

11.4.1 Types of Intangible Assets

The following constitutes the types of intangible assets:

1. Purchased Goodwill
2. Computer Software;
3. Copyrights;
4. Trade Marks and Brands;
5. Acquired Import Quotas;
6. Broadcast Rights
7. Patents; and
8. Research and Development (R&D).

11.4.2 Accounting Treatment of Intangible Assets

All accounting treatments applicable to PPE are applicable to Intangible Asset except in the area of apportionment of cost of the intangible asset across the life of the asset which is amortization. To Provide for Amortisation of intangible assets, the steps include:

1. review the statement of accounting policies on the rates applicable
2. apply the rates in computing the amortisation
3. post the amortisation charges computed to the Books/Ledgers using accounting journals

CHAPTER TWELVE
ACCOUNTING FOR LIABILITIES

12.0 Introduction

The purpose of this chapter is to provide guidelines on the accounting treatment of financial obligations to be settled by the State.

12.1 Accounting for Short-Term Liabilities

Short-term liabilities are legal obligations which arise upon the receipt of goods or services payable within one year. They are accounted for by preparing the Payable Register and raising subsidiary/general ledgers.

S/No.	Obligations	Criteria for Recognition
1.	Utilities	Actual based on suppliers invoices, or estimate based on past experience.
2.	Rentals	Actual based on lease agreements
3.	Travel Expenses	Actual based on approved travel vouchers
4.	Payroll Taxes	Actual based on actual payrolls, or estimate based upon prior pay period
5.	Salaries and Wages	Actual based on monthly salaries and wages register
6.	All other obligations that have been incurred but not paid, and that are due and payable within one year.	

12.1.1 Raising Account Payable

Amounts owed for the purchase of goods or services are recorded in Accounts Payable Ledger. The recording of an account payable represents an acknowledgment on the part of the government entity that the goods or services have been received and that an actual liability which must be liquidated at a future date exists.

12.1.2 Unearned Revenue

In line with the accrual basis of accounting, revenue may only be recognized when earned. If the asset recognition criteria is met before the earnings process is complete, the asset must be offset by a corresponding liability for unearned revenue. Examples of revenues not yet earned include:

1. Advance payments;
2. Prepayments made pursuant to agreements;
3. Insurance premiums billed in advance;
4. Prepaid tuition and fees; and
5. Prepaid toll-gate fee.

12.1.3 Short-term Portion of Long-term borrowing

Amounts due within the next year on long-term obligations are classified as short-term liabilities.

12.2 Accounting for Long-term Liabilities

Long-term liabilities are obligations payable within more than one year. This involves public debt management of the State.

12.2.1 Raising Public Debt

State government may raise long-term debt under the Federal Government Guarantee using instruments which include:

1. Issuing State Treasury Bond
2. Other loan or credit evidenced by written instrument

12.2.2 Liabilities for Public-Private Partnerships arrangements

Public-private partnerships (PPPs) are arrangements in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset for a period of time in an exchange or exchange-like transaction.

Most PPPs are Service Concession Arrangements (SCAs).

The operator in a PPP arrangement, as applicable to the agreement, records: a liability for installment payments; a right-to-use asset; a liability for the underlying PPP asset to be transferred to the transferor; and a deferred outflow of resources. The nature of PPP arrangement involves:

1. The operator uses the asset to provide a public service on behalf of the grantor for a specified period of time; and
2. The operator is compensated for its services over a specified period of the concession agreement.

12.2.3 PPP or Service Concession Asset

A PPP/SCA Asset is an asset (typically PPE or Intangible Assets) used to provide service in a service concession arrangement that:

1. Is provided by the operator which:
    a. The operator constructs, develops or acquires from a third party or
    b. Is an existing asset of the operator
2. Is provided by the grantor which:
    a. Is an existing asset of the grantor; or
    b. Is an upgrade to an existing asset of the grantor

12.2.4 Financial Liability of SCA

This involves the grantor compensating the operator for the construction, development, acquisition, or upgrade of a service concession asset and service provision by making a predetermined series of payments to the operator.

12.2.5 Accounting Procedures

1. Ensure proper documentation of Arrangements
2. Recognise the PPP/SCA Asset in the books
3. Recognise the liability in the books
4. From the Concession Arrangement, determine ways of compensating the operator for using the Concession Asset.
5. To make payments to the operator using "Financial Liability Model":
   a. Raise payment voucher to effect payment
   b. Post payment voucher to the cash book/ledger

12.2.6 Accounting Treatment

S/No	Detail	Remarks
i	**For Recognition of Service Concession Asset and Liability**	
1	Dr Service Concession Asset Cr Service Concession Liability	When all criteria for recognition are met.
ii	**Making Payments to the Operator (Financial Liability Model)**	
2	Dr Service Concession Liability Cr Cash/Bank	With the predetermined series of payment to the Operator

12.3 Special Liabilities

12.3.1 Contract Retention Fees

Yobe State Procurement guidelines 2019 requires that all contracts for public work and goods must provide for retention from the amounts earned by the contractor those amounts provided by law to enhance performance. Such monies are to be retained in accordance with the provision of the law for the protection and payment of the claims of any person arising under the contract and the state for taxes due from the contractor.

The monies withheld from amounts due to a contractor under the provisions of a public works contract shall be paid on request made by the relevant MDA/Contractor and the relevant accounting book be raised.

12.3.2 Judgment Debt

Government Entities are to record a liability for claims and judgments when all four of the following criteria are met:

1. The event giving rise to the claim occurred prior to the end of the fiscal year,
2. It is probable that a claim will be asserted,
3. It is probable that the claim will prevail, and
4. The amount of the loss is measurable or estimable.

CHAPTER THIRTEEN
INVENTORY ACCOUNTING

13.0 Introduction

The purpose of accounting for inventory (store) is to provide control and accountability over inventories; and to gather and maintain information needed for the preparation of financial statements.

13.1 Inventories are assets:

1. held in the form of materials and supplies to be consumed in the production process
2. held in the form of materials or supplies to be consumed or distributed in the rendering of services.
3. held for sale or distribution in the ordinary course of operation
4. held in the process of production for sale or distribution.

Examples of Inventories in the public sector include the following:

1. Consumable stores
2. Machine materials/components
3. Spare parts for plant and equipment
4. Strategic stock piles (for example, energy reserves)
5. Postal services supplies held for sale (for example stamps)
6. Work-in-progress, including:
   a. Educational/Training course materials
   b. Client services (for example, auditing where those services are sold at arm's length prices).
7. Land/property held for sale

13.2 Store Maintenance

Accounting Officer shall be responsible for the proper custody, care and use of government inventories under their control including imported goods in vessels awaiting discharge and in customs warehouses awaiting clearance.

An Accounting officer shall also be responsible for the general management of government inventories held within his entity. Accountability shall only be discharged when government inventories have been:

1. consumed in the course of public business and records are available to show that the government inventories have been consumed; or
2. worn out in the normal course of public business and removed from the stores records and has been approved by the Chief Executive; or
3. lost, stolen, destroyed, damaged or rendered unserviceable other than by fair wear and tear, and if removed from the store's records and has been approved

If the accounting officer is satisfied that the retention of any government inventories is no longer in the public interest, the Chief Executive may authorize disposal in accordance with the Yobe State Public Procurement Guidelines 2019; and

Removal from the store's records shall be reported to the Ministry of Finance by the Chief Executive

Where an Accounting Officer has reason to believe that any person:

1. has received government inventory and has not duly handed it over; or

2. has received government inventory for which the person is accountable but has not duly accounted for it; or
3. has in hand, government inventory which has not duly been applied to the purpose for which they were collected;

The Accounting Officer shall serve a notice on the public officer requesting that within a time specified in the notice, the person shall pay for, account for, or apply the inventory and submit to the Accounting Officer satisfactory evidence that this has been done.

13.2.1 Responsibility for Maintenance of Store

Accounting officers are responsible for the general supervision and control of the stores and stores accounts of their Ministries, Departments and Agencies (MDAs) and for the correct performance of these duties by assigned officers.

Accounting officer will issue such instructions as may be necessary, within the framework of extant laws, rules and regulations, to ensure that the responsible officer performs these duties in full. An officer appointed to take charge of a store house is responsible for:

1. Ensuring that the storekeepers and other staff under his control perform their duties correctly in accordance with the prevailing regulations;
2. Ensuring that the proper stores records are in use and are correctly kept;
3. Maintain the stores ledger and the Stores Receipt and Issue Voucher Registers, either personally or in the hands of an officer under his control, other than a storekeeper charged with the physical receipt or issue of stores, and ensuring that the particulars of all receipt or issue vouchers are promptly entered in them;
4. Keeping the storehouse in good repair and in a sound state of physical security;
5. Exercising a special close control over "attractive" stores;
6. Making frequent checks at irregular intervals on the stores under his control and the supporting records, and noting items checked by ruling off the relevant stores ledger pages and initialing the balances. On the occasion of each check the officer will send a Board of Survey/Inspection Report to the senior officer of his Ministry in the Zonal or Area Office for information and appropriate action, if any;
7. Fixing maximum stock levels and recording levels for all items of stores under his control, and ensuring that they are entered on the tally cards and adhered to;
8. Taking necessary action if any excess stores or deficiencies or unserviceable or obsolete stores are found;
9. taking action to rectify any defect in the condition or running of the store house which comes to light; reporting to the senior representative of the Ministry in the Zonal or Area Office any deficiencies in stores which are discovered and which are not due to accounting errors capable of straight forward correction; and
10. reporting to the senior representative of the Ministry in the Zonal or Area office any other matter requiring action which is beyond his power to deal with or approve.

13.3 Accounting for Inventory

13.3.1 Determining the cost of inventories:

The components of Inventories costs depends on whether the inventory is:
1. A bought-in Inventories; or
2. Internally Generated Inventories.

A. Bought–in Inventories

Bought-in inventories involve inventories procured from a supplier. The component of cost of bought-in inventories include:
1. The purchase price;
2. Import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities);
3. Transport, handling, and other costs directly attributable to the bought-in Inventory;
4. Trade discounts, rebates and other related items deducted in determining the cost of purchase.

B. Internally Generated Inventories

The components of cost involved in internally generated inventory include:
1. Bought-in material cost
2. Conversion cost incurred for transforming the raw materials into work-in-process or fully completed product/finished goods. The component of conversion cost include:
   a. Cost directly related to the units of production such as materials introduced and direct labour.
   b. Systematic allocation of overhead cost such as fixed/variable overhead cost. Fixed overhead costs are indirect cost of production that remains relatively constant regardless of:
      i. The volume of production, such as depreciation, maintenance of factory buildings and the cost of management staff.
      ii. Variable overhead costs are those indirect costs of production that vary directly with the volume of production, such as indirect materials and indirect labour.

13.3.2 Allocation of Fixed/Variable Overhead Cost

1. Fixed overhead costs are allocated to work-in-process/fully completed goods on a basis of budgeted fixed overhead costs divided by budgeted completed goods. The result is referred to as Fixed Overhead Absorption Rate (FOAR)
2. Variable overhead costs are allocated to each unit of production on the basis of actual use of the production facilities. These costs include:
   a. Energy costs
   b. Direct labour cost incurred
   c. Packaging cost for finished goods

These costs are absorbed into costs of finished goods by dividing total budgeted cost by total budgeted completed finished goods. The result is termed Variable Overhead Absorption Rate (VOAR).

A Production process may result in more than one product being produced simultaneously and the cost of conversion of each product may not be separately identifiable. In such cases the conversion costs are shared on the basis of what is called "Cost Differential Factor". Cost Differential Factor is weight allocated to the products based on the time taken for the conversion of individual product or the man labour hours required.

13.3.3 Costs excluded from the cost of Inventories.

These are:

1. Abnormal amounts of wasted materials;
2. Storage costs, unless these costs are necessary in the production process before a further production starts;
3. Administrative overheads that do not contribute to bringing inventories to their present location and condition;
4. Selling costs;
5. Interest and other borrowing costs;
6. The foreign exchange fluctuation on the Inventories acquired in foreign currency; and
7. The difference between the cost of purchase of inventories under normal credit terms and the amount payable under deferred settlement terms.

13.3.4 Distributing Goods at No charge or for a Nominal charge;

A public sector entity may hold Inventories whose future economic benefits or service potential are not directly related to their ability to generate net cash inflows. These types of Inventories may arise when a government has determined to distribute certain goods at no charge or for a nominal amount. In this case the item of inventory is reflected in the account by the amount the entity would need to pay to acquire the economic benefit. Estimate of replacement cost will need to be made where the economic benefit cannot be acquired in the market

13.4 Recognition

The Criteria for recognition of Inventories are:

1. It is controlled by the entity
2. As a result of a past event (Acquisition or production thereof)
3. It is probable that future economic benefits or service potentials associated with the item will flow to the entity
4. The cost or fair value of the Inventory can be measured reliably.

13.4.1 Recognition of Inventories as an Expense

When Inventories are sold, exchanged, or distributed, the carrying amount of those Inventories shall be recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expense is recognised when the goods are distributed or the related service rendered. The amount of any write-down of Inventories and all losses of Inventories shall be recognized as an expense in the period the write-down or loss occurs.

(a) Initial Measurement

Inventories are initially measured at cost.

(b) Subsequent Measurement

1. Inventories shall be measured at the lower of cost and net realisable value, except where Inventories are:
    a. acquired through non–exchange transaction or
    b. They are held at no charge or
    c. They are held for consumption in the production process of goods to be distributed at no charge
2. Where Inventories are acquired through a non-exchange transaction, their cost shall be measured at their fair value as at the date of acquisition.
3. Inventories shall be measured at the lower of cost and current replacement cost where they are held for:
    a. Distribution at no charge or nominal charge
    b. Consumption in the production process of goods to be distributed at no charge or for a nominal charge

13.4.2 Techniques for the Measurement of Costs:

Inventories held in the stores may have been bought-in in a number of batches each at a separate price. At the time the items of Inventory are issued from store to the users in the organisation, the costs of Inventories are measured using one of the following cost methods:

1. Specific Identification method
2. First-In First-Out (FIFO) method
3. Weighted Average cost method

(a) Specific Identification Method:

This is used when items issued from store are not ordinarily interchangeable and are specifically segregated for a specific project.

(b) FIFO Method:

This method assumes that Inventories purchased or produced first are issued first, thereby the items remaining on hand in custody at the close of accounting period are those items of Inventory that have been most recently purchased or produced.

(c) Weighted Average Cost Method

The cost of each item is determined from the weighted average of the cost of similar items at the beginning of a period and the cost of similar items purchased or produced during the accounting period.

13.4.3 Accounting Procedures

The processes and procedures to be followed depend on whether:

- Inventories are bought or
- They are created.

(A) Inventories Bought-in

1. Confirm procurement process are complied with
2. Confirm that goods received meet specification.
3. Where goods are accepted or rejected, issue appropriate documents.
4. Confirm that items received are in agreement with the relevant documents (Waybills, Purchase Orders, Purchased Agreement, Invoice)
5. Post the goods received in appropriate Store Ledgers
6. Request for payment (Payee/Contractor)
7. Obtain approval for payment
8. Prepare and Post Payment Voucher
9. Consume the Inventory using SIV
10. Update the Ledgers.

(B) Inventories Internally Created:

1. Material acquired for internal processing in line with the procedures spelt out in the Bought- in Inventories
2. Issue materials to relevant MDA/cost centres on request
3. Process SRN
4. Transfer relevant source documents (GRN, SRN/MRN, etc) to Accounts.
5. Receive material from store and transform the material into finished/semi finished goods.
6. Raise SRN/MRN & finished goods transfer notes.
7. Transfer finished goods to stores.
8. Issue finished goods to users via SRN

13.4.4 Store Documentation

1. Stores Issue Voucher (SIV)
2. Stores Receive Voucher (SRV)/Goods Receive Notes (GRN)
3. Bin Card
4. Stock Ledger
5. Material Requisition Note (MRN)
6. Stores Requisition Note (SRN)
7. Purchase Order
8. Invoices
9. Journals
10. Cashbook
11. Ledger
12. Register
13. Waybills

CHAPTER FOURTEEN
FINANCIAL REPORTING

14.0 Introduction

Financial reporting is the end product of the financial accounting process. It provides information to management and other stakeholders on the financial performance and state of affairs of the Public Sector Entity including an explanation of any variance thereof as contained in S 49(2)(e) of PFML 2020. Financial reports can be broadly classified into two: Management Report and Statutory Reports (Financial Statements).

14.1 Management Report

S.49 of the Yobe State PFM Law provides that the Chief Executive of an entity shall not later than the 10th day of each month submit a monthly financial and non-financial budgetary reports of the preceding month in the format issued by the Commissioner to the Accountant General with copies to the Commissioner in charge of Budget and the Auditor-General. In line with this provision, each MDA is required to render the following management reports as applicable:

1. **Revenue Performance** showing actual revenues collected including aids and grants vis-à-vis Budget. The annual budget is broken down into monthly amount for the 12-calender month and matched with actual monthly collection and any variance arising should be examined and explained.

Table 14.1 Revenue Performance Report for the ……………

A	b	c	d	e	f	g	h
Description	Budget			Actual		Variance	
Revenue Type (a)	Annual	Monthly	Monthly Cumulative	Monthly	Monthly cumulative	Monthly Variance (c-e)	Cumulative Variance (d-f)
	N	**N**		**N**	**N**	**N**	**N**
FAAC Receipts							
VAT							
Internally Generated Revenue							
Aids and Grants							
Others							
Total							

2. **Expenditure Performance** showing outturn of expenditure incurred during the period compared to the budgeted expenditure. The expenditure performance report should include:
   1. Personnel cost;
   2. Pension and gratuity;
   3. Overhead (use of goods and services);
   4. Transfers (to other levels of government); and
   5. Capital expenditure.

Table 14.2 Personnel Cost Performance Report for the Month……………………

A	b	c	d	e	f	g	h
Description	**Budget**			**Actual**		**Variance**	
Revenue Type (a)	Annual	Monthly	Monthly Cumulative	Monthly	Monthly cumulative	Monthly Variance (c-e)	Cumulative Variance (d-f)
	N	N	N	N	N	N	N
Personnel cost							
Pension & Gratuity							
Overhead							
Debt servicing							
Transfers							
Capital							
Total							

Note: The format applies to all other categories of expenditure.

14.2 Financial Statements

S.125(2) of the Constitution of the Federal Republic of Nigeria, 1999 (as amended) empowers the Auditor General to audit the financial statements of all offices and courts of the State and report to the House of Assembly. Also S. 90 of PFM Law provides that government entities shall record transactions which take place during a financial year running from 1st January to 31st December. To fulfil this obligation, MDAs are required to prepare their financial statements and submit to the Accountant General for consolidation into Yobe State Financial Statements that will be submitted to the Auditor General for audit.

The core objectives of financial reporting at the end of fiscal year among others are to:

1. comply with the Constitution and other extant laws and regulations
2. show the state of affairs and performance.
3. provide accountability for use of resources allocated.
4. demonstrate fiscal discipline.
5. provide information for planning and budgeting.
6. provide information for evaluating managerial and organisational performance.
7. ascertain conformity with extant laws and regulations.

14.2.1 Accounting Policy for Financial Statements

Accounting policies are the specific principles, bases, conventions, rules and practices adopted by the State Government in preparing and presenting Financial Statements. The purpose of the accounting policy is to establish a framework for the consistent and transparent recording, reporting, and management of public funds.

14.2.2 General Principles and Guidelines

General principles and guidelines that should underpin a government's financial policy:

1. Transparency: Financial information should be readily available to the public, including budgets, financial statements, and audit reports. The policies and

procedures should be clearly communicated to all stakeholders, ensuring that citizens understand how public funds are managed.
2. Accountability: Implement regular internal and external audits to ensure compliance with laws and regulations, and to assess the effectiveness of financial management practices.
3. Integrity: Promote ethical behaviour and integrity in financial management, discouraging fraud, corruption, and mismanagement.
4. Consistency: Adopt consistent accounting and financial reporting practices across all government entities to enhance comparability and reliability and adhere to established accounting standards to ensure uniformity in financial reporting.
5. Efficiency and Effectiveness: Implement performance measurement mechanisms to evaluate the effectiveness of financial policies and programs, using performance indicators and benchmarks.
6. Sustainability: Develop financial policies that consider long-term fiscal sustainability, including debt management and future liabilities.
7. Compliance with Laws and Regulations: Ensure that all financial policies comply with national laws, regulations, and international standards.
8. Public Participation: Collaborate with various stakeholders, including civil society, private sector and international organizations, to improve financial management practices.
9. Risk Management: Implement a framework for identifying, assessing, and managing financial risks, including fiscal, operational, and compliance risks.
10. Contingency Planning: Develop contingency plans to address potential financial crises or unexpected events that could impact public finances.
11. Technology Utilization: Leverage technology to improve financial management processes, reporting, and data analysis.

14.3 Accounting Policies

The accounting policies are the specific principles, bases, conventions, rules and practices adopted and consistently applied by an entity in preparing and presenting financial statements. IPSAS 3, Accounting Policies, Changes in Accounting Estimates and Errors) provide guidance for choosing accounting policies of entities. These policies are designed to ensure compliance with relevant accounting standards, such as the International Public Sector Accounting Standards (IPSAS), and to promote transparency, accountability and understandability by users of financial statements.

Disclosure Requirements: Financial statements should include disclosures that provide relevant information to users, including accounting policies, significant estimates and judgments, and details of financial instruments and risks. Comparative information should be presented for the previous reporting period.

Consistency: The accounting policies should be applied consistently from one period to another, and any changes in accounting policies should be disclosed along with the reasons for the change and its impact on the financial statements.

In view of Yobe State transition to IPSAS accrual basis, the Ministry of Finance and Economic Development is reviewing its accounting policies and a new one will be issued for application by all MDAs in the preparation of financial statements.

14.4 Year End Financial Statements Procedures

The objectives of this process are to:

1. establish standardised procedures for the preparation of the Financial Reports for Yobe State.
2. ensure timely presentation of the Financial Statements to key stakeholders.

S.94 of Yobe State PFML 2020 mandates the Accountant General to prepare the financial statements in a form that complies with the relevant accounting standards prescribed by International Public Sector Accounting Standards (IPSAS) not later than six months after the end of the financial year and submit them to the Auditor-General. The law further provides the following general reporting policy:

1. the accounts of the government entities shall record transactions which took place during a financial year running from 1st January to 31st December.
2. the structure of the reporting formats shall be based on the requirements of International Public Sector Accounting Standards (IPSAS).
3. the approved estimates of expenditure shall form the basis of the accounts for the financial year.
4. be in line with the Account Codes and Standard Chart of Accounts

The Ministry of Finance should issue financial instructions and guidelines on application of accounting policies, bases, standards and classification to be applied in financial reporting in line with IPSAS

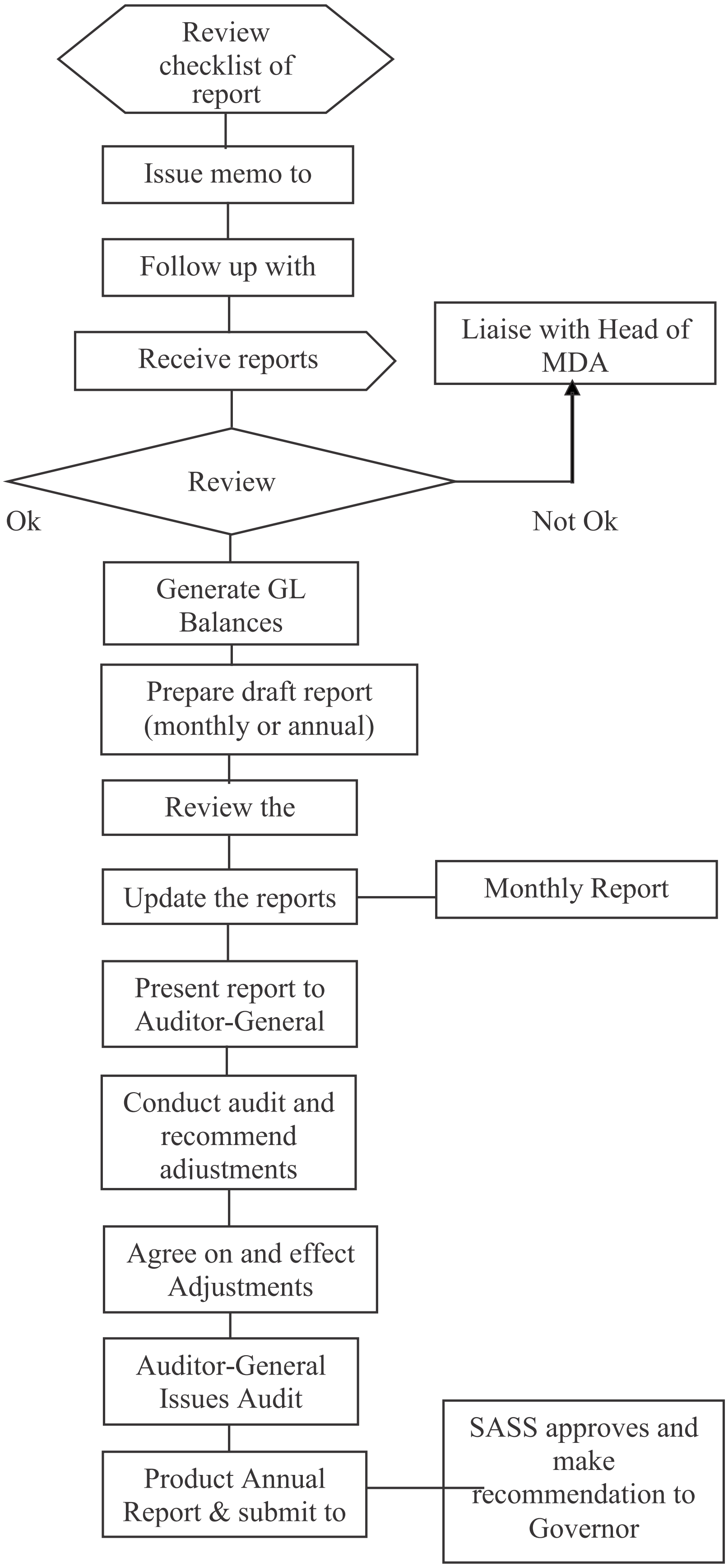
14.5.1 Procedures

The following procedures should be followed in preparation of financial statement for the State:

Step	Role player	Procedures	Outcome
1.	AG	Review and update checklist requirements. The checklist of report requirement is a listing of the inputs required to prepare the financial reports. It serves as a guide to ensuring complete information requirement.	Checklist
2.	AG	Issues memo to all Ministries and Departments on commencement of financial reporting exercise for the period and the need to close accounts, one week to the month-end for monthly report or one month to the year-end for annual report.	Memo
3.	AG	Forward checklist to MDAs to send report on activities for the period	E-mail, Memo, WhatsApp
4.	AG	Follow up to ensure collection of requested report	
5.	AG	Review report to ensure the suitability, accuracy and completeness of the information received Where reports require clarification Go to Step 6 Where no clarifications are required Go to Step 7	
6.	AG	Liaise with Heads of Departments, Ministries and Agencies for clarification/update	
7.	Reporting Accountant	Generate GL balances for the period for various account codes and prepare final accounts for period-wide review	Accounting System

8.	AG	Prepare draft financial report using pre-defined reporting template and forward report to Commissioner for Finance Note: Where reports are for year-end, prepare draft report using defined reporting template and information collected. The Financial statement shall comprise of all statements required by IPSAS, including the following: • A statement of financial performance; • A statement of financial position; • A statement of changes in net assets/equity; • A cash flow statement • A comparison of budget and actual amounts either as a separate additional financial statement or as a budget column in the financial statements; and • Notes, comprising a summary of significant accounting policies and other explanatory notes.	
9.	AG	Review financial report and address any issues	
10.	AG	Forward a copy to Commissioner for Finance to review	
11.	Commissioner for Finance	Review financial report, update as necessary and forward to the Executive Governor	
12.	Commissioner for Finance	Invite auditors	
13.	Auditor	Conduct audit of books and recommend audit adjustments (if necessary).	
14.	AG, External Auditor, Commissioner for Finance	Agree on adjustments to be made in the books	
15.	AG	Make required adjustments	Accounting System
16.	Auditor	Provide audit opinion on financial statement to the Public Account Committee of the House of Assembly	
17.	House of Assembly	Review and approve report, and make recommendations to the Executive Governor	
18.	Executive Governor	Receive the Recommendations of the House and take decisions	

Figure 14.1: Flowchart of Reporting Procedures



14.6 Preparation of Financial Statements in MDA

It is the responsibility of the Director of Finance and Supplies/Head of Accounts to maintain necessary books of accounts for Revenue, Expenditure, Assets and Liabilities. The General ledger provides summary information of financial transaction from where the Trial Balance can be extracted.

14.6.1 General Ledger

A general ledger is the main accounting records of an entity. It is a complete record of financial transactions over the life of an entity. The ledger holds account information that is needed to prepare the General-Purpose Financial Statements (GPFS) and it includes Accounts for Assets, Liabilities, Owners' equity, Revenues and Expenses. It is typically used for double entry bookkeeping where each financial transaction is posted twice, a debit and a credit, and where each account has two columns. In line with double entry principle, the sum of all debits will be equal to the sum of all credits.

An entity's general ledger can either be a physical book into which debits and credits entries are posted, or an accounting software where various debits and credits entries are entered.

14.6.2 Trial Balance

Trial Balance is a list of closing balances of ledger accounts at reporting date and is the first step towards the preparation of the GPFS. It is usually prepared at reporting date to assist in the drafting of Financial Statements. The balance in the ledger is segregated into debit and credit. Expenses and Assets accounts appear on the debit side of the Trial Balance while Revenue, Liabilities and Equity appear on the credit side. Trial Balance assists in the identification and rectification of arithmetic errors. If the totals of the Trial Balance do not agree, the difference may be investigated and resolved before financial statements are prepared.

14.6.3 Procedures for the Preparation of Financial Statements

The following steps should be followed:

1. Posting of source documents (Payment, Receipts, Stores etc.) into Original and Subsidiary Ledgers;
2. Balancing of the Books of Account and ledgers
3. Journalize the monthly totals of the economic codes of the books of account
4. Post the journal into the General Ledger monthly
5. Balance the General Ledger
6. Extract the Trial Balance from the General Ledger at month/year end
7. Review the Trial Balance for errors that cannot be detected by Trial Balance such as errors of posting, commission, omission, principle, compensation, etc.
8. Extend the Trial Balance for adjustments for errors, etc.
9. Extract Final Trial Balance
10. Preparation of IPSAS compliant financial statements.

14.7 IPSAS Cash Basis Financial Statements

The mandatory financial statements under this basis comprise:

1. Statement of Cash Receipts and Payments.
2. Accounting policies and explanatory notes;
3. Comparison of budget and actual amounts either as a separate additional financial statement or as a budget column in the Statement of Cash Receipts and Payments.

S.94 of the PFML 2020 provides that the structure of the reporting format shall be based on the requirements of International Public Sector Accounting Standards (IPSAS) which include the following financial statements:

Statement 1: Cash Flow Statement
Statement 2: Statement of Assets and Liabilities
Statement 3: Statement of Consolidated Revenue Fund
Statement 4: Statement of Capital Development Fund
Note to the Financial Statement

14.8 IPSAS Accrual Financial Statements

A complete set of Accrual Based GPFS is made up of the following components:

1. Statement of financial position;
2. Statement of financial performance (statement of consolidated revenue fund);
3. Statement of changes in net assets/equity;
4. Cash flow statement;
5. When the entity makes publicly available its approved budget, a comparison of budget and actual amounts either as a separate additional financial statement or as a budget column in the financial statements;
6. Notes comprising a summary of significant accounting policies and other explanatory notes; and
7. Comparative information in respect of preceding period

1. Statement of Financial Performance.

It shows income accrued to the entity from all sources and expenditure incurred during a given accounting period. As a minimum requirement of IPSAS 1, the following line items should be presented on the face of the statement:

1. Revenue from operating activities;
2. Surplus or deficit from operating activities;
3. Finance costs.
4. Investment income;
5. Share of net surpluses or deficits of associates and joint ventures accounted for using the equity method;
6. Surplus or deficit from ordinary activities**;**
7. Extraordinary items;
8. Minority interest share of net surplus or deficit; and
9. Net surplus or deficit for the period.

2. Statement of Financial Position.

It shows Assets, Liabilities and Net Assets/Equity of an Entity. The Assets of an entity are classified into:

Current Assets: those assets which can be realized within the current accounting period or within twelve months from the end of the accounting period such as:

1. Cash and its Equivalents like Cash at hand, Bank Balances, funds invested on a short-term basis.
2. Receivables (Receivables from Exchange and Non-Exchange Transactions, Current Portion of Long-Term Loan Receivables)
3. Inventories
4. Prepayments

Non- Current Assets are assets which are both tangible and intangible in nature and are expected to be used in production of goods and services, rental to others and administrative purposes. Such assets include:

1. Long Term Receivables (Loans, Trade Debtors etc)
2. Investments in equity instruments or shares
3. Property, Plant and Equipment (PPE)
4. Investment Property,
5. Intangible Assets (licenses, copy right, software, patent right etc).

Current Liabilities: refers to liabilities which are expected to be settled within twelve months from the end an entity's reporting period. Examples include:

1. Deposits (Retention Fees, Caution Deposits etc.)
2. Short Term Loans
3. Unremitted Deductions (PAYE, Dues, NHIS, NHF, etc.)
4. Accrued Expenses (including salaries & wages)
5. Current Portion of Borrowings- This is the amount of principal that will become due in the current period or within the twelve months from the end of the reporting period.
6. Short term provisions
7. Other Short-Term Payables

Non- Current Liabilities: refers to liabilities which are expected to be settled in period exceeding twelve months from the end of the accounting period.

1. Examples include**:**
    a. Public Funds
    b. Long Term Borrowing
    c. Other Long-Term Payables
    d. Long term provisions

3. Cashflow Statement.

This shows how changes in Statement of Financial Position and Performance affect cash and a cash equivalent balance at the end of the period. It is analysed into operating, investing and financing activities. The statement shows the sources of cash inflows, the items on which cash was expended during the reporting period, and the cash balance as at the reporting date. It demonstrates the cash generating ability of an entity and how the cash has been utilized.

1. **Operating Activities-** refers to all activities that are part of the principal or day-to day activities of an entity.
2. **Investing Activities-** the acquisition and disposal of long term assets and other investments not included in cash equivalent

3. **Financing Activities-** activities that result in changes in the size and composition of the contributed capital and borrowings IPSAS 2 recognised two methods of preparing Cash flow (Direct and Indirect Method) but direct method is most preferred.

4. **Statement of Changes in Net Assets/Equity**.

This refers to Assets less Liabilities which is financed by Reserves, Accumulated surpluses/Deficit, Minority Interest etc. The Statement enables users to ascertain possible causes of movement in Net Equity of an entity which may be due to:

1. Significant Changes in Accounting Policies
2. Correction of Prior years' errors
3. Revaluation of the Assets
4. Surplus or Deficit for the period
5. Changes in Currency Translation etc.

5. Comparison of budget and actual amounts. This is required where Government publishes its approved Budget. A separate additional financial statement or as a budget column in the financial statements comparing Budget with Actual is disclosed.

6. Notes to the GPFS and other disclosures. This refers to narrative descriptions or detailed schedules or analyses of amounts shown on the face of the Principal Statements. It provides additional information on events such as contingent liabilities and commitments. It also contains the Statement of Accounting Policy of the State Government which should be the same for all MDAs.

14.9 Qualities of GPFS

1. Financial statements must be identified clearly and distinguished from other information;
2. It must display the following information prominently:
   a. The name of the reporting entity
   b. The reporting date or period covered
   c. The presentation currency
   d. The level of rounding
3. Relevant to the decision-making needs of users;
4. Reliable, in that they:
   a. Represent faithfully the financial performance and financial position of the entity;
   b. Reflect the economic substance of events and transactions and not merely the legal form;
   c. Are neutral, that is, free from bias;
   d. Are prudent; and
   e. Are complete in all material respects.
5. Comparability

Information in financial statements is comparable when users are able to identify similarities and differences between financial statements. Comparability applies to the: comparison of financial statements of different entities; and comparison of the financial statements of the same entity over a period of time.

Formats of Financial Statements are in the appendices

CHAPTER FIFTEEN
PUBLIC DEBT MANAGEMENT

15.0 Introduction

This chapter is dedicated to explaining the objectives of debt management, the guiding principles, the powers to borrow, and the borrowing strategy.

15.1 Objectives of public debt management

The objectives of public debt management are to ensure that the State government's financing needs and payment obligations are met at the lowest possible cost over the medium to long term, with a prudent degree of risk, and to promote development while ensuring the equitable sharing of benefits and burdens of public debt between the current and future generation.

15.2 Guiding principles for government borrowing

The Yobe State Public Finance management Law 2020 provides the guiding principles for government borrowing. The S.160 of PFML states that "government borrowing shall be guided by the following principles:

a) promotion of inter-generational equity in the sharing of burdens and benefits of public borrowing;
b) determination of thresholds of borrowing rights;
c) use of objective criteria for evaluating State government eligibility for national government debt guarantee; and
d) prudence and equity in setting limits for debt stock levels.

In addition, S.46 of the Yobe State Fiscal Responsibility law 2016 states that a framework for debt management for the state shall be based on the following rules:

1. Government shall only borrow for capital expenditure and human development, provide that, such borrowing shall be on concessional terms with low interest rate and with a reasonably long amortization period subject to the approval of the House of Assembly where necessary;
2. Government shall ensure that the level of public debt as a proportion of state income is held at a sustainable level.

15.3 Borrowing power for state government

The Yobe State PFML 2020 empowers the Commissioner of Finance and Economic Development with the approval of Governor to raise loans for the Government subject to the House resolution. This borrowing can be done within or outside the state on agreed terms and conditions in any of the following manner:

a) by issuing State Treasury Bonds;
b) by bank overdraft facility; and
c) by any other loan or credit evidenced by instruments in writing.

In addition, any borrowing by State government under S.161(2) (a) and (c) shall require a Federal Government guarantee. While borrowing under S.161(2)(b) shall:

a) be a short-term borrowing for cash management purpose only, authorised by the House;

b) not exceed 5% of the most recent audited revenues of the State.
c) be repaid within a year from the date on which it was borrowed.

15.4 Purpose of Borrowing

There are several reasons the government borrows. The Government may borrow for the purpose of:

a) financing budget deficits; or
b) cash management; or
c) refinancing outstanding debt or repaying a loan prior to its date of repayment; or
d) mitigation against adverse effects caused by an urgent and unforeseen event in cases where the Emergency Fund has been depleted; or
e) meeting any other development policy objectives that the government shall deem necessary, consistent with this law and any other relevant law, and as House may approve.

15.5 State Total Public Debt Threshold

In line with the provisions of the Yobe State Public Finance Management Law 2020, State public debt shall not exceed one hundred and fifty percent (150%) of the State government's most recent audited revenues as approved by the House, and the annual debt service cost of government shall not exceed fifteen percent (15%) of the most recent audited revenue of the government as approved by the House. While the monthly debt service deduction shall not exceed forty percent (40%) of the average Federation Account Allocation Committee for the preceding 12 months.

15.6 Government medium term debt management strategy

The provision of S.164 of the Yobe State Public Finance Management Law 2020 states that any borrowing by the government shall be informed by its medium-term debt management strategy and shall set out the framework for the management of public debt. The medium-term debt management strategy, which is reviewed annually, shall be prepared by the Ministry of Budget and Economic Planning and executed by the Ministry of Finance and shall be formulated annually on a three-year rolling basis. In addition, the medium-term debt management strategy shall include measures for minimising borrowing costs with a prudent degree of risks. The Strategy shall be approved by the Executive Council and shall be prepared taking into account:

a) the borrowing needs of the government;
b) fiscal responsibility principles;
c) prevailing macro-economic conditions;
d) prevailing conditions of the financial markets; and
e) any other relevant factors.

15.7 Criteria for borrowing

Capital project expenditures of government for which a loan is requested, shall meet the followings:

a) the government shall demonstrate that the project could not be financed on reasonable terms and conditions without a loan;

b) an economic analysis is made demonstrating the project's cash flow clearly setting out a borrowing and repayment plan;
c) it is a feasible project that has been approved by the Executive Council as contained in the appropriation law;
d) the government meets all the fiscal responsibility principles set out in the Fiscal Responsibility Law and this PFMLaw;
e) the application of the guarantee shall be submitted with a signed loan agreement;
f) the lender is of good credibility and standing with the Government of Nigeria; and
g) the guarantee is in the public interest;

The issuance of government securities to raise debt capital shall be by way of auction or such other method as Commissioner may determine with the concurrence of the Governor and the auction of domestic government securities shall take into account the following factors:

a) pricing of the domestic government securities;
b) refinancing risk of the domestic government securities;
c) the domestic market stability when taking up domestic government securities; and
d) the borrowing programme which is consistent with the medium-term debt strategy and fiscal strategy paper.

Furthermore, where development partners have opted to give loans through credit purchase or commodity loan arrangements, for the purposes of budgeting and accounting, the following procedures shall be followed:

a) the amount of expenditure and matching direct payment as agreed and as applicable, shall be included in the development estimates under separate items;
b) Chief Executive shall apply through the Ministry of Finance for utilisation of the credit purchase facility in the prescribed manner as set-out in the loan instrument;
c) after supplying goods or services, the development partner shall notify Ministry of Finance the amount disbursed against the loan;
d) the State Treasury shall record the amounts disbursed as a drawing against each loan facility;
e) the Ministry of Finance shall forward invoices and debit advices to the Chief Executive concerned to bring the expenditure involved into account;
f) the accounting officer shall, on satisfying himself of receipt of goods and services, record the transactions in the stores ledger card and the Chief Executive shall notify the Ministry of Finance on the receipt of goods and services; and
g) upon receipts of the notification under paragraph (f) of this section, the Commissioner shall notify the Governor of the receipt of goods and services.

15.8 Annual debt report

The Commissioner of Finance and Economic Development shall prepare and submit, not later than three months after the end of each financial year, an annual report to the House on public debt.

The format of the annual report should include the following information:

a) review of previous years financing of budget deficit;
b) composition of domestic debt;

c) composition of external debt;
d) on-lent loans and contingent liabilities;
e) debt strategy and debt sustainability;
f) nugatory and similar payments, compensation and ex-gratia payments;
g) outlook for the medium term; and
h) any commitment fees and penalties paid on any undisbursed amounts of loan.

Similarly, the Ministry of Finance shall maintain an inventory of all loans made to the government and make the record available to the House on request. The report should contain:

a) the principal of the loan and the terms and conditions of the loan, including interest and other charges payable and terms of repayment and location of the project financed; and
b) the amount of the loan advanced at any particular time.

APPENDICES

Formats of Accounting Books and Records

TRY NO. 0001

NAME OF MDA: ....

SOURCE OF FUND CODE:...

CASH BOOK (TO BE USED FOR REVENUE, RECURRENT EXPENDITURE , CAPITAL EXPENDITURE AND OTHER BANK ACCOUNTS)

RECEIPT SIDE OF CASH BOOK						PAYMENT SIDE OF CASH BOOK					
DATE	RECEIVED FROM	DESCRIPTION/DETAILS OF RECEIPTS	NCOA CODE (ECONOMIC CODE)	AUTHORITY DOCUMENT REF No. (RV)	AMOUNT RECEIVED ₦	DATE	PAID TO	DESCRIPTION/DETAILS OF PAYMENT	NCOA CODE (ECONOMIC CODE)	AUTHORITY DOCUMENT REF No. (PV)	AMOUNT PAID ₦

NOTE: AT PERIOD END (E.G. MONTH END) RAISE A JOURNAL ENTRY FOR RECEIPTS AND PAYMENT SIDE OF THE CASH BOOK. EACH

TRY NO. 0002

NAME OF MDA: ……………………………………………………………………………………………………..

SOURCE OF FUND CODE:………..

REVENUE RECEIVEABLE REGISTER

DATE	NAME (RECEIVEABLE FROM)	DESCRIPTION / DETAILS OF REVENUE	NCOA CODE (ECONOMIC CODE)	AUTHORITY DOCUMENT REF No. (DEBIT NOTE)	CUSTOMER LEGDER REF. NUMBER	AMOUNT RECEIVABLE ₦

NOTE: AT PERIOD END (E.G. MONTH END) RAISE JOUNAL ENTRY BY DEBIT ACCOUNT RECEIVABLE AND CREDIT RELEVANT REVENUE SOURCES

TRY NO. 0003

NAME OF MDA: …………………………………………………………………………………..

SOURCE OF FUND CODE:……………………………………………………………………………

JOURNAL VOUCHER

DATE	DESCRIPTION / DETAILS	NCOA CODE (ECONOMIC CODE)	DEBIT	CREDIT
			₦	₦

NARRATION: ………………………………………………………………..……………………………………………………

PREPARED BY: ……………………SIGNATURE……………………………………………………..……DATE………………………

CHECKED BY: ……………………SIGNATURE……………………………………………………..……DATE…………………………

APPROVED BY: ……………………SIGNATURE………………………………………………..…………DATE…………………………..

TRY NO. 0004

NAME OF MDA: ………

INDIVIDUAL SUBSIDIARY LEDGER (FOR ALL ACCOUNTS RECEIVABLE)

NAME : ………

CONTACT DETAILS: ……………………………………………………………………………………………………

TIN NUMBER ……….

OTHER DETAILS: ………………………………...……………………………………………………………………...

NCOA(ECONOMIC & FUND CODE): ………….……………………………………………………………………..

DATE	DESCRIPTION / DETAILS	AUTHORITY DOCUMENT REF No.	DEBIT	CREDIT	BALANCE
			₦	₦	₦

TRY NO. 0005

NAME OF MDA: ………

SOURCE OF FUND CODE:……………………………………………………………………………

INVESTMENT REGISTER

DATE	INVESTEE	DESCRIPTION / DETAILS OF INVESTMENT	NCOA CODE (ECONOMIC CODE)	AUTHORITY DOCUMENT REF No.	AMOUNT INVESTED ₦	REMARKS

TRY NO. 0006

NAME OF MDA: ………

INVESTMENT SUBSIDIARY LEDGER (FOR INDIVIDUAL INVESTEE)

NAME : ……

CONTACT DETAILS: ……

TIN NUMBER……

OTHER DETAILS ………...

NCOA(ECONOMIC & FUND CODE): ……………………………………………………………………………………..

DATE	DESCRIPTION / DETAILS	AUTHORITY DOCUMENT REF No.	DEBIT	CREDIT	BALANCE
			₦	₦	₦

TRY NO. 0007

NAME OF MDA:...

SALARIES AND WAGES REGISTER

S/NO	PAY POINT	CONSOLIDATED SALARY	NON REGULAR ALLOWANCE	EMPLOYEE CONT. PENSION DEDUCTED	GROSS PAY	DEDUCTIONS									NET PAY
						PAYE	PENSION DEDUCTION	MV LOAN	HOUSING LOAN	CO-OP DUES	SALARY ADVANCE	UNION DUES	OTHER DEDUCTIONS	TOTAL DEDUCTIONS	
		₦	₦	₦	₦	₦		₦	₦	₦	₦	₦	₦	₦	₦

JOURNAL POSTING 1:

	NCOA	DR	CR
		₦	₦
CONSOLIDATED SALARY		XXX	
NON REGULAR ALLOWANCE		XXX	
PAYE			XXX
PENSION DEDUCTION***			XXX
MOTOR VEHICLE LOAN LOAN			XXX
UNION DUES			XXX
CO-OPERATIVE DUES			XXX
OTHER DEDUCTIONS			XXX
TOTAL		**XXXXXX**	**XXXXXX**

JOURNAL POSTING 2:

	NCOA	DR	CR
		₦	₦
PENSION DEDUCTED***		XXX	
ALLOCATION TO FUND RECURREN EXP.			XXX
TOTAL		**XXXXXX**	**XXXXXX**

***** RECONCILE THIS AMOUNT WITH EMPLOYEE PENSION DEDUCTED BY FEDERAL MINISTRY OF FINANCE**

TRY NO. 0008

NAME OF MDA: ....

SOURCE OF FUND CODE:...

ACCOUNTS PAYABLE REGISTER (CREDIT PURCHASES/VALUATIONS YET TO BE PAID)

DATE	NAME OF SUPPLIER	DESCRIPTION / DETAILS OF EXPENDITURE/ASSETS	NCOA CODE (ECONOMIC CODE)	AUTHORITY DOCUMENT REF No. (E.G. DEBIT NOTE & LPO)	CUSTOMER LEGDER REF. NUMBER	GROSS AMOUNT PAYABLE		ANALYSIS OF GROSS AMOUNT PAYABLE				
								NET PAYABLE TO SUPPLIER	WHT	VAT	STAMP DUTY	OTHER DEDUCTIONS
						CODE		CODE	CODE	CODE	CODE	CODE
						₦		₦	₦	₦		₦

NOTE: AT PERIOD END (E.G. MONTH END) RAISE JOURNAL ENTRY DEBIT THE RELEVANT EXPENSES/ASSETS ACCOUNTs AND CREDIT ACCOUNTS PAYABLE

TR NO. 0009

NAME OF MDA: ……

SUBSIDIARY LEDGER (FOR ACCOUNTS PAYABLE)

NAME : ………

CONTACT DETAILS: ………

TIN NUMBER ………

OTHER DETAILS ………...

NCOA (ECONOMIC & FUND CODE): ……………………………………………………………………………………..

DATE	DESCRIPTION / DETAILS	AUTHORITY DOCUMENT REF No.	DEBIT	CREDIT	BALANCE
			₦	₦	₦

TRY NO. 0010

NAME OF MDA: ....

SOURCE OF FUND CODE:...

CASH BOOK (TO BE USED FOR REVENUE, RECURRENT EXPENDITURE , CAPITAL EXPENDITURE AND OTHER BANK ACCOUNTS)

RECEIPT SIDE OF CASH BOOK						PAYMENT SIDE OF CASH BOOK***					
DATE	RECEIVED FROM	DESCRIPTION / DETAILS OF RECEIVED	NCOA CODE (ECONOMIC CODE)	AUTHORITY DOCUMENT REF No. (RV)	AMOUNT RECEIVED	DATE	PAID TO	DESCRIPTION / DETAILS OF PAYMENT	NCOA CODE (FUND & ECONOMIC CODE)	AUTHORITY DOCUMENT REF No. (PV)	AMOUNT PAID
					₦						₦

NOTE: AT PERIOD END (E.G. MONTH END) RAISE A JOURNAL ENTRY FOR RECEIPTS AND PAYMENT SIDE OF THE CASH BOOK

TRY NO. 0011

NAME OF MDA……………………………………………………………………………………………………

MONTHLY FINANCIAL MONITORING REPORT: PERSONNEL COST

S/NO.	NCOA CODE	DESCRIPTION OF BUDGET ITEM	a	b	c	d = b - c	e = a - b	f = (c/b) * 100
			APPROPRIATION	TOTAL RELEASED/ ALLOCATION TO DATE	ACTUAL EXPENDITURE TO DATE	BALANCES BASED ON ALLOCATION	BALANCES BASED ON APPROPRIATION	PERFORMANCE IN PERCENTAGE (%) BASED ON FUND RELEASED

NOTE: THE REPORT SHOULD BE PREPARED FOR ALL THE FUNDING SEGMENTS: A. NATIONAL BUDGET, B. RETAINED IGR, C. AID & GRANTS, D. OTHER SOURCES

TRY NO. 0012

NAME OF MDA………

MONTHLY FINANCIAL MONITORING REPORT: OVERHEAD COST

			a	b	c	d = b - c	e = a - b	f = (c/b) * 100
S/NO.	NCOA CODE	DESCRIPTION OF BUDGET ITEM	APPROPRIATION	TOTAL RELEASED/ ALLOCATION TO DATE	ACTUAL EXPENDITURE TO DATE	BALANCES BASED ON ALLOCATION	BALANCES BASED ON APPROPRIATION	PERFORMANCE IN PERCENTAGE (%) BASED ON FUND RELEASED

NOTE: THE REPORT SHOULD BE PREPARED FOR ALL THE FUNDING SEGMENTS: A. NATIONAL BUDGET, B. RETAINED IGR, C. AID & GRANTS, D. OTHER SOURCES

TRY NO. 0013

NAME OF MDA……………………………………………………………………………………………………

MONTHLY FINANCIAL MONITORING REPORT: CAPITAL EXPENDITURE

			a	b	c	d = b - c	e = a - b	f = (c/b) * 100
S/NO.	NCOA CODE	DESCRIPTION OF BUDGET ITEM	APPROPRIATION	TOTAL RELEASED/ ALLOCATION TO DATE	ACTUAL EXPENDITURE TO DATE	BALANCES BASED ON ALLOCATION	BALANCES BASED ON APPROPRIATION	PERFORMANCE IN PERCENTAGE (%) BASED ON FUND RELEASED

NOTE: THE REPORT SHOULD BE PREPARED FOR ALL THE FUNDING SEGMENTS: A. NATIONAL BUDGET, B. RETAINED IGR, C. AID & GRANTS, D. OTHER SOURCES

TRY NO. 0014

OPTION A: BASED ON PROGRAMME - ADVANCED BUDGETING

……………………………………..GOVERNMENT OF NIGERIA OR MDA

CONSOLIDATED BUDGET SUMMARY (MASTER BUDGET: PROGRAMME BASED)

S/No	NCOA	Description	Budget 2018	Budget 2019	Budget 2020	Total 3 Years Budget	Budget 2017	Actual (to Period) 2017	Actual 2016
			₦	₦	₦	₦	₦	₦	₦
1		**Opening Balance**	xx	xx	xx	xx	xx	xx	xx
2		**Receipts:**							
3		Statutory Allocation	xx	xx	xx	xx	xx	xx	xx
4		Value Added Tax	xx	xx	xx	xx	xx	xx	xx
5		Independent Revenue/Retained IGR	xx	xx	xx	xx	xx	xx	xx
6		Aid & Grants	xx	xx	xx	xx	xx	xx	xx
7		Direct Capital Receipts	xx	xx	xx	xx	xx	xx	xx
8		**Total Current Year Receipts**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**
9		**Total Projected Funds Available**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**
10		**Expenditure:**							
11		**A: Recurrent Debt**							
12		Public Debt Charges on CRF	xx	xx	xx	xx	xx	xx	xx
13		Interest on Internal Loans Repayment	xx	xx	xx	xx	xx	xx	xx
14		Interest on External Loans Repayment	xx	xx	xx	xx	xx	xx	xx
15		**Total Recurrent Debt**	**xx**	**xx**	**xx**	**xx**	**xx**	**xx**	**xx**
16		**B: Recurrent Non-Debt**							
17		Personnel Cost	xx	xx	xx	xx	xx	xx	xx
18		Salaries of Statutory Office HolderS	xx	xx	xx	xx	xx	xx	xx
19		Pensions and Gratuities	xx	xx	xx	xx	xx	xx	xx
20		Overhead Cost	xx	xx	xx	xx	xx	xx	xx
21		**Total Recurrent Non-Debt**	**xx**	**xx**	**xx**	**xx**	**xx**	**xx**	**xx**
22		**Total Recurrent Expenditure**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**
23		**C: Capital Expenditure or PPE Based on Programmes**							
24		Economic Empowerment Through Agriculture (General)	xx	xx	xx	xx	xx	xx	xx
25		Societal Re-orientation (General)	xx	xx	xx	xx	xx	xx	xx
26		Poverty Alleviation	xx	xx	xx	xx	xx	xx	xx
27		Improvement to Human Health (General)	xx	xx	xx	xx	xx	xx	xx
28		Enhancing Skills and Knowledge (General)	xx	xx	xx	xx	xx	xx	xx
29		Housing and Urban Development (General)	xx	xx	xx	xx	xx	xx	xx
30		Gender (General)	xx	xx	xx	xx	xx	xx	xx
31		Youth (General)	xx	xx	xx	xx	xx	xx	xx
32		Environmental Improvement (General)	xx	xx	xx	xx	xx	xx	xx
33		Water Resources and Rural Development	xx	xx	xx	xx	xx	xx	xx
34		Information Communication and Technology (General)	xx	xx	xx	xx	xx	xx	xx
35		Growing the Private Sector	xx	xx	xx	xx	xx	xx	xx
36		Reform of Government and Governance (General)	xx	xx	xx	xx	xx	xx	xx
37		Power (General)	xx	xx	xx	xx	xx	xx	xx
38		Rail (General)	xx	xx	xx	xx	xx	xx	xx
39		Water Ways (General)	xx	xx	xx	xx	xx	xx	xx
40		Road (General)	xx	xx	xx	xx	xx	xx	xx
41		Airways (General)	xx	xx	xx	xx	xx	xx	xx
42		Sea Ports (General)	xx	xx	xx	xx	xx	xx	xx
43		Shipping (General)	xx	xx	xx	xx	xx	xx	xx
44		Oil and Gas Infrastructure (General)	xx	xx	xx	xx	xx	xx	xx
45		**Total Capital Expenditure**	**xx**	**xx**	**xx**	**xx**	**xx**	**xx**	**xx**
46		**Total Expenditure (Budget Size)**	xx	xx	xx	xx	xx	xx	xx
47		**Budget Surplus/(Deficit)**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**
48		**Financing of Deficit by Borrowing:**							
49		Internal Loans	xx	xx	xx	xx	xx	xx	xx
50		External Loans	xx	xx	xx	xx	xx	xx	xx
51		**Total Loans**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**
52		**Closing Balance**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**

TRY NO. 0015

OPTION B: BASED ON FUNCTION (COFOG)

……………………………………..GOVERNMENT OF NIGERIA OR MDA

CONSOLIDATED BUDGET SUMMARY (MASTER BUDGET: COFOG)

S/No	NCOA	Description	Budget 2018	Budget 2019	Budget 2020	Total 3 Years Budget	Budget 2017	Actual (to Period) 2017	Actual 2016
			₦	₦	₦	₦	₦	₦	₦
1		**Opening Balance**	xx	xx	xx	xx	xx	xx	xx
2		**Receipts:**							
3		Statutory Allocation	xx	xx	xx	xx	xx	xx	xx
4		Value Added Tax	xx	xx	xx	xx	xx	xx	xx
5		Independent Revenue/Retained IGR	xx	xx	xx	xx	xx	xx	xx
6		Aid & Grants	xx	xx	xx	xx	xx	xx	xx
7		Direct Capital Receipts	xx	xx	xx	xx	xx	xx	xx
8		**Total Current Year Receipts**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**
9		**Total Projected Funds Available**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**
10		**Expenditure:**							
11		**A: Recurrent Debt**							
12		Public Debt Charges on CRF	xx	xx	xx	xx	xx	xx	xx
13		Interest on Internal Loans Repayment	xx	xx	xx	xx	xx	xx	xx
14		Interest on External Loans Repayment	xx	xx	xx	xx	xx	xx	xx
15		**Total Recurrent Debt**	**xx**	**xx**	**xx**	**xx**	**xx**	**xx**	**xx**
16		**B: Recurrent Non-Debt**							
17		Personnel Cost	xx	xx	xx	xx	xx	xx	xx
18		Salaries of Statutory Office Holders	xx	xx	xx	xx	xx	xx	xx
19		Pensions and Gratuities	xx	xx	xx	xx	xx	xx	xx
20		Overhead Cost	xx	xx	xx	xx	xx	xx	xx
21		**Total Recurrent Non-Debt**	**xx**	**xx**	**xx**	**xx**	**xx**	**xx**	**xx**
22		**Total Recurrent Expenditure**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**
23		**C: Capital Expenditure Based on Functions**							
24		General Public Services	xx	xx	xx	xx	xx	xx	xx
25		Defense	xx	xx	xx	xx	xx	xx	xx
26		Public Order and Safety	xx	xx	xx	xx	xx	xx	xx
27		Economic Affairs	xx	xx	xx	xx	xx	xx	xx
28		Environmental Protection	xx	xx	xx	xx	xx	xx	xx
29		Housing and Community Amenities	xx	xx	xx	xx	xx	xx	xx
30		Health	xx	xx	xx	xx	xx	xx	xx
31		Recreation, Culture and Religion	xx	xx	xx	xx	xx	xx	xx
32		Education	xx	xx	xx	xx	xx	xx	xx
33		Social Protection	xx	xx	xx	xx	xx	xx	xx
34		**Total Capital Expenditure**	**xx**	**xx**	**xx**	**xx**	**xx**	**xx**	**xx**
35		**Total Expenditure (Budget Size)**	xx	xx	xx	xx	xx	xx	xx
36		**Budget Surplus/(Deficit)**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**
37		**Financing of Deficit by Borrowing:**							
38		Internal Loans	xx	xx	xx	xx	xx	xx	xx
39		External Loans	xx	xx	xx	xx	xx	xx	xx
40		**Total Loans**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**
41		**Closing Balance**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**

TRY NO. 0016

OPTION C: BASED ON SECTORS

……………………………….....GOVERNMENT OF NIGERIA OR MDA

CONSOLIDATED BUDGET SUMMARY (MASTER BUDGET: SECTOR BASED)

S/No	NCOA	Description	Budget 2018	Budget 2019	Budget 2020	Total 3 Years Budget	Budget 2017	Actual (to Period) 2017	Actual 2016
			₦	₦	₦	₦	₦	₦	₦
1		**Opening Balance**	xx	xx	xx	xx	xx	xx	xx
2		**Receipts:**							
3		Statutory Allocation	xx	xx	xx	xx	xx	xx	xx
4		Value Added Tax	xx	xx	xx	xx	xx	xx	xx
5		Independent Revenue/Retained IGR	xx	xx	xx	xx	xx	xx	xx
6		Aid & Grants	xx	xx	xx	xx	xx	xx	xx
7		Direct Capital Receipts	xx	xx	xx	xx	xx	xx	xx
8		**Total Current Year Receipts**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**
9		**Total Projected Funds Available**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**
10		**Expenditure:**							
11		**A: Recurrent Debt**							
12		Public Debt Charges on CRF	xx	xx	xx	xx	xx	xx	xx
13		Interest on Internal Loans Repayment	xx	xx	xx	xx	xx	xx	xx
14		Interest on External Loans Repayment	xx	xx	xx	xx	xx	xx	xx
15		**Total Recurrent Debt**	**xx**	**xx**	**xx**	**xx**	**xx**	**xx**	**xx**
16		**B: Recurrent Non-Debt**							
17		Personnel Cost	xx	xx	xx	xx	xx	xx	xx
18		Salaries of Statutory Office Holders	xx	xx	xx	xx	xx	xx	xx
19		Pensions and Gratuities	xx	xx	xx	xx	xx	xx	xx
20		Overhead Cost	xx	xx	xx	xx	xx	xx	xx
21		**Total Recurrent Non-Debt**	**xx**	**xx**	**xx**	**xx**	**xx**	**xx**	**xx**
22		**Total Recurrent Expenditure**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**
23		**C: Capital Expenditure Based on Sectors**							
24		Administrative Sector	xx	xx	xx	xx	xx	xx	xx
25		Economic Sector	xx	xx	xx	xx	xx	xx	xx
26		Law and Justice Sector	xx	xx	xx	xx	xx	xx	xx
27		Regional Sector	xx	xx	xx	xx	xx	xx	xx
28		Social Sector	xx	xx	xx	xx	xx	xx	xx
29		**Total Capital Expenditure**	xx	xx	xx	xx	xx	xx	xx
30		**Total Expenditure (Budget Size)**	xx	xx	xx	xx	xx	xx	xx
31		**Budget Surplus/(Deficit)**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**
32		**Financing of Deficit by Borrowing:**							
33		Internal Loans	xx	xx	xx	xx	xx	xx	xx
34		External Loans	xx	xx	xx	xx	xx	xx	xx
35		**Total Loans**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**
36		**Closing Balance**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**

TRY NO. 0017

OPTION A: BASED ON PROGRAMME - ADVANCED BUDGETING

…………………………………...GOVERNMENT OF NIGERIA OR MDA

CONSOLIDATED BUDGET SUMMARY (MASTER BUDGET)ACCORDING TO FUND SEGMENTS

				Detailed Budget According to Fund Segment				
			a=b+c+d+e+f	b	c	d	e	f
S/No	NCOA	Description	Budget 2018	CRF	Retained IGR	Other Public Fund	Aid & Grants	Other Funds
			₦	₦	₦	₦	₦	
1		**Opening Balance**	xx	xx	xx	xx	xx	
2		**Receipts:**						
3		Statutory Allocation	xx	xx	xx	xx	xx	
4		Value Added Tax	xx	xx	xx	xx	xx	
5		Independent Revenue/Retained IGR	xx	xx	xx	xx	xx	
6		Aid & Grants	xx	xx	xx	xx	xx	
7		Direct Capital Receipts	xx	xx	xx	xx	xx	
8		**Total Current Year Receipts**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	
9		**Total Projected Funds Available**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	
10		**Expenditure:**						
11		**A: Recurrent Debt**						
12		Public Debt Charges on CRF	xx	xx	xx	xx	xx	
13		Interest on Internal Loans Repayment	xx	xx	xx	xx	xx	
14		Interest on External Loans Repayment	xx	xx	xx	xx	xx	
15		**Total Recurrent Debt**	**xx**	**xx**	**xx**	**xx**	**xx**	
16		**B: Recurrent Non-Debt**						
17		Personnel Cost	xx	xx	xx	xx	xx	
18		Salaries of Statutory Office HolderS	xx	xx	xx	xx	xx	
19		Pensions and Gratuities	xx	xx	xx	xx	xx	
20		Overhead Cost	xx	xx	xx	xx	xx	
21		**Total Recurrent Non-Debt**	**xx**	**xx**	**xx**	**xx**	**xx**	
22		**Total Recurrent Expenditure**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	
23		**C: Capital Expenditure or PPE Based on Programmes**						
24		Economic Empowerment Through Agriculture (General)	xx	xx	xx	xx	xx	
25		Societal Re-orientation (General)	xx	xx	xx	xx	xx	
26		Poverty Alleviation	xx	xx	xx	xx	xx	
27		Improvement to Human Health (General)	xx	xx	xx	xx	xx	
28		Enhancing Skills and Knowledge (General)	xx	xx	xx	xx	xx	
29		Housing and Urban Development (General)	xx	xx	xx	xx	xx	
30		Gender (General)	xx	xx	xx	xx	xx	
31		Youth (General)	xx	xx	xx	xx	xx	
32		Environmental Improvement (General)	xx	xx	xx	xx	xx	
33		Water Resources and Rural Development	xx	xx	xx	xx	xx	
34		Information Communication and Technology (General)	xx	xx	xx	xx	xx	
35		Growing the Private Sector	xx	xx	xx	xx	xx	
36		Reform of Government and Governance (General)	xx	xx	xx	xx	xx	
37		Power (General)	xx	xx	xx	xx	xx	
38		Rail (General)	xx	xx	xx	xx	xx	
39		Water Ways (General)	xx	xx	xx	xx	xx	
40		Road (General)	xx	xx	xx	xx	xx	
41		Airways (General)	xx	xx	xx	xx	xx	
42		Sea Ports (General)	xx	xx	xx	xx	xx	
43		Shipping (General)	xx	xx	xx	xx	xx	
44		Oil and Gas Infrastructure (General)	xx	xx	xx	xx	xx	
45		**Total Capital Expenditure**	**xx**	**xx**	**xx**	**xx**	**xx**	
46		**Total Expenditure (Budget Size)**	xx	xx	xx	xx	xx	
47		**Budget Surplus/(Deficit)**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	
48		**Financing of Deficit by Borrowing:**						
49		Internal Loans	xx	xx	xx	xx	xx	
50		External Loans	xx	xx	xx	xx	xx	
51		**Total Loans**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	
52		**Closing Balance**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	

TRY NO. 0018

OPTION B: BASED ON FUNCTION (COFOG)

…………………………………...GOVERNMENT OF NIGERIA OR MDA

CONSOLIDATED BUDGET SUMMARY (MASTER BUDGET) According Fund Segments

S/No	NCOA	Description	a=b+c+d+e+f Budget 2018	b CRF	c Retained IGR	d Other Public Fund	e Aid & Grants	f Other Funds
			₦	₦	₦	₦	₦	₦
1		**Opening Balance**	xx	xx	xx	xx	xx	xx
2		**Receipts:**						
3		Statutory Allocation	xx	xx	xx	xx	xx	xx
4		Value Added Tax	xx	xx	xx	xx	xx	xx
5		Independent Revenue/Retained IGR	xx	xx	xx	xx	xx	xx
6		Aid & Grants	xx	xx	xx	xx	xx	xx
7		Direct Capital Receipts	xx	xx	xx	xx	xx	xx
8		**Total Current Year Receipts**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**
9		**Total Projected Funds Available**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**
10		**Expenditure:**						
11		**A: Recurrent Debt**						
12		Public Debt Charges on CRF	xx	xx	xx	xx	xx	xx
13		Interest on Internal Loans Repayment	xx	xx	xx	xx	xx	xx
14		Interest on External Loans Repayment	xx	xx	xx	xx	xx	xx
15		**Total Recurrent Debt**	**xx**	**xx**	**xx**	**xx**	**xx**	**xx**
16		**B: Recurrent Non-Debt**						
17		Personnel Cost	xx	xx	xx	xx	xx	xx
18		Salaries of Statutory Office Holders	xx	xx	xx	xx	xx	xx
19		Pensions and Gratuities	xx	xx	xx	xx	xx	xx
20		Overhead Cost	xx	xx	xx	xx	xx	xx
21		**Total Recurrent Non-Debt**	**xx**	**xx**	**xx**	**xx**	**xx**	**xx**
22		**Total Recurrent Expenditure**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**
23		**C: Capital Expenditure Based on Functions**						
24		General Public Services	xx	xx	xx	xx	xx	xx
25		Defense	xx	xx	xx	xx	xx	xx
26		Public Order and Safety	xx	xx	xx	xx	xx	xx
27		Economic Affairs	xx	xx	xx	xx	xx	xx
28		Environmental Protection	xx	xx	xx	xx	xx	xx
29		Housing and Community Amenities	xx	xx	xx	xx	xx	xx
30		Health	xx	xx	xx	xx	xx	xx
31		Recreation, Culture and Religion	xx	xx	xx	xx	xx	xx
32		Education	xx	xx	xx	xx	xx	xx
33		Social Protection	xx	xx	xx	xx	xx	xx
34		**Total Capital Expenditure**	**xx**	**xx**	**xx**	**xx**	**xx**	**xx**
35		**Total Expenditure (Budget Size)**	xx	xx	xx	xx	xx	xx
36		**Budget Surplus/(Deficit)**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**
37		**Financing of Deficit by Borrowing:**						
38		Internal Loans	xx	xx	xx	xx	xx	xx
39		External Loans	xx	xx	xx	xx	xx	xx
40		**Total Loans**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**
41		**Closing Balance**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**

TRY NO. 0019

OPTION C: BASED ON SECTORS

……………………………………..GOVERNMENT OF NIGERIA OR MDA

CONSOLIDATED BUDGET SUMMARY (MASTER BUDGET) According to Fund Segments

S/No	NCOA	Description	a=b+c+d+e+f	b	c	d	e	f
			Budget 2018	CRF	Retained IGR	Other Public Fund	Aid & Grants	Other Funds
			₦	₦	₦	₦	₦	₦
1		**Opening Balance**	xx	xx	xx	xx	xx	xx
2		**Receipts:**						
3		Statutory Allocation	xx	xx	xx	xx	xx	xx
4		Value Added Tax	xx	xx	xx	xx	xx	xx
5		Independent Revenue/Retained IGR	xx	xx	xx	xx	xx	xx
6		Aid & Grants	xx	xx	xx	xx	xx	xx
7		Direct Capital Receipts	xx	xx	xx	xx	xx	xx
8		**Total Current Year Receipts**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**
9		**Total Projected Funds Available**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**
10		**Expenditure:**						
11		**A: Recurrent Debt**						
12		Public Debt Charges on CRF	xx	xx	xx	xx	xx	xx
13		Interest on Internal Loans Repayment	xx	xx	xx	xx	xx	xx
14		Interest on External Loans Repayment	xx	xx	xx	xx	xx	xx
15		**Total Recurrent Debt**	**xx**	**xx**	**xx**	**xx**	**xx**	**xx**
16		**B: Recurrent Non-Debt**						
17		Personnel Cost	xx	xx	xx	xx	xx	xx
18		Salaries of Statutory Office Holders	xx	xx	xx	xx	xx	xx
19		Pensions and Gratuities	xx	xx	xx	xx	xx	xx
20		Overhead Cost	xx	xx	xx	xx	xx	xx
21		**Total Recurrent Non-Debt**	**xx**	**xx**	**xx**	**xx**	**xx**	**xx**
22		**Total Recurrent Expenditure**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**
23		**C: Capital Expenditure Based on Sectors**						
24		Administrative Sector	xx	xx	xx	xx	xx	xx
25		Economic Sector	xx	xx	xx	xx	xx	xx
26		Law and Justice Sector	xx	xx	xx	xx	xx	xx
27		Regional Sector	xx	xx	xx	xx	xx	xx
28		Social Sector	xx	xx	xx	xx	xx	xx
29		**Total Capital Expenditure**	xx	xx	xx	xx	xx	xx
30		**Total Expenditure (Budget Size)**	xx	xx	xx	xx	xx	xx
31		**Budget Surplus/(Deficit)**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**
32		**Financing of Deficit by Borrowing:**						
33		Internal Loans	xx	xx	xx	xx	xx	xx
34		External Loans	xx	xx	xx	xx	xx	xx
35		**Total Loans**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**
36		**Closing Balance**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**	**xxx**

TRY NO. 0020

NAME OF MDA: ....

:ATIONS REPORT 1 : AGGREGATE RECURRENT REVENUE AND EXPENDITURE BUDGET PERFORMANCE FOR THE PERIOD ENDED ....

Previous Year Actual	Description	NCOA	Notes	Aggregate Actual	Aggregate Budget	Variance	
				a	b	c=b-a	d=(b-a/b)%
				₦	₦	₦	%
	REVENUE INFORMATION						
	STATUTORY REVENUE	**11**					
	Statutory Allocations from FAAC	110101					
	Value Added Tax Allocation from FAAC	110102					
	Excess Crude from FAAC	110103					
	Sub-Total: Statutory Allocation	**11**					
	INTERNALLY GENERATED REVENUE	12					
	Tax Revenue	1201					
	Non-Tax Revenue	1202					
	Sub-Total: Independent Revenue	**12**					
	REVENUE FROM AID & GRANTS	**13**					
	Aid	1301					
	Grants	1302					
	Sub-Total: Aid & Grants	**13**					
	REVENUE FROM DEBT FORGIVENESS	**14**					
	Debt Forgiveness	1401					
	Sub-Total: Debt Forgiveness	**14**					
	REVENUE FROM EXTRA-ORDINARY ITEMS						
	Recoveries	1407					
	Others						
	Sub-Total: Extra-Ordinary Items						
	TOTAL REVENUE						
	RECURRENT EXPENDITURE	**2**					
	Personnel Costs/Employee Benefits	21					
	Overhead Cost (excluding public debt charges)	2202					
	Grants & Contributions	2204					
	Subsidies	2205					
	Public Debt Charges	220209					
	Research & Development - Expense	2305					
	TOTAL RECURRENT EXPENDITURE						

TRY NO. 0021

NAME OF MDA: ………...…………

FISCAL OPERATIONS REPORT 2 : AGGREGATE CAPITAL BUDGET PERFORMANCE FOR THE PERIOD ENDED ………………………………………………..

Previous Year Actual	Description	NCOA	Note	Aggregate Actual	Aggregate Budget	Variance	
				a	b	c=b-a	d=(b-a/b)%
				₦	₦	₦	%
	OPTION A: BASIC BUDGET INFORMATION						
	RECEIPTS FOR CAPITAL EXPENDITURE						
	Allocation for Capital Expenditure	4301					
	Retained IGR for Capital Expenditure						
	Loans for Capital Expenditure	4203					
	Aid & Grants for Capital Expenditure	13					
	Total Receipts for Capital Expenditure						
	CAPITAL EXPENDITURES BASED ON SECTORS						
	Administration	01					
	Economic	02					
	Law and Justice	03					
	Regional	04					
	Social	05					
	Total Capital Expenditure Based on Sectors						
	OPTION B: ADVANCED BUDGET INFORMATION						
	RECEIPTS FOR CAPITAL EXPENDITURE						
	Allocation for Capital Expenditure	4301					
	Retained IGR for Capital Expenditure						
	Loans for Capital Expenditure	4203					
	Aid & Grants for Capital Expenditure	13					
	Total Receipts for Capital Expenditure						
	CAPITAL EXPENDITURES BASED ON POLICIES & PROGRAMMES						
	Economic Empowerment Through Agriculture (General)	01					
	Societal Re-orientation (General)	02					
	Poverty Alleviation	03					
	Improvement to Human Health (General)	04					
	Enhancing Skills and Knowledge (General)	05					
	Housing and Urban Development (General)	06					
	Gender (General)	07					
	Youth (General)	08					
	Environmental Improvement (General)	09					
	Water Resources and Rural Development	10					
	Information Communication and Technology (General)	11					
	Growing the Private Sector	12					
	Reform of Government and Governance (General)	13					
	Power (General)	14					
	Rail (General)	15					
	Water Ways (General)	16					
	Road (General)	17					
	Airways (General)	18					
	Sea Ports (General)	19					
	Shipping (General)	20					
	Oil and Gas Infrastructure (General)	21					
	Total Capital Expenditure Based on Programmes						

TRY NO. 0022

NAME OF MDA: ……

PROPERTY, PLANT AND EQUIPMENT (PPE) REGISTER

	PROPERTY, PLANT AND EQUIPMENT (PPE) REGISTER	**NCOA CODE (FUND & ECONOMIC CODE)**	
DESCRIPTION	LOCATION	**TYPE OF PPE:**	**DISPOSAL DATA**
MAIN SUPPLIER OR CONTRACTOR	MANUFACTURER		NAME & ADDRESS OF PURCHASER
NAME & ADDRESS	SERIAL NO		AMOUNT REALISED
	CHASSES NUMBER		RECEIPT NO
	ENGINE NO		EFFECTIVE DATE OF DISPOSAL
	IDENTIFICATION OR REGISTRATION NO		

YEAR	DETAILED OF PAYMENT PV NO AND DATE	INITIAL COST	ADDITIONAL COST	TOTAL COST	DEPRECIATION RATES	ANNUAL DEPRECIATION	AGGREGATE DEPRECIATION	CARRYING AMOUNT (NBV)	DISPOSAL PROCEED	GIAN/LOSS ON DISPOSAL
		₦	₦	₦	%	₦	₦	₦	₦	₦

TRY NO. 0023

NAME OF MDA: ....

PROPERTY, PLANT AND EQUIPMENT SCHEDULE AS AT ....

		LAND & BUILDING	INFRASTRUCTURE	PLANT & MACHINERY	TRANSPORTATION EQUIPMENT	OFFICE EQUIPMENT	FURNITURE & FITTINGS	SPECIALISED ASSETS	OTHERS	TOTAL
	COST/REVALUATION:	₦	₦	₦	₦	₦	₦	₦	₦	₦
	BALANCE B/FORWARD (1/JAN/20XX)	XX	XX	XX	XX	XX	XX	XX	XX	XXX
	ADDITIONS DURING THE YEAR	X	X	X	X	X	X	X	X	XXX
	DISPOSAL DURING THE YEAR	(X)	(X)	(X)	(X)	(X)	(X)	(X)	(X)	(XXX)
	BALANCE C/FORWARD (31/DECEMBER 20XX)	XX	XX	XX	XX	XX	XX	XX	XX	XXX
	ACCUMULATED DEPRECIATION:									
	BALANCE B/FORWARD (1/JAN/20XX)	XX	XX	XX	XX	XX	XX	XX	XX	XXX
	ADDITIONS DURING THE YEAR	X	X	X	X	X	X	X	X	XXX
	DISPOSAL DURING THE YEAR	(X)	(X)	(X)	(X)	(X)	(X)	(X)	(X)	(XXX)
	BALANCE C/FORWARD (31/DECEMBER 20XX)	XX	XX	XX	XX	XX	XX	XX	XX	XXX
	ACCUMULATED IMPAIRMENT:									
	BALANCE B/FORWARD (1/JAN/20XX)	XX	XX	XX	XX	XX	XX	XX	XX	XXX
	ADDITIONS DURING THE YEAR	X	X	X	X	X	X	X	X	XXX
	DISPOSAL DURING THE YEAR	(X)	(X)	(X)	(X)	(X)	(X)	(X)	(X)	(XXX)
	BALANCE C/FORWARD (31/DECEMBER 20XX)	XX	XX	XX	XX	XX	XX	XX	XX	XXX
	NET BOOK VALUE OR CARRYING AMOUNT									
	AS AT 31/12/20XX	XX	XX	XX	XX	XX	XX	XX	XX	XXX
	AS AT 31/12/20XX-1	XX	XX	XX	XX	XX	XX	XX	XX	XXX

NOTE: THE VALUE OF LAND IS NOT DEPRECIATED

TRY NO. 0024

NAME OF MDA: ....

INVENTORY ISSUE NOTE REGISTER

DATE	USER NAME	STORE ISSUE NOTE NUMBER	STORE ITEM	NCOA (ECONOMIC CODE)	QUANTITY	RATE	AMOUNT ₦	REMARKS

NOTE: FIRST IN FIRST OUT (FIFO) IS USED THE MANAGEMENT AND ACCOUNTING OF INVENTORY

TRY NO. 0025

NAME OF MDA……………………………………………………………

MONTHLY BANK RECONCILIATION STATEMENTS (ALL SUB-TSA BANK ACCOUNTS)

BANK RECONCILIATION STATEMENTS AS AT ………………………

	NOTES	₦	₦
Cash Book Balance as at…………………..			
Add: Unpaid Mandates(List Attached)	1		
Add: Credits in Banks not in Cash Book(List attached)	2		
Sub-Total			
Less: Receipts in Cash Book not in Bank (List Attached)	3		
Less: Debits in Bank not in Cash Book (List attached)	4		
Sub-Total			
Balance as per Reconciliation (Bank Balance) - (A)			
CHECK BALANCE			
Balance as per Bank Statements as at ……….. (B)			
Variance (A- B)			

OTHER NOTES:

1. Bank Charges of previous months should be posted into the cash book in the current month

2. Bank credits should also be posted into the cashbbok to reduce unreconciled items

3. In summary Debits and Credits items in the bank statement should be brought into cash book as soon as they become available

4. All Unreconciled items must be dealt with

TRY NO. 0026

NAME OF MDA...

MONTHLY CASH ADVANCES AND IMPREST REPORT

DETAILS	**REF.**	**AMOUNT**
		₦
OPENING BALANCE AS AT BEGINNING OF THE MONTH		
ADD TOTAL ADVANCES GRANTED DURING THE MONTH		
LESS TOTAL ADVANCES RETIRED DURING THE MONTH		
BALANCE OF OUTSTANDING ADVANCES AT MONTH END	**LIST ATTACHED**	
ANALYSIS OF OUTSTANDING CASH ADVANCES:		
1 MONTH OLD		
2 MONTHS OLD		
3 MONTHS OLD		
4 MONTHS OLD		
5 MONTHS OLD		
6 MONTHS OLD		
7 MONTHS OLD		
8 MONTHS OLD		
9 MONTHS OLD		
10 MONTHS OLD		
11 MONTHS OLD		
12 MONTHS OLD		
MORE THAN 12 MONTHS OLD		
TOTAL (AGREE WITH BALANCE)		

NOTE:

1. TOTAL OUTSTANDING ADVANCES AGREE WITH FIGURE IN THE GENERAL LEDGER

2. OFFICERS WITH OUTSTANDING UN-RETIRED ADVANCES BE SANCTIONED AS PROVIDED BY EXTANT RULES

TRY NO. 0027

NAME OF MDA……………………………………………………………

MONTHLY IPSAS ACCRUAL BASIS COMPLIANT TRIAL BALANCE FOR THE MONTH ENDED ……………………………... ……………………………………

ADMINISTRATATIVE CODE		XXXXXXXXXXXX									
ECONOMIC CODE	DESCRIPTION	DR ₦	CR ₦	ANALYSIS OF ECONOMIC ITEMS ACCORDING TO SOURCES OF FUNDS							
				BUDGET	SERVICE WIDE VOTES	CAPITAL SUPPPLEMENTATION	AID & GRANTS	RETAINED IGR	LOANS	OTHER FUNDS	OTHERS-SPECIFY
				02101	02202	02203	08	10	09	06	xx
1	**REVENUE**										
11	**GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)**										
1101	**GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)**										
110101	**FEDERAL GOVERNMENT SHARE OF FAAC**										
11010101	FEDERAL GOVERNMENT SHARE OF FAAC		XXXX								
11010102	FAAC DIRECT ALLOCATION TO FIRS		XXXX								
11010103	FAAC DIRECT ALLOCATION TO CUSTOMS		XXXX								
11010104	FAAC SPECIAL ALLOCATIONS		XXXX								
110102	**FEDERAL GOVERNMENT SHARE OF VAT**										
11010201	FEDERAL GOVERNMENT SHARE OF VAT		XXXX								
110103	**FEDERAL GOVERNMENT SHARE OF EXCESS CRUDE ACCOUNT**										
11010301	FEDERAL GOVERNMENT SHARE OF EXCESS CRUDE ACCOUNT		XXXX								
12	**INDEPENDENT REVENUE**										
1201	**TAX REVENUE**										
120101	**PERSONNAL TAXES**										
12010101	PERSONAL INCOME TAX - FCT RESIDENTS		XXXX								
12010102	PERSONAL INCOME TAX - ARMED FORCES , POLICE		XXXX								
12010103	PERSONAL INCOME TAX - FOREIGN AFFAIRS OFFICERS		XXXX								
12010104	STAMP DUTY		XXXX								
12010105	POOL BETTING TAX		XXXX								
12010106	DEVELOPMENT TAX/LEVY		XXXX								
12010107	CAPITAL GAIN TAX		XXXX								
12010108	LIVESTOCK TAX		XXXX								
12010109	OTHER SERVICE TAXES		XXXX								
1202	**NON-TAX REVENUE**										
120201	**LICENCES - GENERAL**										
12020101	DIAMOND DEALERS LICENCE		XXXX								
12020102	GOLDSMITHS & GOLD DEALER LICENCES		XXXX								
12020103	SILVER DEALERS LICENCES		XXXX								
12020104	PLATINUM DEALERS LICENCES		XXXX								
12020105	RADIO STATION LICENCES		XXXX								
12020106	ARMS & AMMUNITION LICENCES		XXXX								
12020107	BOATS & CANOE (SMALL CRAFT) LICENCE		XXXX								

ETC

TRY NO. 0028

NAME OF MDA………………………………………………………………………………………………………..

CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 20XX

Previous Year Actual (20XX-1)		Notes	Actual 20XX	Final Budget 20XX	Supplementary Budget 20XX	Initial/ Original Budget 20XX	Variance on Final Budget
₦			₦	₦	₦	₦	₦
			A	B(C+D)	C	D	E (B-A)
	REVENUE						
X	Government Share of FAAC (Statutory Revenue)	1	X	X	X	X	X
X	Government Share of VAT	2	X	X	X	X	X
X	Tax Revenue	3	X	X	X	X	X
X	Non-Tax Revenue	4	X	X	X	X	X
X	Investment Income	5	X	X	X	X	X
X	Interest Earned	6	X	X	X	X	X
X	Aid & Grants	7	X	X	X	X	X
X	Debt Forgiveness	8	X	X	X	X	X
X	Other Revenues	9	X	X	X	X	X
X	Transfer from other Government Entities	10	X	X	X	X	X
XX	**Total Revenue (a)**		**XX**	**XX**	**XX**	**XX**	**XX**
	EXPENDITURE						
X	Salaries & Wages	11	X	X	X	X	X
X	Social Benefits	12	X	X	X	X	X
X	Overhead Cost	13	X	X	X	X	X
X	Grants & Contributions	14	X	X	X	X	X
X	Subsidies	15	X	X	X	X	X
X	Depreciation Charges	16	X	X	X	X	X
X	Impairment Charges	17	X	X	X	X	X
X	Amortization Charges	18	X	X	X	X	X
X	Bad Debts Charges	19	X	X	X	X	X
X	Public Debt Charges	20	X	X	X	X	X
X	Transfer to other Government Entities	21	X	X	X	X	X
XX	**Total Expenditure (b)**		**XX**	**XX**	**XX**	**XX**	**XX**
X	**Surplus/(Deficit) from Operating Activities for the Period c=(a-b)**		**X**	**X**	**X**	**X**	**X**
X	Gain/ Loss on Disposal of Asset	22	X	X	X	X	X
X	Gain/Loss on Foreign Exchange Transaction	23	X	X	X	X	X
X	Share of Surplus/(Deficit) in Associates & Joint Ventures	24					
XX	**Total Non-Operating Revenue/(Expenses) (d)**		**XX**	**XX**	**XX**	**XX**	**XX**
X	**Surplus/(Deficit) from Ordinary Activities e=(c+d)**		**X**	**X**	**X**	**X**	**X**
(X)	Minority Interest Share of Surplus/ (Deficit) (f)	25	(X)	(X)	(X)	(X)	(X)
XX	**Net Surplus/ (Deficit) for the Period g=(e-f)**		**XX**	**XX**	**XX**	**XX**	**XX**

The accompanying notes forms an integral part of the General Purpose Financial Statement (GPFS)

TRY NO. 0029

NAME OF MDA...

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 20XX

	Notes	20XX	20XX	20XX-1	20XX-1
		₦	₦	₦	₦
ASSETS					
Current Assets					
Cash and Cash Equivalents	26	X		X	
Receivables	27	X		X	
Prepayments	28	X		X	
Inventories	29	X		X	
Total Current Assets A			**X**		**X**
Non-Current Assets					
Long Term Loans	30	X		X	
Investments	31	X		X	
Property, Plant & Equipment	32	X		X	
Investment Property	33	X		X	
Intangible Assets	34	X		X	
Total Non-Current Assets B			**X**		**X**
Total Assets C = A + B			**XX**		**XX**
LIABILITIES					
Current Liabilities					
Deposits	35	X		X	
Short Term Loans & Debts	36	X		X	
Unremitted Deductions	37	X		X	
Payables	38	X		X	
Short Term Provisions	39	X		X	
Current Portion of Borrowings	40	X		X	
Total Current Liabilities D			**X**		**X**
Non-Current Liabilities					
Public Funds	41	X		X	
Long Term Provisions	42	X		X	
Long Term Borrowings	43	X		X	
Total Non-Current Liabilities E			**X**		**X**
Total Liabilities: F = D + E			**XX**		**XX**
Net Assets: G = C - F			**XX**		**XX**
NET ASSETS/EQUITY					
Capital Grant	44	X		X	
Reserves	45	X		X	
Accumulated Surpluses/(Deficits)	46	X		X	
Minority Interest	47	X		X	
			X		**X**
Total Net Assets/Equity: H=G			**XX**		**XX**

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Authorised Signatory **Authorised Signatory**

The accompanying notes forms an integral part of the General Purpose Financial Statement (GPFS)

TRY NO. 0030

NAME OF MDA...

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 20XX

Description	Notes	20XX		20XX-1	
		₦	₦	₦	₦
CASH FLOWS FROM OPERATING ACTIVITIES					
Inflows					
Government Share of FAAC (Statutory Revenue)		X		X	
Government Share of VAT		X		X	
Tax Revenue		X		X	
Non-Tax Revenue		X		X	
Investment Income		X		X	
Interest Earned		X		X	
Aid & Grants		X		X	
Debt Forgiveness		X		X	
Other Revenue		X		X	
Transfer from other Government Entities		X		X	
Total Inflow from Operating Activities (A)		**XX**		**XX**	
Outflows					
Salaries & Wages		(X)		(X)	
Social Benefits		(X)		(X)	
Overhead Cost		(X)		(X)	
Grants & Contributions		(X)		(X)	
Subsidies		(X)		(X)	
Transfer to other Government Entities		(X)		(X)	
Finance Cost		(X)		(X)	
Total Outflow from Operating Activities (B)		**(XX)**		**(XX)**	
Net Cash Inflow/(Outflow) From Operating Activities* C=(A-B)	1		**XX/(XX)**		**XX/(XX)**
CASH FLOW FROM INVESTING ACTIVITIES					
Proceeds from Sale of PPE		X		X	
Proceeds from Sales of Investment Property		X		X	
Proceeds from Sale of Intangible Assets		X		X	
Proceeds from Sale of Investment		X		X	
Dividends Received		X		X	
Purchase/ Construction of PPE		(X)		(X)	
Purchase/ Construction of Investment Property		(X)		(X)	
Purchase of Intangible Assets		(X)		(X)	
Acquisition of Investments		(X)		(X)	
Net Cash Flow from Investing Activites			**XX/(XX)**		**XX/(XX)**

Description	Notes	20XX		20XX-1	
		₦	₦	₦	₦
CASH FLOW FROM FINANCING ACTIVITIES					
Capital Grant Received		X		X	
Proceeds from Borrowings		X		X	
Repayment of Borrowings		(X)		X	
Distribution of Surplus/Dividends Paid		(X)		(X)	
Net Cash Flow from Financing Activities			**XX/(XX)**		**XX/(XX)**
Net Cash Flow from all Activities			**XX/(XX)**		**XX/(XX)**
Cash & Its Equivalent as at 1/1/20XX			X		X
Cash & Its Equivalent as at 31/12/20XX	2		**XX**		**XX**
Notes: 1					
RECONCILIATION:					
Surplus/ (Deficit) per Statement of Performance		X			
Add Back Non-Cash Movement Items:		X			
Depreciation Charges	X				
Amortization Charges	X				
Impairment Charges	X				
Debt Forgiveness	X	**X**			
		X			
Net Movement in Current Assets/Liabilities.					
Net Movement in Inventories		X/(X)			
Net Movement in Receivables		X/(X)			
Net Movement in Payables		X/(X)			
Net Cash Flow from Operating Activities		X/(X)			
Note: 2					
Cash & its equivalent as at 31/12/20XX					
Cash Balances		X			
Bank Balances		X			
Certificate of Deposits		X			
		X			

TRY NO. 0031

NAME OF MDA...

STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 20XX

	Note	Capital Grant	Revaluation Reserve	Exchange Translation Reserve	Accummulated Surpluses/ (Deficits)	Total	Minority Interest (X%)	Attributable to Owners (100-X%)
		₦	₦	₦	₦	₦	₦	₦
Balance as at 1st January 20XX		X	X	(X)	X	X		
Changes in Accounting Policy	48				(X)	(X)	(X)	(X)
Restated Balance		X	**X**	**X**	**X**	**X**	**X**	**X**
Surplus on Revaluation of Properties	49		X			X	X	X
Deficit on Revaluation of Investments	49		(X)			(X)	(X)	(X)
Net Gains and Losses not Recognised in the Statement of Financial Performance			X	(X)		X	X	X
Net surplus for the period					**X**	**X**	**X**	**X**
Balance at 31 December 20XX		**X**	**X**	**(X)**	**X**	**X**	**X**	**X**
Deficit on Revaluation of Property	49		(X)			(X)	(X)	(X)
Surplus on Revaluation of Investments	49		X			X	X	X
Net gains and Losses not Recognised in the Statement of Financial Performance			(X)	(X)		(X)	(X)	(X)
Net deficit for the Period					(X)	(X)	(X)	(X)
Balance at 31 December 20XX		**X**	**X**	**(X)**	**X**	**X**	**X**	**X**

Formats of Trial Balance and Financial Statements

TRY NO. 0027

NAME OF MDA...

MONTHLY IPSAS ACCRUAL BASIS COMPLIANT TRIAL BALANCE FOR THE MONTH ENDED ....

ADMINISTRATATIVE CODE		XXXXXXXXXXXX									
ECONOMIC CODE	DESCRIPTION	DR ₦	CR ₦	ANALYSIS OF ECONOMIC ITEMS ACCORDING TO SOURCES OF FUNDS							
				BUDGET	SERVICE WIDE VOTES	CAPITAL SUPPPLEMENTATION	AID & GRANTS	RETAINED IGR	LOANS	OTHER FUNDS	OTHERS-SPECIFY
				02101	02202	02203	08	10	09	06	xx
1	**REVENUE**										
11	**GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)**										
1101	**GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)**										
110101	**FEDERAL GOVERNMENT SHARE OF FAAC**										
11010101	FEDERAL GOVERNMENT SHARE OF FAAC		XXXX								
11010102	FAAC DIRECT ALLOCATION TO FIRS		XXXX								
11010103	FAAC DIRECT ALLOCATION TO CUSTOMS		XXXX								
11010104	FAAC SPECIAL ALLOCATIONS		XXXX								
110102	**FEDERAL GOVERNMENT SHARE OF VAT**										
11010201	FEDERAL GOVERNMENT SHARE OF VAT		XXXX								
110103	**FEDERAL GOVERNMENT SHARE OF EXCESS CRUDE ACCOUNT**										
11010301	FEDERAL GOVERNMENT SHARE OF EXCESS CRUDE ACCOUNT		XXXX								
12	**INDEPENDENT REVENUE**										
1201	**TAX REVENUE**										
120101	**PERSONNAL TAXES**										
12010101	PERSONAL INCOME TAX - FCT RESIDENTS		XXXX								
12010102	PERSONAL INCOME TAX - ARMED FORCES , POLICE		XXXX								
12010103	PERSONAL INCOME TAX - FOREIGN AFFAIRS OFFICERS		XXXX								
12010104	STAMP DUTY		XXXX								
12010105	POOL BETTING TAX		XXXX								
12010106	DEVELOPMENT TAX/LEVY		XXXX								
12010107	CAPITAL GAIN TAX		XXXX								
12010108	LIVESTOCK TAX		XXXX								
12010109	OTHER SERVICE TAXES		XXXX								
1202	**NON-TAX REVENUE**										
120201	**LICENCES - GENERAL**										
12020101	DIAMOND DEALERS LICENCE		XXXX								
12020102	GOLDSMITHS & GOLD DEALER LICENCES		XXXX								
12020103	SILVER DEALERS LICENCES		XXXX								
12020104	PLATINUM DEALERS LICENCES		XXXX								
12020105	RADIO STATION LICENCES		XXXX								
12020106	ARMS & AMMUNITION LICENCES		XXXX								
12020107	BOATS & CANOE (SMALL CRAFT) LICENCE		XXXX								

ETC

TRY NO. 0028

NAME OF MDA...

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 20XX

Previous Year Actual (20XX-1)		Notes	Actual 20XX	Final Budget 20XX	Supplementary Budget 20XX	Initial/ Original Budget 20XX	Variance on Final Budget
₦			₦	₦	₦	₦	₦
			A	B(C+D)	C	D	E (B-A)
	REVENUE						
X	Government Share of FAAC (Statutory Revenue)	1	X	X	X	X	X
X	Government Share of VAT	2	X	X	X	X	X
X	Tax Revenue	3	X	X	X	X	X
X	Non-Tax Revenue	4	X	X	X	X	X
X	Investment Income	5	X	X	X	X	X
X	Interest Earned	6	X	X	X	X	X
X	Aid & Grants	7	X	X	X	X	X
X	Debt Forgiveness	8	X	X	X	X	X
X	Other Revenues	9	X	X	X	X	X
X	Transfer from other Government Entities	10	X	X	X	X	X
XX	**Total Revenue (a)**		**XX**	**XX**	**XX**	**XX**	**XX**
	EXPENDITURE						
X	Salaries & Wages	11	X	X	X	X	X
X	Social Benefits	12	X	X	X	X	X
X	Overhead Cost	13	X	X	X	X	X
X	Grants & Contributions	14	X	X	X	X	X
X	Subsidies	15	X	X	X	X	X
X	Depreciation Charges	16	X	X	X	X	X
X	Impairment Charges	17	X	X	X	X	X
X	Amortization Charges	18	X	X	X	X	X
X	Bad Debts Charges	19	X	X	X	X	X
X	Public Debt Charges	20	X	X	X	X	X
X	Transfer to other Government Entities	21	X	X	X	X	X
XX	**Total Expenditure (b)**		**XX**	**XX**	**XX**	**XX**	**XX**
X	**Surplus/(Deficit) from Operating Activities for the Period c=(a-b)**		**X**	**X**	**X**	**X**	**X**
X	Gain/ Loss on Disposal of Asset	22	X	X	X	X	X
X	Gain/Loss on Foreign Exchange Transaction	23	X	X	X	X	X
X	Share of Surplus/(Deficit) in Associates & Joint Ventures	24					
XX	**Total Non-Operating Revenue/(Expenses) (d)**		**XX**	**XX**	**XX**	**XX**	**XX**
X	**Surplus/(Deficit) from Ordinary Activities e=(c+d)**		**X**	**X**	**X**	**X**	**X**
(X)	Minority Interest Share of Surplus/ (Deficit) (f)	25	(X)	(X)	(X)	(X)	(X)
XX	**Net Surplus/ (Deficit) for the Period g=(e-f)**		**XX**	**XX**	**XX**	**XX**	**XX**

The accompanying notes forms an integral part of the General Purpose Financial Statement (GPFS)

TRY NO. 0029

NAME OF MDA...

STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 20XX

	Notes	20XX	20XX	20XX-1	20XX-1
		₦	₦	₦	₦
ASSETS					
Current Assets					
Cash and Cash Equivalents	26	X		X	
Receivables	27	X		X	
Prepayments	28	X		X	
Inventories	29	X		X	
Total Current Assets A			X		X
Non-Current Assets					
Long Term Loans	30	X		X	
Investments	31	X		X	
Property, Plant & Equipment	32	X		X	
Investment Property	33	X		X	
Intangible Assets	34	X		X	
Total Non-Current Assets B			X		X
Total Assets C = A + B			XX		XX
LIABILITIES					
Current Liabilities					
Deposits	35	X		X	
Short Term Loans & Debts	36	X		X	
Unremitted Deductions	37	X		X	
Payables	38	X		X	
Short Term Provisions	39	X		X	
Current Portion of Borrowings	40	X		X	
Total Current Liabilities D			X		X
Non-Current Liabilities					
Public Funds	41	X		X	
Long Term Provisions	42	X		X	
Long Term Borrowings	43	X		X	
Total Non-Current Liabilities E			X		X
Total Liabilities: F = D + E			XX		XX
Net Assets: G = C - F			XX		XX
NET ASSETS/EQUITY					
Capital Grant	44	X		X	
Reserves	45	X		X	
Accumulated Surpluses/(Deficits)	46	X		X	
Minority Interest	47	X		X	
			X		X
Total Net Assets/Equity: H=G			XX		XX

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Authorised Signatory **Authorised Signatory**

The accompanying notes forms an integral part of the General Purpose Financial Statement (GPFS)

TRY NO. 0030

NAME OF MDA………………………………………………………………………………

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 20XX

Description	Notes	20XX		20XX-1	
		₦	₦	₦	₦
CASH FLOWS FROM OPERATING ACTIVITIES					
Inflows					
Government Share of FAAC (Statutory Revenue)		X		X	
Government Share of VAT		X		X	
Tax Revenue		X		X	
Non-Tax Revenue		X		X	
Investment Income		X		X	
Interest Earned		X		X	
Aid & Grants		X		X	
Debt Forgiveness		X		X	
Other Revenue		X		X	
Transfer from other Government Entities		X		X	
Total Inflow from Operating Activities (A)		**XX**		**XX**	
Outflows					
Salaries & Wages		(X)		(X)	
Social Benefits		(X)		(X)	
Overhead Cost		(X)		(X)	
Grants & Contributions		(X)		(X)	
Subsidies		(X)		(X)	
Transfer to other Government Entities		(X)		(X)	
Finance Cost		(X)		(X)	
Total Outflow from Operating Activities (B)		**(XX)**		**(XX)**	
Net Cash Inflow/(Outflow) From Operating Activities C=(A-B)	1		**XX/(XX)**		**XX/(XX)**
CASH FLOW FROM INVESTING ACTIVITIES					
Proceeds from Sale of PPE		X		X	
Proceeds from Sales of Investment Property		X		X	
Proceeds from Sale of Intangible Assets		X		X	
Proceeds from Sale of Investment		X		X	
Dividends Received		X		X	
Purchase/ Construction of PPE		(X)		(X)	
Purchase/ Construction of Investment Property		(X)		(X)	
Purchase of Intangible Assets		(X)		(X)	
Acquisition of Investments		(X)		(X)	
Net Cash Flow from Investing Activites			**XX/(XX)**		**XX/(XX)**

Description	Notes	20XX		20XX-1	
		₦	₦	₦	₦
CASH FLOW FROM FINANCING ACTIVITIES					
Capital Grant Received		X		X	
Proceeds from Borrowings		X		X	
Repayment of Borrowings		(X)		X	
Distribution of Surplus/Dividends Paid		(X)		(X)	
Net Cash Flow from Financing Activities			**XX/(XX)**		**XX/(XX)**
Net Cash Flow from all Activities			**XX/(XX)**		**XX/(XX)**
Cash & Its Equivalent as at 1/1/20XX			X		X
Cash & Its Equivalent as at 31/12/20XX	2		**XX**		**XX**
Notes: 1					
RECONCILIATION:					
Surplus/ (Deficit) per Statement of Performance		X			
Add Back Non-Cash Movement Items:		X			
Depreciation Charges	X				
Amortization Charges	X				
Impairment Charges	X				
Debt Forgiveness	X	**X**			
		X			
Net Movement in Current Assets/Liabilities.					
Net Movement in Inventories		X/(X)			
Net Movement in Receivables		X/(X)			
Net Movement in Payables		X/(X)			
Net Cash Flow from Operating Activities		X/(X)			
Note: 2					
Cash & its equivalent as at 31/12/20XX					
Cash Balances		X			
Bank Balances		X			
Certificate of Deposits		X			
		X			

TRY NO. 0031

NAME OF MDA……………………………………………………………………………

STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 20XX

	Note	Capital Grant	Revaluation Reserve	Exchange Translation Reserve	Accummulated Surpluses/ (Deficits)	Total	Minority Interest (X%)	Attributable to Owners (100-X%)
		₦	₦	₦	₦	₦	₦	₦
Balance as at 1st January 20XX		X	X	(X)	X	X		
Changes in Accounting Policy	48				(X)	(X)	(X)	(X)
Restated Balance		X	**X**	**X**	**X**	**X**	**X**	**X**
Surplus on Revaluation of Properties	49		X			X	X	X
Deficit on Revaluation of Investments	49		(X)			(X)	(X)	(X)
Net Gains and Losses not Recognised in the Statement of Financial Performance			X	(X)		X	X	X
Net surplus for the period					**X**	**X**	**X**	**X**
Balance at 31 December 20XX		**X**	**X**	**(X)**	**X**	**X**	**X**	**X**
Deficit on Revaluation of Property	49		(X)			(X)	(X)	(X)
Surplus on Revaluation of Investments	49		X			X	X	X
Net gains and Losses not Recognised in the Statement of Financial Performance			(X)	(X)		(X)	(X)	(X)
Net deficit for the Period					(X)	(X)	(X)	(X)
Balance at 31 December 20XX		**X**	**X**	**(X)**	**X**	**X**	**X**	**X**

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