



OFFICE OF THE ACCOUNTANT-GENERAL OF THE FEDERATION

FEDERAL MINISTRY OF FINANCE

TREASURY HOUSE

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19th December, 2023

Federal Treasury Circular

To:

The Chief of Staff to the President,
The Deputy Chief of Staff, Office of the Vice President,
All Honourable Ministers,
The Secretary to the Government of the Federation,
The Head of the Civil Service of the Federation,
All Special Advisers/Senior Special Assistants,
The National Security Adviser,
All Service Chiefs/Inspector-General of Police,
The Governor, Central Bank of Nigeria,
The Chairman, Federal Civil Service Commission,
The Chairman, Police Service Commission,
The Chairman, Revenue Mobilization, Allocation and Fiscal
Commission,
The Chairman, Federal Inland Revenue Services,
The Chairman, Code of Conduct Bureau,
The Chairman, Code of Conduct Tribunal,
The Chairman, Independent National Electoral Commission,
The Chairman, National Population Commission,
The Chairman, Federal Character Commission,
The Chairman, Independent Corrupt Practices and Other Related
Offences Commission,
The Chairman, Public Complaints Commission,
The Chairman, Economic and Financial Crimes Commission,
The Chairman, National Drug Law Enforcement Agency,
The Chairman, National Salaries, Incomes and Wages Commission,
All Federal Permanent Secretaries,
The Clerk of the National Assembly,
The Executive Secretary, National Judicial Council,
The Chief Registrar, Supreme Court of Nigeria,
The Auditor-General for the Federation,
The Surveyor-General of the Federation,
All Directors-General/Chief Executives of Extra-Ministerial Offices and
Agencies,

The Director of Treasury, Federal Capital Territory Administration,
All Directors of Finance and Accounts and Directors of Internal Audit,
All Heads of Accounts Divisions,
All Heads of Internal Audit Units,
All Zonal Coordinators,
All Federal Pay Officers,
All Heads of Diplomatic Missions

Guidelines of Financial Activities for End of Year 2023

As the financial year 2023 is coming to an end, it has become imperative to provide relevant guidelines to all Ministries, Departments and Agencies (MDAs) and Other Arms of Government on financial activities for the financial year ending 31st December, 2023. The objective of the guidelines is to promote probity, transparency, accountability and prudence in the management of public resources.

2.0 Revenue Collection, Accounting and Reporting

To ensure that all revenue due to both Federation Account and Consolidated Revenue Fund/TSA Sub-Recurrent account of the Federal Government are fully collected and accounted for, all MDAs are to adhere to the provisions of Finance Act, 2020 – 2022, and all Finance and Treasury Circulars issued in respect of revenue collection, remittance, accounting and reporting.

2.1 MDAs with Retained Internally Generated Revenue (IGR)

MDAs permitted to collect and utilize 50% of their gross IGR and remit 50% to Sub-Recurrent Account must ensure due diligence in the collection and utilization of their revenue, as provided by the Finance Circular, Reference Number: FMFBNP/OTHERS/IGR/CFR/12/2021 of 20th December, 2021. The report of such collection and utilization must be uploaded into the GIFMIS platform for completeness. All MDAs having outstanding unremitted revenues should ensure that such outstanding revenues that have been computed and reconciled with the Treasury are promptly paid into Government coffers on or before 31st December, 2023.

2.2 Remittance of Operating Surplus and Other Revenue of MDAs

All Corporations, Agencies and Departments listed on the Schedule of the Fiscal Responsibility Act, 2007, revised by Finance Circular Reference Number: FMFBNP/OTHERS/IGR/CRF/12/2021 of 20th December, 2021 and any addition by the Budget Office of the Federation (BOF) should limit their total budgetary expenditure to 50% of their Gross revenue and remit 80% of the remaining 50% into the TSA Sub-Recurrent Account as interim/advance payment of Operating Surplus.

All relevant Agencies whose computed Outstanding Operating surpluses have been reconciled and agreed upon should ensure that payments are made on or before 31st December, 2023, failing which the Treasury will resort to direct deduction from the TSA Sub-Account of such defaulting Agency.

Furthermore, all Tertiary Institutions, Federal Medical Centres, Federal Hospitals and Research Centres that operate other revenue generating ventures such as consultancy services, printing and publishing firms, staff schools, agricultural ventures, micro-finance banks, guest houses etc., should in addition to their core mandate be required to prepare and forward to the Treasury separate Financial Statements of such ventures and to compute the Operating Surplus of those revenue generating ventures based on Fiscal Responsibility Act, 2007 approved template for the computation of Operating Surplus, Finance Act 2020, and other extant Rules and Regulations.

2.3 Remittance of Revenue by MDAs

All MDAs whose outstanding Revenue has been reconciled, ascertained and signed-off with the Treasury Revenue Strategic Monitoring Team, but remittances not made on or before 31st December, 2023 will have the outstanding revenue recovered from their TSA Sub-Accounts within the first quarter of year, 2024.

In line with the Treasury Circular OAGF/CAD/026/V.III/770 – TRY/A5& B5/2022, dated 12th July, 2022 on “Remittance of Federal Government Revenue to Dedicated TSA-Sub Recurrent Account”, all MDAs are to make payment of Operating Surplus and other Internally Generated Revenue (IGR) into the Treasury Single Account (TSA) Sub-Recurrent Account which is a sub-component of Consolidated Revenue Fund (CRF) with the following details:

Account Name: TSA Sub-Recurrent Account (Sub Rec. Account)
Account Number: 3000066875 (0020054161175)
Bank: Central Bank of Nigeria

2.4 Remittance of Revenue by Nigerian Missions

Independent Revenue generated by Nigerian Missions and other revenues, and the portion of the share of the Federal Government revenue on Public-Private Partnership (PPP) programmes, should be paid directly into:

Account Name: CBN/FGN Independent Revenue
Account Number: 000000400939134
Bank Name & Address: J.P. Morgan Chase Bank, New York.
Swift Code: Chasus 33

Evidence of Payment should be sent to the Treasury via Email: revenue@oagf.gov.ng or inspectorate@oagf.gov.ng latest by 7.00pm Nigeria Time on Friday, 5th of January, 2024.

For further clarification, calls can be made to Treasury Inspectorate Department via telephone number +2349093500001 or +2348173140379.

3.0 Management of Recurrent and Capital Expenditure

As stipulated in Fiscal Responsibility Act (FRA) 2007 and Financial Regulations (FR) 415, all Accounting Officers are required to exercise due economy and ensure adherence to value-for-money in all financial transactions of their MDAs. Money shall not be spent merely because it has been voted. Any officer found violating these rules shall face disciplinary action(s), while appropriate sanction(s) shall be imposed on the erring MDAs in accordance with extant rules and regulations.

To ensure prudent management and accounting for expenditure, the following shall apply:

3.1 Discharge of Contract and Compliance with Public Procurement Act (PPA) 2007 and Financial Regulations (FR) 2009

On no account shall payment be made for services not performed or for goods not yet supplied. All payments must comply with the Due Process Guidelines as contained in PPA, 2007 and FR.708.

3.2 Retirement of Cash Advances and Imprest

All cash advances and standing imprest must be retired on or before Friday, 29th December, 2023. Advances and Special Imprest are to be retired immediately the reason(s) for which they were granted cease to exist in line with FR.1012. Unretired balances of the previous year(s) must similarly be retired on or before the 29th December, 2023 to avoid imposing necessary sanctions as provided in the extant rules.

3.3 Treatment of Recurrent and Capital Accounts

In line with the Appropriation Act 2023, Recurrent and Capital expenditure shall be closed on 31st December, 2023. Consequently, Treasury Inspectorate Officers shall extract balances, rule off and close all Cash Books as at 31st December, 2023.

4.0 Closing of Accounts of MDAs by Treasury Officers

4.1 Closure of Accounts Arrangements under the Government Integrated Financial Management Information System (GIFMIS) Platform

All GIFMIS and TSA-based MDAs will automatically have their ledger periods and access to their funds closed online real-time by 12 midnight of 31st December, 2023.

4.2 Closure of Accounts Arrangements under the Remita CBN Gateway.

All MDAs TSA-Sub Accounts on the CBN/Remita Gateway that had normal budgetary funds with recurrent component included in the accounts will similarly have their ledger periods and access to their funds closed online, real-time by Twelve (12) midnight of 31st December, 2023.

Transfer of funds to hidden, surrogate or other accounts including TSA Sub-Accounts in a bid to avoid, reduce or minimize the return of unspent balances to the CRF/TSA will be detected and affected MDAs/Officers involved shall be sanctioned appropriately.

4.3 Processing Failed Transaction on GIFMIS

MDAs will be allowed to reprocess failed transactions after 31st December, 2023 provided the original transactions were finalized on or before midnight of 31st December, 2023. To effect such payments, MDAs will be required to transfer the relevant financial commitments into the new financial year.

4.4 Arrangements for Closing the Year 2023 Books of Account

Sub-Accounting Officers are to ensure that all entries into the Departmental Vote Expenditure Allocation (DVEA) Books, Ledgers, Mandate Summary Registers and Imprest Accounts are concluded on Friday, 29th December, 2023 and all Cash Books are balanced before the close of business on Friday, 29th December, 2023. Treasury Inspectorate Officers shall be deployed to MDAs and other Arms of Government on 31st December, 2023 to rule off, close and extract all Cash Book Balances.

4.5 Annual Board of Survey and Verification of Balances

In accordance with FR 1801 the Annual Board of Survey shall be convened on Monday, 8th January, 2024 to examine balances, stamps and other security documents held by all MDAs and other Arms of Government.

5.0 Opening of Ledger Period for 2024 Transactions and Submission of Separate Annual Financial Statements of MDAs

The following shall be adhered to by all MDAs to enable them have their period reopened for 2024 transactions:

5.1 Year End Annual Stock Taking by MDAs

MDAs are to adhere to the provisions of End of Year Stock-Taking Guidelines vide the Treasury Circular Ref. No. TRY/A8 & B8/2015, OAGF/CAD/026/VOL.II/240 of 23rd October 2015. All MDAs are to undertake end of year stock taking of all store items between 19th and 26th December, 2023. The counted stock shall be valued using *First-In-First-Out* method and appropriate adjustments made in the books to reflect the valued stock.

MDAs are advised to generate **Stock Item Balances Report** from the GIFMIS platform before embarking on physical stock-takes as per the circular under reference. The system-generated report is to be used for the physical count and reconciliation.

The Guidelines on End of the Year Stock-taking can be downloaded from the website: www.faacipsas-gov.ng.

5.2 Uploading of Sub-TSA Transactions of 2023 into GIFMIS.

All MDAs on GIFMIS must upload their transactions of 2023 from Sub-TSA Accounts into GIFMIS, using the Journal Entry Functionality on or before Tuesday 13th February 2024.

Period for 2024 transactions shall be opened for MDAs only when the Treasury confirms that Sub-TSA Accounts have been posted into GIFMIS.

All MDAs are required to adhere strictly with the framework developed by OAGF (Consolidated Accounts Department) for their upload which may be obtained from GIFMIS journal entry functionality sub-module.

5.3 Submission of Audited Trial Balance and Financial Statements

All MDAs must submit their Audited Trial Balance and Audited Financial Statements for the Year Ended 31st December, 2023 to OAGF on or before 28th February 2024 in line with IPSAS and Financial Regulations. Re-opening of year 2024 accounts and releases of budgetary allocations for year 2024 shall be based on the rendition and reconciliation of trial balance and financial statements duly audited by the external/resident auditors of the MDAs.

5.4 Preparation of Annual Financial Statements of MDAs

To ensure that the General Purpose Financial Statements (GPFS) of MDAs are in agreement with that of the Federal Government, all MDAs are requested to use GIFMIS in generating their GPFS. All MDAs are to prepare the following Annual Statutory Financial Statements:

- a. Statement of Financial Performance;
- b. Statement of Financial Position;
- c. Cash Flow Statement;
- d. Statement of Changes in Net Assets/Equity;
- e. Statement of Comparison of Budget and Actual; and
- f. Note to the Accounts.

The Audited Financial Statements are to be forwarded to the Treasury and to be in the public domain (website, publications etc.) after certification by the Auditor-General for the Federation, to ensure transparency and accountability.

5.6 Sanctions for Non-rendition of Audited Financial Reports to the Treasury

In line with Presidential Directives and provisions of FR.3123, any MDA that fails to prepare and submit Audited Annual Trial Balance and Annual Financial Statements will have its allocation of fund(s) suspended indefinitely. Furthermore, a query shall be issued to the Director or Head of Finance and Accounts of the MDA.

6. All Accounting Officers, Directors/Heads of Finance and Accounts and Internal Audit Departments/Units of MDAs and other Arms of Government are to give this circular the widest circulation and ensure strict compliance, please.


Dr. (Mrs.) Oluwatoyin S. Madein, FCA, FCCA, FCNA
Accountant-General of the Federation