



JIGAWA STATE OF NIGERIA

**PUBLIC EXPENDITURE AND FINANCIAL
MANAGEMENT LAW**

LAW NO. 02, 2019

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PREAMBLE

A law that provides for sound public expenditure and financial management in Jigawa State, one that will consistent with generally accepted public expenditure and financial management practices and which will create the appropriate framework to enable public finance in Jigawa State meet its current a future challenges, by:-

- (a) Ensuring that all revenue, expenditure, assets and liabilities of Government are managed efficiently and effectively;
- (b) Providing for the responsibilities of persons entrusted with state financial management in Government; and
- (c) Providing for matters connected therewith.

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- (c) Providing for matters connected therewith.

ENACTED by the Jigawa State House of Assembly as follows:

PART I PRELIMINARY PROVISIONS

*Short title and
Commencement*

1. This Law may be cited as Public Expenditure and Financial Management Law, 2019 and shall come into operation on theday of.....2019

Interpretation

2. In this Law:-

“Accountant-General” means the Accountant-General of Jigawa State;

“Accounting Officer” means;

- (a) Any Permanent Secretary, Director-General, Chief Executive or individual charged with the overall responsibility for the management and control of the funds of a ministry, extra-ministerial department, agencies or any other government institution;
- (b) The clerk of the state legislature in the case of State House of Assembly and;
- (c) The Chief registrars in the case of State Judiciary. .

“Agency” means and includes all government parastatals, institution and companies;

“Accounting Standard” means the Public Sector Accounting Standards;

“Auditor General” means the Auditor General of the State or the Auditor-General for Local Government Council as provided under this Law;

“Budget” means the annual estimate of revenue and other receipts and the expenditures of government submitted for the approval of the

House of Assembly by the Governor or to a Local Government Council by the Chairman of the Local Government;

"Borrowing" means

- (a) raising funds by executing loan agreements,
- (b) obtaining advances by overdrafts, and
- (c) issuing debt securities;

"Borrower" means a person to whom a loan has been or is to be made:

"Cash management" means the strategy and associated process adopted by Government for purposes of managing cost effectively in respect of the short term cash flows and short term cash balances of government;

"Commissioner" means the commissioner for Finance or any person for the time being charged with responsibility to oversee the ministry of Finance;

"Commitment" means entering into a contract or other binding arrangement under which expenses or liabilities may be incurred;

"Consolidated Revenue Fund" means the Consolidated Revenue Fund of the State established by section 120 of the Constitution of the Federal republic of Nigeria, 1999 as amended.

"Contingencies Fund" means the Contingencies Fund established by section 123 of the Constitution;

"Debt" means a financial claim on the Government that requires payment by the Government of the principal sum or the principal and interest to a creditor; and includes a financial liability created by:

- a) Borrowing,
- b) Credits accepted under supplier's credit agreements,
- c) The issuance of debt securities, and
- d) Assumption of the payment obligations under a guaranteed loan;

"Development expenditure" means the expenditure for the creation or renewal of assets;

"Development Plan" means a long term strategic plan for the development of the State,

"Financial Statements" or "Annual Accounts", in relation to a financial year or other accounting period of the State Government, Local Government as entity, means the financial statements prescribed by the Accounting Standards; means a set of Accounts and reports prepared periodically either by the Accountant General showing the financial transactions of the government or prepared by Ministry, Department, Agency or Local government.

"Financial Instructions" are a set of rules and procedures, which govern the day to day finance and accounting operations of the State Government;

"Financial year" means a period of twelve months commencing on the 1st day of January and ending on the 31st day of December;

"Fiscal framework" means the medium by which Government policies are implemented with respect to revenue, expenditure and debt;

"Fiscal policy" means an outline of the revenue, expenditure, financing and debt management

decisions of Government that influences the economy;

"Fiscal responsibility principles" means the principles of public finance under a law, together with:

(a) the principles of fiscal responsibility referred to, in relation to State Government; and

(b) the principles of fiscal responsibility referred to, in relation to a Local Government;

"Financial objectives" means the financial objectives set out in a Budget Policy of the State Government or in the Budget Policy of the Local Governments;

"Government" means any authority by which the executive authority of the State is exercised;

"Governor" means the Governor of Jigawa State;

"Guarantee" means an explicit undertaking by the Government to guarantee fulfillment of a financial obligation for which guarantee is issued;

"Internal audit" means an independent, objective assurance and consulting activity designed to add value and improve an organization's operations, which helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes;

"Irregular Expenditure" means expenditure incurred in contravention of or that is not in accordance with the requirements of this law or any applicable legislation or of the Financial Instructions;

"Local government" means all the Local Government Councils of Jigawa State;

"Local government Public Debt" means all financial obligations attendant to loans raised and securities issued by the local government;

"Loan" means any money obtained by Government by way of credit provision, whether secured or unsecured from a third party;

"Medium Term Expenditure Framework (MTEF)" means the three to the MTEF is the annual, rolling three year expenditure planning framework that set out of the medium-term expenditure priorities and budget constraints against which medium-term sector plans are developed and linked to the annual budget;

"Overspending" means -

(a) in relation to vote, when expenditure under the vote exceeds the amount appropriated for the vote, or

(b) in relation to a main division within a vote, means when expenditure under the main division exceeds the amount appropriated for that main division, subject to virements between main divisions within a vote;

“Public financial management” means legal and administrative procedures established to permit covered entities to conduct activities in a manner that ensures correct usage of public funds to meet defined standards of probity, regularity, efficiency and effectiveness;

“Public funds” means the Consolidated Revenue Fund, Capital Development Fund, Contingencies Fund and any other fund established by the constitution or under any law of the State House of Assembly;

“Public Moneys” include -

- (a) the public revenue of the State, and
- (b) any moneys held in official capacity, whether temporarily or otherwise, and whether subject to any trust or specific allocation or not, by officer in the Public Service of the State on behalf of the Government or by any agent of the Jigawa State government, either alone or jointly with any other person;

“Public resources” means public revenue including revenue acquired through donation, bequest, borrowing, movable and fixed asset, deposit, receivables and rights;

“Public trust” means moneys raised or received in trust for or on behalf of the Government;

“Publicize” in relation to a document, means to make known to the public, through the national or local media:

- (a) The general nature of the document; and
- (b) how and where it may be accessed and read by members of the public;

“Publish”, in relation to a document, includes-

- (a) publishing the document in a newspaper, Government Gazette or other publication of general circulation in Nigeria; including on a website; or
- (b) publication of an abridged or summary versions of the documents without losing the core content of the document; or
- (c) making the document available for reference at public libraries or offices of national or State Government entities or in archives of those institutions; or
- (d) posting the document on the internet on a Government website; or
- (e) if the document relates only to a local government or any of its entities;
- (f) publishing the document in a newspaper or other publication of general circulation in the Local Government;
- (g) making the document available for reference at public libraries or offices of the Local Government or those entities; or
- (h) posting the document on the Internet on a Local Government website;

“Regulations” means regulations made under this law;

“State” means Jigawa State of Nigeria;

"Short - term borrowing" means borrowing by a government by way of Treasury Bills, bank overdraft or other instrument to cover temporary cash shortfalls and is repayable within twelve months;

"Supplementary Appropriation Law" means any law the principal purpose of which is the appropriation of moneys in supplementation of the appropriation already made by an appropriation Law;

"Statutory expenditure" means an expenditure directly charged on the Consolidated Revenue Fund by the Constitution or by a Law of the State House of Assembly other than expenditure of moneys appropriated or granted by an Appropriation Law or a Supplementary Appropriation Law;

"Transparency" means carrying out official business in an open and unquestionable manner;

"Treasury Single Account" —

(a) in relation to the State Government, means a centralized bank account system where all deposits and payment transactions are processed for State Ministries, Departments and Agencies, as well as any State Government entity which draws directly from the Consolidated Revenue Fund;

(b) in relation to the Local Government, means a centralized bank account system established in each Local Government where all deposits and payment transactions are processed for Local departments and any other local entity which draws directly from the Local Government Revenue Fund;

"Unauthorized Expenditure" means -

(a) expenditure not covered by an Appropriation Law or a Supplementary Appropriation Law;

(b) expenditure not approved by the appropriate authority;

"Vote" means money authorized by an Appropriation Law for withdrawal from the Consolidated Revenue Fund or a Local Government Revenue Fund;

"Virement" means the reallocation of funds within the budget from one budget line to another budget line;

"Warrant" means the authority to commit government; this is in a form of General or Special Warrant;

"Wasteful expenditure" means any expenditure that was incurred which could have been avoided had due care and diligence been exercised.

Objective of the Law 3. The objective of this Law is to secure transparency, accountability and sound management of the revenue, expenditure, assets and liabilities of Jigawa State Government and other public institutions of the State.

Purpose of the Law 4. The purpose of this Law is to provide the framework for achieving a well-functioning public expenditure and financial management system, by:

- (a) clarifying the authorities of the legislature and the executive
- (b) clarifying the responsibilities of persons entrusted with financial management in the Government;
- (c) strengthening transparency and accountability;
- (d) attaining macro fiscal stability;

- (e) enhancing the allocation of budgetary resources;
- (f) improving the efficiency of spending;
- (g) ensuring that cash is managed optimally; and

Application of the Law 5. This Law shall apply to all arms of Jigawa State Government, Local Government Councils and State-owned enterprises in the state provided that the state assembly and the judiciary shall apply the provisions of legislative and judiciary funds management laws in addition to this law for proper management of their resources.

Economic, fiscal and financial framework 6(1)

**PART II
POLICY DEVELOPMENT**

The Commissioner in line with the fiscal responsibility law shall develop and implement economic fiscal and financial policy framework for the State for a period of not less than 3 years and for this purpose shall:

- (a) advise the Government on the total resources accruing thereto and on the appropriate level of sectoral allocation thereof, apportioned to respective individual programs within each sector;
- (b) advise the Government on the economy for current and projected period;
- (c) supervise and monitor the fiscal management of the State; and
- (d) relate the State's economic and fiscal policy framework with that of the National and other States of the Federation

- (2) In pursuing the conceived objectives, the Commissioner shall:
 - (a) exercise prudent fiscal management;
 - (b) seek to manage financial risks accordingly;
 - (c) have regard to economic circumstances; and
 - (d) maintain public debt prudently.

- (3) The Commissioner shall in the prepared economic, fiscal and financial framework:
 - (a) assess the current and projected economy of the State;
 - (b) assess the current and projected finances of the government;
 - (c) identify the total resources allocated to the different sectors and programs;
 - (d) set fiscal targets achievable for periods and compare the projected outcome of the indicators for current year with those of the preceding year; and
 - (e) indicate reasons for any significant differences

Economic and fiscal information report 7.

- The Commissioner shall:
- (a) lay before the House of Assembly a statement detailing the key principles of prudent financial management to be adhered to; and
 - (b) thereafter likewise keep the House of Assembly abreast of any significant changes thereto, in writing.
 - (c) in reporting economic performance and projection to the State

House of Assembly; the Commissioner shall within a reasonable period prior to the submission of the Appropriation Bill not later than the first week of November each year prepare and lay before the House an economic and fiscal plan identifying:

- (i) the period considered appropriate for short, medium and long term planning;
- (ii) the economic and fiscal policies and programs to be pursued for the period identified;
- (iii) indicators considered achievable for the accurate and overall assessment to be made of the State's economy and government finances, including:
 - (i) revenue;
 - (ii) recurrent and capital expenditures;
 - (iii) borrowing and debt servicing;
 - (iv) contingent liabilities; and
 - (v) such other assets considered appropriate; and
- (d) Any subsequent significant policy changes.

PART III BUDGET PREPARATION, APPROVAL AND EXECUTION

- Fiscal Framework* 8 In line with the State's Fiscal Strategy and consistent with provisions of Economic Planning and Fiscal Responsibility Law the Commissioner, shall cause to:-
- (1) Annually update medium term macroeconomic framework for the State, which shall also provide framework for the management of the fiscal affairs of the Local Governments of the State.
 - (2) Annually update medium term expenditure framework through a consultative process, with effective consensus and ownership.
 - (3) the commissioner shall Prepare, consistent with medium term expenditure framework, a consolidated budget framework which will be used to guide the development of medium term sector strategy across various sectors and the detailed budget preparation for approval of the State Executive Council.
 - (4) Issue, subject to Governor's approval, guidelines for the preparation of the budget for each financial year.
- Annual budget preparation* 9 The Commissioner shall also cause to:
- (1) Be prepared and issued a Budget Call Circular not later than 15th July each year which shall lay out specific guidelines, procedures and timetable for budget preparation and finalization. It shall also include the indicative ceilings established in the budget framework.
 - (2) Ensure that spending agencies prepare and submit their budget requests within the parameters, time frame and format set forth in the budget call circular.

(3) the commissioner shall also cause to oversee the evaluation and consolidation of the budget submissions and the finalization of the budget process in consultation with the Governor, and through series of budget hearings with spending agencies.

(4) Submit to State Economic planning board and the Executive Council no later than last week of October each year the annual budget proposal which shall be accompanied by updated medium term expenditure framework for deliberations, consideration and approval, and set for presentation to the State House of Assembly by the Governor in a form of Appropriation Bill not later than the first week of November of each year.

Documents and content of proposed budget

- 10 (1) The proposed budget presented by the Executive to the State House of Assembly shall include the following documents –
- (a) a budget framework paper;
 - (b) a detailed ensuing annual budget estimates alongside;
 - (i) the previous year outturns;
 - (ii) current year original budget with corresponding up to date actual outturn; and
 - (iii) projected outturn for the current year.
 - (c) a document for State House of Assembly's consideration which lays out changes in tax and non-tax revenue policy regime;
 - (d) an annex:
 - (i) stating outstanding amounts of debts and guarantees;
 - (ii) summarising financial operations of each autonomous agency as may be reported in the auditor general' report;
 - (iii) summarising the annual financial plans and operations of each State owned enterprise or institution; and
 - (iv) identifying in summary form, all donor financing.
- (2) The proposed budget shall be accompanied by the Governor's budget message and it shall contain summary explanation of the Government's goal for the budget year.

Public hearing

- 11 (1) The Clerk to the State Legislature shall produce copies of the Appropriation Bill presented by the Governor for public consumption including civil society organizations, media, professional bodies, academics and individuals ahead of public hearing and or budget defense.
- (2) The Clerk of the Assembly must make copies of the proposed budget available to all news media in the State.
- (3) An announcement shall be made for the public hearing to state the date, time and place of any scheduled public hearing that the Assembly will hold on the Budget.
- (4) The public hearings shall be conducted in the presence and active participations of Ministry's and Agency's representatives concerned as well as representatives of the Budget and Economic Planning Office, Accountant

General Office and the Board for Internal Revenue or in any manner deemed appropriate by the House of Assembly.

- (5) All Civil Society Organizations (CSOs), Community Based Organizations (CBOs), Non-Governmental Organizations (NGOs), and individuals willing to participate shall be given the opportunity to be heard.
- (6) The Assembly may make some changes to the proposed budget in response to the citizens input at the public hearings.

Budget approval

12 In the process of approving the proposed budget:

- (1) The legislative authorization shall start with examinations of the proposed budget by the Appropriation Committee and other relevant Committees of the State Assembly, which shall include bilateral discussions with the spending agencies.
- (2) The State Assembly through plenary session deliberates for adoption.
- (3) Where the Appropriation Bill is passed by the State Assembly and the State Governor gives assent thereto, the Law approved shall be published in the State Gazette.
- (4) The Governor shall then issue a General Warrant to the Accountant-General authorizing him to issue sums from the Consolidated Revenue Fund or any other funds necessary to meet the expenditure of the State for the fiscal year as provided for in the Appropriation law.

*Expenditure when
Appropriation Law is not in
force*

- 13(1) If the Appropriation Law has not come into operation at the commencement of a financial year, the Governor may authorize through provisional warrant the withdrawals of moneys from the Consolidated Revenue Fund of the State for the purpose of meeting expenditure necessary to carry on the services of the Government for a period not exceeding six months or until the Appropriation Law comes into operation, whichever is sooner
- (2) Any moneys so authorized to be withdrawn shall not exceed the amount authorized to be withdrawn under the provisions of the Appropriation Law passed by the State House of Assembly for the corresponding period in the immediately preceding year and shall be set off against the amount respectively provided in the Appropriation Law upon the same coming into operation.

*Supplementary
Budget*

- 14 (1) When it is necessary in any financial year to provide for unforeseen fiscal variance, proposals for a supplementary budget shall be presented to the State House of Assembly during a budget year to seek additions or changes in legislative authority and it is essential for transparency that the changes be clearly placed within the context of the budget and stated policy objectives.

Virement

- 15 (1) The Commissioner may in exceptional circumstances and in the overall public interest, approve virement from line items under economic category and issue the appropriate warrant; without exceeding the amount appropriated to such economic category, provided that, such virement is justifiably defended and thereof properly submitted by Accounting Officer.
- (2) Any virement executed under sub-section (1) above shall not result in a future liability for the spending entity and the Government.
- (3) Notwithstanding the foregoing subsections, there shall not be virement across spending entities
- (4) All Virements to be made under any Appropriation Law shall be subject to the approval of the State House of Assembly by way of a resolution.
- (5) Quarterly Budget Implementation report to the House of Assembly, shall among others, include comprehensive records of all financial warrants resulting from virement and other budgetary adjustments.

*Lapse of
Appropriation*

- 16(1) All appropriations for a fiscal year shall lapse at the end of that fiscal year, unless provided otherwise by a law passed by the State House of Assembly.
- (2) Any appropriated amounts that have been withdrawn from the central account but which have not been expended at the end of the financial year shall be surrendered into that account.

Budget Execution

- 17 (1) The rules relating to budget execution shall be detailed out further in the Financial Instructions, Stores Regulations, Procurement Law and other guidelines issued from time to time by the Commissioner.
- (2) Notwithstanding the provision of sub-section (1) of this section:
- (a) Upon receipt of General Warrant, the Accountant-General shall issue a Circular to all Accounting Officers authorizing them to incur expenditure in respect of provisions under their control, subject to the laws, financial instructions and other instructions of the Government as may be issued via circulars from time to time by the commissioner.
- (b) Authorization shall not be issued for the expenditure that has not been provided for in an appropriation Law.
- (c) All Commissioners, Head of Extra Ministerial Departments or; Board of Directors or Chief Executive Officers of Agencies charged with the responsibility of administration of those entities shall exercise general direction and control.
- (d) Procurement system that guide the procurement procedures and processes shall support competitive, transparent, efficient and timely contracting, in addition to compliance with all other rules and guidelines stipulated in the State Procurement Law.
- (e) All contracts with regard to the execution of annual budgets shall comply with the rules and guidelines on:

- (i) procurement and award of contracts; and
 - (ii) due process and certification of contract.
- (f) To avoid piling of payment arrears, there shall be commitment control system that limits commitment to available resources and, to tally with availability of resources the limits can be revised through proposal by the Commissioner and approval by the State Executive Council.
- (3) The Commissioner—
- (a) may withhold from an organization any remaining funds appropriated for a specific function if that function is transferred to another organization or any other institution; and
 - (b) shall by warrant allocate those remaining funds to that other organization or institution.

Quarterly budget

performance report

- 18(1) The Commissioner shall cause to be prepared and presented to the State Executive Council not later than six (6) weeks after the end of every quarter a Quarterly Budget Performance Report for the period covered in comparison with the corresponding proposal in the annual plan and approved budget.

**PART IV
CONTROL AND MANAGEMENT OF PUBLIC FINANCES**

The Ministry of Finance

- 19(1) There is established a Ministry of Finance (herein referred to as "The Ministry") which shall consist of:
- (a) The Commissioner who presides over the Ministry and is responsible for its direction;
 - (b) The Accountant General as the Head of the Government Accounting services and the Treasury; and
 - (c) Other component Directorates and Agencies as may be directed by executive decision.

Financial Control Responsibilities:

20. In addition to any specific function conferred upon him herein or in any other law, the Commissioner shall:
- (a) Oversee the management of the finances of the entire government in line with the overall objectives and purposes of this law;
 - (b) consider all requests for the issue of moneys from the Consolidated Revenue Fund in accordance with approved estimates; and
 - (c) enhance control over public moneys and resources by maintaining transparent systems which shall:
 - (i) provide full account for their utilization;
 - (ii) ensure the exercise of regularity and propriety in their handling; and
 - (d) ensure the efficient and cost effective cash management of the Consolidated Revenue Fund, any other fund established under this Law and other public moneys.

- Management of Consolidated Revenue Fund and Capital Development Fund* 21 The Commissioner shall, subject to this Law, be responsible for the management of the Consolidated Revenue Fund and Capital Development Fund and the supervision and control of all matters relating to the financial affairs of the government.
- Delegation of powers and responsibilities* 22 The Commissioner may in writing delegate any of his powers, duties or functions under this law and in delegating any power, duty or function, the Commissioner may attach any limitation or condition; provided that his power so delegated shall not divest him of the responsibility concerning the exercise of the delegated power or the performance of the duty assigned.
- Instructions and Directives* 23(1) The Commissioner may give instructions or directives considered necessary and expedient for the proper carrying out of the intent and purposes of this law and for the safety, economy and advantage of the public revenue and public property; and
- (2) Shall take all proper steps to ensure that any directives or instructions given under this part are appropriately brought to the notice of persons directly affected; while
- (3) An Accounting Officer and any public officer to whom this part applies shall comply with any regulation issued under this Law, and all subsequent directives or instructions given from time to time; provided that –
- (4) Nothing in this Law or any regulation issued or any sequent instruction or directive given shall be construed as requiring any person to do anything in respect of any moneys held on trust, which contravenes or is inconsistent with the terms of that trust.
- Treasury Management* 24. There shall be the State Treasury under the Ministry of Finance and shall have the following responsibilities and authorities:
- (a) Efficient management of the State's financial resources through centralization of budgetary revenues, efficient financial planning and timely management of budget expenditure in accordance with relevant financial warrant;
- (b) Custodian of the Consolidated Revenue Fund and other Public Funds;
- (c) Implementing and managing the treasury bank accounts and payment procedures, which include the Treasury Single Account, as may be adopted by the Government, and any other official bank accounts and sub accounts and ensuring necessary adherence for activating bank accounts including opening and closing;
- (d) Introducing and implementing financial plans;
- (e) Managing cash assets;
- (f) Ensuring budget implementation with proper expenditure controls in accordance with revenue and expenditure plans and providing

information pertaining to funds, assets and commitments, in accordance with appropriations and the provisions of this law or any other related laws in addition to other Treasury instructions;

(g) Maintaining the Treasury General Ledger and the recording of transactions according to budget classification - chart of accounts; basis of accounting and accounting rules compliant with Generally Recognized Accounting Practices which are in line with International Public Sector Accounting Standard (IPSAS);

(h) Ensuring the provision of regular financial information for the preparation of general budget implementation reports to the State Office responsible for Budget and Economic Planning;

(i) Providing regular financial status/update and other financial matters for the Commissioner and the State Executive Council;

(j) Authority for Government accounting questions by issuing treasury circulars and other necessary instructions covering relevant affairs;

(k) Managing the debts of the State in accordance with the State's Debt Management Law and Fiscal Responsibility Law or any other rules and regulations set forth;

(l) Compiling of the annual accounts (financial statements) of the financial operations of the State in accordance with Generally Recognized Accounting Practices which are in line with International Public Sector Accounting Standard (IPSAS); and

(m) Performing other responsibilities delegated in accordance with provisions of this law.

Appointment of Accountant General 25 There shall be an Accountant General who shall be appointed by the Governor from within or outside the Civil Service of the State and were the appointment is within the State Civil Service it shall be on the recommendations of the Head of the State Civil Service.

Qualification for Appointment of Accountant General 26(1) The Accountant General shall be a Chartered Accountant with vast experience in public sector accounting and shall not be below the rank of a Director in the State Civil Service or equivalent rank with requisite experience in Accounting outside the Civil Service at the time of his appointment;

(2) The rank of Accountant General shall be equivalent to the rank of Permanent Secretary in the State Civil Service and shall retire as such if a person appointed from the service.

(3) A person appointed as Accountant General outside the civil service of the State shall hold office on such terms and condition specified in his letter of appointments

Responsibilities of the Accountant General 27(1) The Accountant General shall be the head of the Government accounting services and the Treasury and shall be responsible for providing adequate accounting systems and controls.

- (2) Subject to the provisions of this Law, the Accountant General shall be responsible for the:
 - (a) compilation and management of the accounts of the Government;
 - (b) custody and safety of public moneys; and
 - (c) other financial resources of the Government.
 - (d) timely allocation of funds to the state legislature and Judiciary in accordance with constitutional provision and funds Management Laws of state assembly and Judiciary.
- (3) For the purpose of sub-section (1) of this section the Accountant General may give general instructions to Accounting Officers which are consistent with this Law or any regulations, directives or instructions issued under it.

Duties of the Accountant General

28. In pursuant to the generality of section 27 Accountant General shall:
 - (a) specify for every establishment required to produce accounts;
 - (i) the basis of the accounting to be adopted,
 - (ii) the classifications system to be used.
 - (b) ensure that appropriate accounting system is established in each Government Ministry or Extra - Ministerial Department;
 - (c) provide accounting staff to each Government Ministry or Extra - Ministerial Department;
 - (d) ensure that the system of internal control in every Government Ministry or Department is appropriate to the needs of the organizations concerned and conforms to internationally recognized standards;
 - (e) refuse payment on any voucher which is non-correct or deficient in content;
 - (f) report to the Commissioner in writing any apparent defect in respect of all MDA's control of revenue, expenditure, cash, stores and other Government property;
 - (g) ensure as far as practicable that adequate provisions exist for the safe custody of public moneys, property, securities and accountable documents;
 - (h) take precaution, by maintaining efficient checks, including surprise inspections, against the occurrence of fraud, embezzlement or mismanagement; and
 - (i) ensure that all ministries, departments and agencies open bank accounts with a bank duly registered and licensed in Nigeria and such action shall be formally approved;

Designation and duties of Accounting Officers

- 29(1) The Appropriations for Ministries, Extra – Ministerial Departments and Agencies shall be under the supervision of designated Accounting Officers, who shall be responsible for -
 - (a) collecting revenue and paying that revenue into specified public funds and bank account; and
 - (b) controlling expenditure on any service under his control in respect of which public funds have been appropriated.
- (2) In addition to the duties set out in sub-section (1) of this section an Accounting Officer shall—
 - (a) accounting officers shall ensure that applicable laws, regulations

and instructions are complied with including Legislative and Judiciary funds management laws in the case of accounting officers in the state assembly and judiciary.

(b) control expenditure and shall be satisfied that such expenditure is incurred economically, efficiently and effectively.

- (3) An accounting officer shall control and be personally accountable for the regularity and propriety of expenditure funded wholly through the Consolidated Revenue Fund or Capital Development Fund and for all resources received, held or disposed by the entity he manages.
- (4) An accounting officer shall;
 - (a) Consult the Commissioner whenever necessary on the applicability of this Law, regulations, directives and instruction issued under it; and
 - (b) Bring to the immediate attention of the Commissioner any defect in the application of this Law which may result in diminution of control over the resources and finances of Government.
- (5) In exercising his duty, an accounting officer shall ensure in particular that:
 - (a) adequate control is exercised over the incurring of any commitment;
 - (b) the effective systems of internal control and internal audit are in place and under his control; and
 - (c) complies with any instruction issued under this Law.
- (6) An Accounting Officer shall submit in such a form as directed by the Commissioner:
 - (a) Report on programs to which he is responsible as accounting officer which shall be identified in the economic and fiscal management plan; and
 - (b) Three months annual performance report on the programs under each head or part of expenditure charged to the Consolidated Revenue Fund or Capital Development Fund.
- (7) An accounting officer shall if so required state in writing the extent to which his powers and duties may be delegated to any officer under his control.
- (8) Any delegation of powers and duties of the Accounting Officer shall not affect the personal accountability of the Accounting Officer.

Establishment of Internal Audit

- 30 There shall be established under the office of the Accountant General an Internal Audit Department headed by a Director whose staff shall be deployed as internal auditors to every Ministry or Department to carry out pre-auditing of all activities of the establishments.

Responsibilities and rights of Internal Auditor

- 31(1) The Internal Auditor shall directly report to the Accounting Officer of the establishment assigned and to in particular-
 - (a) Assess and assure the management, the adequacy and appropriateness of the system of internal controls installed;
 - (b) Review and establish the reliability of the accounting and financial records maintained and other operations of the establishment;
 - (c) Ensure adherence to budget discipline through continuous monitoring of votes and processing of payments; and

- (d) Report on store activities, assets safeguard, policy execution and extent of compliance with procedures.
- (2) The Internal Auditor shall have the right to –
 - (a) access to all information held by the Ministry or Department;
 - (b) take copies of any information referred to in sub-section (2)of this section
 - (c) require explanation from officers and employees of activities subject to his review; and
 - (d) access at reasonable time to all premises occupied by any Ministry/Department.
- (3) The Internal Auditor shall as mandated prepare and address his periodic report to the Accounting Officer concerned and copied to the Accountant General and the State Auditor General.

**PART V
PUBLIC FUNDS**

- | | | |
|--|--------|---|
| <i>The Consolidated Revenue Fund</i> | 32 | There is hereby established a Consolidated Revenue Fund for the State in accordance with Section 120 (1) of the Constitution of the Federal Republic of Nigeria, 1999 as amended, into which all public moneys, other than trust funds shall be paid. |
| <i>Authorized issue from the Consolidated Revenue Fund</i> | 33 | <p>The Commissioner may:</p> <p>(1) By warrant authorize the issue from the Consolidated Revenue Fund of all sums required to meet statutory expenditure or meet the cost of any purpose to which any sum has been appropriated in accordance with this Law or any other Law.</p> <p>Provided that the aggregate of such sums in respect of expenditure other than statutory expenditure shall not exceed the total amount appropriated.</p> <p>(2) Limit or suspend expenditure notwithstanding that authority for such expenditure has been given by a warrant if, in his opinion, financial exigencies or public interest so require.</p> <p>Provided that this section shall not convey authority to withhold payments which are required to be made under the Constitution.</p> <p>(3) By warrant authorize the payment in part or in full, as the circumstances require, from the Consolidated Revenue Fund of sums received in error or for any purpose which is not fulfilled by that Fund. Any such repayment shall be a charge on the Fund.</p> |
| <i>The Capital Development Fund</i> | 34 | There shall be a Capital Development Fund to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary and trust funds. |
| <i>Payments into the Capital Development Fund</i> | 35 (1) | <p>There shall be paid into the Capital Development Fund:</p> <ul style="list-style-type: none"> (a) Money appropriated for the acquisition or construction of major capital facilities; (b) The proceeds of loan raised for the purpose of the development by the Government; and (c) Any grant made for development purpose by the Federal Government or any Government or Agency or International Organization. |

- (2) Any reference to moneys raised or received by the Government shall not include moneys received on deposit or moneys held on trust by or under the control of any court, officer of a court or any other officer for purposes other than the purposes of the Government.

Authorized withdrawal from the Capital Development Fund 36(1) No money shall be withdrawn from the Capital Development Fund except upon the authority of a warrant signed by the Commissioner and addressed to the Accountant General.

(2) A warrant shall not be issued by the Commissioner for the purpose of meeting any expenditure unless the State Office responsible for Budget and Economic Planning certifies that sufficient provision is available and the expenditure:

- (a) has been authorized for the financial year during which the withdrawal is to take place by:
 - (i) Appropriation Law; or
 - (ii) a Supplementary Appropriation Law; or
 - (iii) a warrant issued under Section 43 of this Law (Contingencies/advances from Consolidated Revenue Fund before Appropriation Law comes into force).
- (b) is for the purpose of paying any money received in error by the Capital Development Fund.
- (c) The Commissioner may suspend, withdraw, limit or place conditions on any warrant by reason of a financial exigency or in the public interest.

The Contingencies Fund 37(1) There shall be Contingencies Fund in accordance with the Constitution which shall, every financial year be replenished with an amount appropriated for the purpose, by the State House of Assembly and shall form part of the annual budget.

(2) The Fund shall be administered by the Commissioner and used to finance expenditure in anticipation of subsequent legislative approval.

(3) Without prejudice to sub-section (1) of this section, the proper criterion for recourse to the Fund shall not be convenience but unforeseen ability and urgency.

Advances from the Contingencies Fund 38(1) The Commissioner shall by warrant addressed to the Accountant General, authorized on Governor's and or state executive council approves withdrawal from the Fund.

(2) A direct charge shall not be made on the Fund except where the charge is for a transfer of money from the Fund to another vote for the purpose of sub-section (4) of this section.

(3) An appropriation to the Fund shall expire and cease to have any effect at the close of the financial year for which it is made.

(4) Any balance of any money withdrawn from the Fund but not committed by the close of the financial year, shall be repaid into the Fund by 31st of December.
In additional to the comprehensive information provided through the quarterly budget implementation report.

*Report to the House
on the Contingencies Fund* 39

In addition the comprehensive information provided through the quarterly budget implementation report, the Commissioner shall at the end of each financial year make a report to the State House of Assembly on the Fund which shall indicate;

- (a) the date of withdrawal from the Fund;
- (b) the amount withdrawn;
- (c) the vote that receive the Fund;
- (d) the purpose of the expenditure; and
- (e) an explanation confirming that the withdrawal complies with requirement of this section.

Other Public Funds

40 In addition to the established Funds specified in the first schedule of this Law, there shall as appropriate, be established by law the following statutory funds to receive certain revenues and finance certain government services for administrative convenience -

- (1) Debt Service Fund—Which shall account for the accumulation of resources for, and the payment of, general long-term debt principal and interest;
- (2) Special Revenue Fund—Which shall account for the proceeds of specific revenue sources (other than private-purpose trusts or for major capital projects) that are legally restricted to use for specified purposes;
- (3) Enterprise Fund—Which shall account for operations financed and operated in a manner similar to private business enterprises. That is, the intent of the governing body is the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or when the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes;
- (4) Internal Service Fund—Which shall account for the financing of goods or services provided by one department or agency to other departments or agencies of the government unit, or to other governmental units, on a cost-reimbursement basis; and
- (5) Agency Funds and Trust Fund (such as pensions) - Which shall account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, and other governmental units.

PART VI

CASH/ASSETS MANAGEMENT AND INVESTMENT FRAMEWORK

Cash Management

41 The Commissioner shall –

- (a) be responsible for ensuring prudent, efficient and cost effective use of all Government cash resources;
- (b) ensure that cash is available to timely settle all duly authorized contractual and debt service obligations arising from the execution of the budget; and
- (c) issue regulations under this Law to prescribe for effective cash management system for the Government.

*Banking
Arrangement*

- 42(1) The Commissioner shall prescribe the framework within which Ministries, Departments and Agencies shall conduct their banking activities in accordance with instructions and guidelines given under this Law.
- (2) There is established by this Law a Treasury Single Account or set of linked accounts-
- (a) into which all Government cash received by any covered government entities shall be deposited, essentially managed as one and from which all Government expenditure shall be made; and
 - (b) which shall serve as a unified comprehensive structure of Government bank accounts to give a consolidated view of the Government bank accounts.
- (3) The Accountant General shall regulate the operation of bank accounts of Ministries, Departments and Agencies and may suspend or close an account if he deems it necessary in the public interest.
- (4) No public or official bank account shall be opened to receive or spend public money in any bank without written authority of the Accountant General
- (5) The Accountant General shall keep complete and current records of all bank accounts of Ministries, Departments and Agencies.
- (6) An Accounting Officer shall notify the Accountant General in writing of the request for closure of a bank account under his or her control within one month before such closure.
- (7) The Accountant General and State Auditor General may require a financial institution in which money of any Ministry, Department or Agency was deposited to disclose promptly any financial information sought regarding the account or money held.

*Custody and
management of assets*

- 43(1) The Accounting Officer of a covered entity shall be responsible for the assets of entity under his care and shall ensure that proper control systems exist for the custody and management of the assets.
- (2) A control system specified in sub-section (1) of this section shall be capable of ensuring that –
- (a) prevention mechanisms are in place to eliminate theft, loss, wastage and misuse; and
 - (b) processes and procedures are in place for the effective, efficient, economic and transparent use of the assets.
- (3) An Accounting Officer shall maintain a pertinent register of:
- (a) land and buildings under his control or possession; and
 - (b) all other assets.
- (4) An Accounting Officer shall maintain adequate records of Government Stores.
- (5) The Accounting Officer is discharged of accountability of Government Stores where the Stores have been –
- (a) consumed in the course of public business and records are available;
 - (b) worn out in the normal course of public business and their disposal and deletion approved by the Commissioner; and
 - (c) lost, stolen, destroyed, damaged or rendered unserviceable and deleted from accounts upon approval by the State House of Assembly.
- (6) The Commissioner may by legislative instrument delegate powers of deletion and disposal of Government assets to the Accounting Officer.

- (7) An Accounting Officer shall not delegate a power granted under sub-section (6) of this section

*Investment
Framework – Participation
in the Private Sector*

- 44 The Government can invest public moneys as deemed appropriate and in the public interest;
where:
 - (1) The Accountant General shall from time to time determine the total amount of money that constitutes idle cash in the Treasury Single Account;
 - (2) With due regard to short term spending requirement and in consultation with the Commissioner, the Accountant General shall establish a short term plan aimed at making the most efficient use of all idle cash;
 - (3) After consultations with the Commissioner and upon approval of the Governor, the Accountant General may invest idle cash temporarily, as part of Consolidated Revenue Fund or any other public fund that is not immediately needed, which consist of deposits with banks as either a call deposit or deposit subject to notice not exceeding twelve months or any other such instruments; as well as Treasury Bills;
 - (4) The investments made pursuant to sub-section of this section and the interest earned shall form part of Consolidated Revenue Fund or any other public fund concerned and shall be included in the annual financial statement for each financial year;
 - (5) Further to sub-section (1) of this section the Commissioner, with advice of the Accountant General and recommendation of the Executive Council and upon approval of the State House of Assembly can pursue direct acquisition of the equity of private enterprises, and the equity participation can be comprised of either direct or portfolio investment;
 - (6) The participation in the private sector can be accomplished by the government directly thus holding equity in private firm or by investing via existing Public Enterprises;
 - (7) If the participation is through the Public Enterprise(s), then that Public Enterprise(s) becomes or become the direct investor(s). Notwithstanding, if the money is provided to the Public Enterprise by the government at the time of participation then such money shall be considered as either a recapitalization of or a loan to that Public Enterprise(s);
 - (8) Direct investment in a local private sector within the State domain shall be with the aim to improve liquidity of firm invested in, which shall also aim to bring effectiveness, efficiency and improvements both within firm and within sector, and this shall be made to ensure that the investment brings about the highest possible sustainable economic and social impact;
 - (9) Whereas, equity participation in portfolio investment shall be through Incorporated Public Enterprise which is duly registered and staffed to handle capital market transactions and such investment shall be with sole aim to make profit;
 - (10) Without prejudice to subsection 8 of this section good rate of return shall also be factored into the decision to participate in any equity participation.

PART VII
LOANS, GUARANTEES AND GRANTS

- Authority to borrow* 45(1) Subject to the provisions of the Economic Planning and Fiscal Responsibility Law, the authority to raise money by any loan how so ever described, issue guarantees and accept grants for and on behalf of the Government shall vest in the Commissioner.
- (2) Loans may be raised upon such terms and conditions as to interest, repayment or otherwise as may be negotiated by the Commissioner, but only for the purpose of –
- (a) financing budget deficit;
 - (b) refinancing maturing debts;
 - (c) furthering a prudent economic and fiscal management programs;
 - (d) on-lending to a Local Government and any approved agency; or
 - (e) otherwise defraying lawfully defrayable expenditure.
- (3) The net amount that the Commissioner may borrow under this section in any financial year shall not exceed the amount, if any, approved by the State House of Assembly for that financial year.
- (4) Power to borrow money shall not extend to money, funds or revenue allocated to Local Government Councils, pursuant to section 8 of the Allocation of Revenue (Federation Account, Act.
- (5) All moneys raised under sub-section (2) of this section shall be paid into the Consolidated Revenue Fund and shall form part of the Fund and be available in the manner in which the Fund is available and or accessible.
- (6) Where a loan has been raised for the purposes of Development Fund or for a purpose for which a special fund has been established, the Commissioner may direct that the whole or a part of the amount of the loan be paid into and form part of the Development or Special Fund.
- (7) The terms and conditions of any loan raised shall be endorsed by the State Executive Council and laid before the State House of Assembly and the loan shall not come into existence unless the terms and conditions of the loan have been approved by the House of Assembly.
- Repayment, Conversion and Consolidation of Loans* 46(1) The Commissioner may on terms and conditions sanctioned by the State Executive Council and approved by the State House of Assembly and, where necessary, with the approval of the lender –
- (a) repay any loan prior to its due redemption;
 - (b) convert the loan into other loans; or
 - (c) consolidate two or more loans into an existing or new loan, provided that such terms and conditions have been approved by the State House of Assembly.
- (2) All expenses incurred or incidental to obtaining loans raised under section 46(1) shall be charged to and accounted for through the Consolidated Revenue Fund.
- Authority to Guarantee Loans* 47(1) Where the Commissioner is satisfied that it is in the public interest, he may, with the approval of the State House of Assembly, and on behalf of the Government guarantee the repayment of the principal money and the repayment of the interest and other charges on any loan raised in the manner and on the conditions he think fit – by:
- (a) an institution or State enterprise;
 - (b) a Local Government Council;

(c) any other authority or body.

The net amount that the Commissioner may guarantee in any financial year shall not exceed the amount, if any, approved by the House of Assembly.

(2) The Commissioner shall every financial year compile a report of the existing guarantees which shall include an analysis of the risk associated with those guarantees to be tabled before the House of Assembly together with the budget of the ensuing year.

Receipt of grants 48(1) Grants made to the Government by any other government or international donor agency or any other organization or person shall be received by the Commissioner on behalf of the Government.

(2) The provision of subsection (1) of this section shall apply to any sum of money received by the Government by way of a grant.

Amount due on loans or guarantees 49(1) Any sum of money due from the Government –

(a) in respect of any loan either by way of repayment or payment of interest; or

(b) in respect of any guarantees given; or

(c) in respect of any expenditure incurred thereon shall be charged on and paid out of Consolidated Revenue Fund without further appropriation.

(2) The Commissioner shall in the annual estimates specify the amount required to meet the aggregate cost of servicing all loans raised under this Law and the amount expected to be raised from loans and grants during that financial year.

PART VIII PREPARATION OF ANNUAL ACCOUNTS AND REPORTS

Annual Accounts (Financial Statements) 50(1) After the end of each financial year –

(a) the Accountant General shall prepare in accordance with generally recognized accounting practices as adopted by the Government and submit to State Auditor General and the Commissioner the accounts set out in paragraph 1 of the second schedule to this Law within a period of three months or such longer period as the State House of Assembly may by resolution appoint;

(b) any accounting or other public officer administering a special fund, trust or other fund or account not provided for in this section, shall prepare, sign and submit to the Accountant General, with a copy to the State Auditor General, an account of the trust, fund or account in the form the Accountant General may from time to time direct; and

(c) all accounts submitted under this section shall state the basis of accounting used in their preparation, identifying any significant departures therefrom and the reasons therefore.

(2) If the Accountant General fails to submit the accounts prescribed by subsection (1) of this section to the State Auditor General within the stipulated period, the Accountant General shall submit through the Commissioner to the State House of Assembly with a copy sent to the State Auditor General a written explanation setting out reasons why the accounts were not so submitted.

- Annual and other reports* 51(1) The Auditor General shall on receiving the accounts prescribed by section 50 (1) of this Law caused them to be audited, and submit report thereon to the State House of Assembly within three months of the receipt of those accounts.
- (2) The accounts shall be made public when submitted to the State House of Assembly.
- (3) After the approval of the State House of Assembly the audited accounts shall be gazetted and published.
- (4) The State Auditor General may, at any time, if it appears to him desirable, submit to the State House of Assembly and to the Governor a special report on any matter incidental to his powers and duties.
- (5) The State House of Assembly or the Governor may at any time request the State Auditor General to make a special report on any matter.

**PART IX
OVERSIGHT RESPONSIBILITY OF LOCAL GOVERNMENT COUNCILS,
PARASTATALS AND STATE OWNED
ENTERPRISES**

- Local Government Councils Submission of estimates* 52(1) Each Local Government Council shall every year prepare and submit in accordance with the provisions of the Local Government Law, the annual estimates of the council for the ensuing financial year for legislative approval.
- (2) The annual estimates shall be based on the prescribed standard framework and consistent with the State's fiscal framework and policy development decision which provide for:
- (a) a financial plan of action;
 - (b) a legal authority for incurring expenditure;
 - (c) a mechanism for ensuring maintenance of adequate controls over revenue and expenditure; and
 - (d) established the financial position of the Local Government.

- Bank account of the Local Government* 53 All monies received by or on behalf of the Local Government other than such sums as may be authorized by resolution of the Council to be kept for day to day running of the Local Government Council shall be domiciled in any of the Bank Account of the Local Government Council .

- Local Government Council Excess expenditure* 54 Except with the prior approval of the appropriate authority, a Local Government shall not incur any expenditure in excess of the approved estimated amount provided for that year.

- Local Government Council Internal Audit* 55 There shall be established in each Local Government a system of internal audit for examining its accounting systems, internal controls, risk management and governance processes.

- Local Government Council Borrowing* 56 Subject to the provisions of the Economic Planning and Fiscal Responsibility Law, a Local Government may borrow any sum required for meeting any of its obligations or discharging any of its functions provided that it has a sound

credit worthiness and satisfactory capacity to manage and service its loans obligations.

- Local Government Council Accounting practices, systems and policies* 57. In the management of its finances, a Local Government shall –
- (a) employ an accounting system based on the International Public Sector Accounting Standards (IPSAS) as adopted by the State Government; and
 - (b) subject to any regulations to the contrary, shall ensure that it does not incur a deficit in financing its overall operations.
- Local Government Council Annual Accounts (Financial Statements) and Audit* 58(1) For each calendar month, a Local Government shall submit to the supervisory Commissioner within thirty days after the end of the month or such other period as may be prescribed, the accounts of the Local Government prepared on the basis of International Public Sector Accounting Standards (IPSAS) adopted by the State Government.
- (2) At the end of each financial year or as soon as possible after the end of the financial year but not more than six months thereafter, the Local Government shall prepare and forward its annual accounts for audit by the Auditor-General for Local Governments.
 - (3) The audited annual accounts, the audit report and comments thereon shall be submitted to the State House of Assembly within ninety days of receiving the annual accounts by the Auditor-General for Local Governments.
- Parastatals* 59(1) A parastatal shall annually or as prescribed by regulations submit in consultation with the supervisory Commissioner to the Commissioner responsible for Budget and Economic Planning –
- (a) the estimates of its recurrent and capital expenditure and of revenue and other financing required for that year; and
 - (b) a corporate plan covering the affairs of the parastatal for that year; In such a form as the Commissioner responsible for Budget and Economic Planning may direct.
- (2) The parastatals shall whenever the supervisory Commissioner or the Commissioner responsible for Budget and Economic Planning directs, furnish any further information in relation to its estimates.
 - (3) Every parastatals shall –
 - (a) take steps as are necessary:
 - (i) for the efficient and effective management of the entity; and
 - (ii) to ensure the accountability of all persons who manage the resources of the entity.
 - (b) develop adequate information, control, evaluation and reporting systems within the entity;
 - (c) develop specific and measurable objectives and performance targets for that entity; and
 - (d) advise the supervisory Commissioner on matters of general policy relating to the management of the entity.

- (4) Every parastatals shall adhere to the Government's procurement rules and guidelines made under any enactment.
- (5) As soon as possible after the end of each financial year but not more than six months thereafter, the board of the entity shall prepare and submit its annual report including the audited annual accounts (financial statements) to the supervisory Commissioner and the State Auditor-General.
- (6) The accounts prepared shall be in accordance with generally accepted accounting practices, promulgated from time to time or as the Commissioner may specify.

Pubic Enterprises

- 60(1) A State – owned enterprise shall operate in the private sector and provide goods and services that the Government has mandated –
 - (a) The Government may impose service quality standards on public enterprise providing goods and services in a monopolistic market or on goods and services.
 - (b) in providing each enterprise with a clear mandate and set of objectives, the supervisory Commissioner shall ensure that the objectives include any requirements to meet the Governments explicitly stated social and economic policy.
- (2) The mandate of a public enterprise shall be considered by the supervisory Commissioner as part of the annual corporate planning process and accordingly shall in consultation with the board of the enterprise provide further guidance on the purpose, role and limits on the activities of the enterprise.
- (3) The governing body of a State – owned enterprise shall establish and maintain –
 - (a) policies;
 - (b) procedures;
 - (c) risk oversight and management and internal control systems; and
 - (d) effective corporate governance frameworks and management practice to support their roles and responsibilities to ensure that the enterprise manages its resources prudently and operates efficiently in accordance with the objectives for which it was established.
- (4) In overseeing the development of the business strategies and the day to day management policies, the Directors of a public enterprise shall ensure that –
 - (a) the activities of the enterprise are conducted so as to minimize any divergence of interest between the enterprise and the supervisory ministry;
 - (b) are managed in the best interest of the entity as a whole; and
 - (c) the enterprise and its officers maintain the highest standards of integrity, accountability and responsibility.
- (5) In accordance with the requirements of the enabling law, the Directors of a public enterprise shall provide a detailed Annual Report together with audited annual accounts (financial statements) of the enterprise to the supervisory ministry and a copy to the State Auditor General.

**FIRST SCHEDULE
PUBLIC FUNDS OF JIGAWA STATE**

Section 40

1. The Capital Development Fund
2. The State Investment Fund
3. The Staff Housing Loan Fund
4. The Small Industries Credit Scheme Fund
5. The Local Government Authorities Deposit and Short-Term Loan Fund
6. The Local Government Authorities Motor Vehicle Insurance Fund
7. The Industrial Equipment leasing Scheme Fund

**SECOND SCHEDULE
ANNUAL ACCOUNTS**

Section 50 (1)

The following Accounts shall be submitted by the Accountant General:

1. Cash Flow Statement;
2. Statement of Assets and Liabilities;
3. Statement of Consolidated Revenue Fund;
4. Statement of Capital Development Fund;
5. Statement of Revenue Analysis;
6. Any other Statements that may be prescribed; and
7. Any notes to these Statements.