



Template to Produce  
General Purpose Financial Statements in IPSAS format  
(the 'SPARC GPFS template')

User Guide and Technical Guide

(for NCOA version 5)

sparc

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## Glossary

BS	Balance Sheet (Statement of Assets and Liabilities)
CDF	Capital Development Fund
CRF	Consolidated Revenue Fund
FAAC	Federation Accounts Allocation Committee
GPFS	General Purpose Financial Statements
IPSAS	International Public Sector Accounting Standards
MDA	Ministries, Departments and Agencies
NCOA	National Chart of Accounts
SPARC	State Partnership for Accountability, Responsiveness and Capability

Note: This user guide is accompanied by four spreadsheets for practice and practical use:

-  [IPSAS GPFS Cash Basis Template v5 NCOA blank.xlsx](#)
-  [IPSAS GPFS Cash Basis Template v5 NCOA test data 1.xlsx](#)
-  [IPSAS GPFS Cash Basis Template v5 NCOA test data 2.xlsx](#)
-  [IPSAS GPFS Cash Basis Template v5 NCOA with data.xlsx](#)

## Executive Summary

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The Federation Accounts Allocation Committee (FAAC) has set up a Sub-Committee to provide a roadmap for the implementation of International Public Sector Accounting Standards (IPSAS) at all levels of Nigerian government. As part of their work, the FAAC IPSAS Sub-Committee have specified a National Chart of Accounts (NCOA) and standard formats for General Purpose Financial Statements (GPFS), sometimes referred to as 'Final Accounts' or 'the Accountant General's Report'.

The **SPARC GPFS template** described in this User Guide assumes that a state uses the NCOA and wishes to produce its GPFS. **The template allows the automatic creation of a state's GPFS on the IPSAS Cash Basis**, as specified by the FAAC IPSAS Sub-Committee. The GPFS contain four Main Financial Statements: 1. Cash Flow Statement; 2. Statement of Assets and Liabilities; 3. Statement of Consolidated Revenue Fund; and 4. Capital Development Fund.

To be able to use the template, it is assumed that a state can, at the end of any given time period, produce a trial balance of the items in the Economic Segment of the NCOA, and that it can also summarise its capital expenditure by Sector. The trial balance is a set of totals of all the state's transactions (revenue, expenditure, assets, liabilities) for each of the 8-digit economic codes in the NCOA, for the period in question, which is normally one year, but which could also be a month or a quarter, if the state wished to produce GPFS more frequently.

For the model to work, it is essential that the trial balance balances. This means that the total debits are equal to the total credits when the NCOA economic codes are listed. The data can be entered into the model as one complete trial balance, or from several sources, or even as individual transactions or journal adjustments, but for all sets of data entered, the total debits must equal the total credits.

As well as producing the four Main Financial Statements, the SPARC template produces reconciliations which are necessary to ensure the integrity of the accounts. These include: (i) a reconciliation between the opening and closing cash balances and the opening and closing balances on the CRF and CDF; (ii) a reconciliation of loan transactions, summarising receipts, interest paid, repayments of capital and outstanding balance; and (iii) a reconciliation of movements in the 'Assets over Liabilities' account. There is also an optional facility to allow accounting for sinking funds, or any other fund where specific assets are held to allow for future payments that need to be made.

The template is based on the 8-digit NCOA but is easily adapted to any other chart of accounts, as described in the Technical Guide that accompanies this User Guide. The model is still at the prototype stage and can be adapted to suit the needs of different states.

# User Guide

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## 1. Purpose of the SPARC GPFS template

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### 1.1 Requirements of FAAC IPSAS Sub Committee

The Federation Accounts Allocation Committee (FAAC) has set up a Sub-Committee to provide a roadmap for the implementation of International Public Sector Accounting Standards (IPSAS) at all levels of Nigerian government. As part of their work, the FAAC IPSAS Sub-Committee have specified a National Chart of Accounts (NCOA) and standard formats for General Purpose Financial Statements (GPFS), sometimes referred to as 'Final Accounts' or 'the Accountant General's Report'.

IPSAS GPFS can be prepared on the Cash Basis of accounting or on the Accrual Basis. At the moment, most Nigerian government entities use the cash basis, and the FAAC Sub-Committee therefore requires compliance with the IPSAS Cash Basis GPFS, starting with the 2014 Accountant General's Report.

### 1.2 The SPARC template to produce GPFS in IPSAS format

The purpose of the SPARC GPFS template is to allow speedy automated production of the four main statements of a state's GPFS:

1. Cash Flow Statement;
2. Statement of Assets and Liabilities;
3. Statement of Consolidated Revenue Fund; and
4. Capital Development Fund.

The template has been developed in Microsoft Excel.

## 2. Necessary conditions for using the template

### 2.1 Assumption that the State uses the NCOA Economic Segment

The SPARC GPFS template assumes that a state uses the 8-digit Economic Segment of the NCOA and wishes to produce its GPFS main statements. If the state uses a different chart of accounts, the template can be adapted relatively easily. To see how, please see the Technical Guide for this template.

### 2.2 Assumption that there is a valid trial balance

To be able to use the template, the state must, at the end of any given time period, be able to produce a trial balance of the items in the Economic Segment of the NCOA. The trial balance is a set of totals of all the state's transactions (revenue, expenditure, assets, liabilities) for each of the 8-digit economic codes in the NCOA, for the period in question, which is normally one year, but which could also be a month or a quarter, if the state wished to produce GPFS more frequently.

This template will not help you to produce a trial balance. It assumes that a trial balance is produced from your accounting system, which might be a set of manual records, or records from a computer system (e.g. an accounting package, or a 'custom written' database or spreadsheet system).

For the SPARC GPFS template to work, it is essential that the trial balance balances. This means that the total debits must be equal to the total credits when the NCOA economic codes are listed.

The data can be entered into the model as one complete trial balance, or from several sources (e.g. from different ministries), or even as individual transactions or journal adjustments, but **for all sets of data entered, the total debits must equal the total credits.** Figure 1 below shows extracts from a trial balance.

*Figure 1: Extracts from a trial balance*

EconCode	DESCRIPTION/ECONOMIC NAME	Debit	Credit
11010101	STATUTORY ALLOCATION		51,767
11010201	SHARE OF VAT		9,817
11010303	OTHER DISTRIBUTIONS FROM FAAC		8,802
12010101	PERSONAL TAXES (STATE)		9,889
12020126	TRACTOR HIRING SERVICES		10
12020132	MOTOR VEHICLE LICENSES		12
12020137	TRADE PERMIT LICENSES		10
21010101	BASIC SALARY/WAGES	21,588	
21010103	CONSOLIDATED REVENUE FUND CHARGE-SALARIES	422	
21020102	Housing/Rent Allowance	1,000	
21020202	CONTRIBUTORY PENSION	3,000	
22010102	PENSION	3,291	
22020101	LOCAL TRAVEL & TRANSPORT : TRAINING	2,000	
22020103	INTERNATIONAL TRAVEL & TRANSPORT : TRAINING	1,000	
22020201	ELECTRICITY CHARGES	1,000	
22020202	TELEPHONE CHARGES	820	
22020301	OFFICE STATIONARIES/COMPUTER CONSUMABLES	1,000	
31010101	CASH: CONSOLIDATED REVENUE FUND	45,191	
	Totals	80,307	80,307

**Note:** If the state cannot produce trial balance data that balances, then it needs to focus on getting its accounting procedures correct before attempting to produce IPSAS GPFS.

## 3. What the template will do

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### 3.1 Convert trial balance data to financial statements

When the trial balance data is pasted into the 'Data' sheet of the SPARC template, the four main financial statements are immediately automatically populated. This happens because every line in the chart of accounts is tagged with references to the places where the data needs to appear in each of the financial statements. Details of how to paste in the data are given in the section below entitled 'How to Enter Data'.

In the same way, the opening balances for the financial statements will be automatically arranged in Statement 2 (Statement of Assets and Liabilities) when the opening trial balance (last year's balance sheet) is pasted into the 'OB Data' sheet of the template.

### 3.2 Produce summary of capital expenditure data by sector

Statement 1 (Cash Flow Statement) and Statement 4 (Capital Development Fund) both require an analysis of Capital Expenditure by Sector. When Capital Expenditure details are pasted onto the sheet 'Cap Ex Data', the required summary by sector automatically appears on Statements 1 and 4. Details of how to do this are given in the section below entitled 'How to Enter Data'.

### 3.3 Produce additional reconciliation statements

As well as producing the four Main Financial Statements, the SPARC template produces reconciliations which are necessary to ensure the integrity of the accounts. These include: (i) a reconciliation between the opening and closing cash balances and the opening and closing balances on the CRF and CDF; (ii) a reconciliation of loan transactions, summarising receipts, interest paid, repayments of capital and outstanding balance; and (iii) a reconciliation of movements in the 'Assets over Liabilities' account.

There is also an optional facility to allow accounting for sinking funds, or any other fund where specific assets are held to allow for future payments that need to be made.

### 3.4 Produce the budget in the format of the four IPSAS statements

If budget data is pasted into the 'data sheet' of a blank SPARC template, it will appear appropriately arranged in the four financial statements, but under the 'actual' columns. (Note: a separate blank file of the template must be used with no 'actual' data in it.)

From there, the budget data can be transferred by cut and paste into the correct 'budget' columns, to be used for comparison with the 'actual' data.

### 3.5 Produce last year's data in the format of the four IPSAS statements

If last year's data is pasted into the 'data sheet' of a blank SPARC template, it will appear appropriately arranged in the four financial statements. (Note: a separate blank file of the template must be used with none of this year's data in it.)



## 4. What the template will not do

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### 4.1 Produce all the notes to the financial statements

The SPARC template has been designed as a checking device to ensure that the four main IPSAS financial statements are listed correctly and form a coherent whole. The SPARC template will not produce all the detailed notes to these financial statements that are required by the FAAC IPSAS booklet.

This is because most of these notes require an analysis of types of revenue, expenditure, assets and liabilities by Ministries, Departments and Agencies (MDAs). The current version of the SPARC template has no facility for holding a complete trial balance analysed by administrative classification as well as economic classification.

However, the data for most of these notes can be obtained either directly from the state's accounting system, or by applying the SPARC revenue/expenditure tracking template to individual MDAs.

### 4.2 Help you to make a trial balance that balances

The SPARC template will not help you to identify errors in the trial balance. As stated above, it will only work if the state already has a trial balance that balances.

### 4.3 Help you find missing data

Even if a state's trial balance does balance, it is still possible that some accounting data has been missed out because it has not been recorded in the first place. The SPARC template cannot help you with this type of problem, which can only be solved by having sound internal controls in place during processing of financial data.

## 5. Worksheets in the template

### 5.1 Convert trial balance data to financial statements

The worksheets in the SPARC template are listed in Figure 2 below.

The first six sheets (green tabs) are 'Read Only' Financial Statements. No data can be entered into these sheets. They will show the IPSAS financial statements when data is entered into the Data Sheets.

The last three sheets (yellow tabs) are Data Sheets. The user can type or paste data into these sheets. Assuming the data is entered under the correct columns, the financial statements will be produced automatically.

*Figure 2: Worksheets in the template*

<b>Name</b>	<b>Purpose</b>	<b>Data Entry</b>
<b>FINANCIAL STATEMENTS</b>		
Cash Flow St	Cash Flow Statement	Protected: READ ONLY
Bal Sh	Statement of Assets and Liabilities	
CRF	Consolidated Revenue Fund	
CDF	Capital Development Fund	
Loans	Loan Cash Flows	
Sinking Fund	Sinking Fund and related assets	
<b>DATA SHEETS</b>		
OB Data	Insert opening trial balance	User pastes data into the allowed columns.
Data	Insert trial balance data for this year	
Cap Ex Data	Insert Capital Expenditure details	

## 6. How to enter data

### 6.1 OB Data sheet and Data sheet

The format of these two sheets is the same. The first four columns allow entry of data, and the remaining columns are blocked (protected). Figure 3 shows the layout and data to be entered.

*Figure 3: Data Entry in OB Data sheet and Data sheet*

EconCode	DESCRIPTION/ECONOMIC NAME	Amount	Totals	Total TB	0

Data entry allowed

Blocked

Column	Data to be entered
EconCode	8-digit Economic code from the NCOA.
DESCRIPTION/ECONOMIC NAME	Description of the Economic item (optional)
Amount	Trial balance amount for the economic code
Totals	Control total for the trial balance amounts entered (optional)

#### Notes to Figure 3:

1. The columns which MUST be completed are 'EconCode' (showing the 8-digit Economic item codes) and 'Amount' (showing the trial balance amount for each economic item).
2. All economic item codes must be entered as the detailed code with the full 8 digits. The codes with fewer than 8 digits are for summary only, not for data entry.
3. 'Amount' is shown under a single column. Debit balances are shown as positive numbers and credit balances as negative. Figure 4 shows the Trial Balance data from Figure 1 in a format suitable for pasting to the SPARC template. The total of every batch of data entered must be zero, which is the same thing as saying that total debits equal total credits.
4. 'DESCRIPTION/ECONOMIC NAME' is an optional column to allow easy identification of the data being entered. If data is not entered into this column, the template will work just as well, but may be at greater risk from miscoding.
5. 'Totals' is an optional column in which the user can check that the total of each batch of data is zero. The data in this column is not used by the template, but it is good practice for the user to manually ensure that batch totals of data entered are always zero. Remember that computers can only respond to the data input, and that 'garbage in equals garbage out'.
6. The 5th and 6th columns are blocked from use, but the total which automatically shows at the top is the total for the whole list of balances in the 'Amount' column. This is therefore the computer double checking that the trial balance is valid.
7. There can be blank lines in this sheet, and narrative notes can be added in any of the columns. However it is essential that the 'Amount' for an economic item must be entered in the same row as the 'EconCode'.
8. EconCodes can be entered more than once, and template will sum the amounts that relate to the same EconCode.

For example: 11010101 Statutory Allocation (20,000) and  
 11010101 Statutory Allocation (30,000)  
 will produce the same result as:  
 11010101 Statutory Allocation (50,000)

Figure 4: Data from Figure 1 in a format for pasting to the SPARC template

EconCode	DESCRIPTION/ECONOMIC NAME	Amount	Total
11010101	STATUTORY ALLOCATION	(51,767)	
11010201	SHARE OF VAT	(9,817)	
11010303	OTHER DISTRIBUTIONS FROM FAAC	(8,802)	
12010101	PERSONAL TAXES (STATE)	(9,889)	
12020126	TRACTOR HIRING SERVICES	(10)	
12020132	MOTOR VEHICLE LICENSES	(12)	
12020137	TRADE PERMIT LICENSES	(10)	
21010101	BASIC SALARY/WAGES	21,583	
21010103	CONSOLIDATED REVENUE FUND CHARGE-SALARIES	422	
21020102	Housing/Rent Allowance	1,000	
21020202	CONTRIBUTORY PENSION	3,000	
22010102	PENSION	3,291	
22020101	LOCAL TRAVEL & TRANSPORT : TRAINING	2,000	
22020103	INTERNATIONAL TRAVEL & TRANSPORT : TRAINING	1,000	
22020201	ELECTRICITY CHARGES	1,000	
22020202	TELEPHONE CHARGES	820	
22020301	OFFICE STATIONARIES/COMPUTER CONSUMABLES	1,000	
31010101	CASH: CONSOLIDATED REVENUE FUND	45,191	
			0

## 6.2 Cap Ex Data sheet

The 'CapEx Data' sheet is designed to allow the computation of the summary by sector of the capital expenditure total. The only necessary columns on the data sheet are 'Administrative Code', 'Grant Amount' (if relevant), and 'Govt Actual Amount'. The other columns are there in case states do further analysis by other segments (e.g. economic code, function, etc.) but are not used by the template.

The template takes the first two digits of the Administrative Code ('Sector') and sums all the 'Govt Actual Amount' for each sector. The results are placed in the Cash Flow Statement and the CDF Statement. The FAAC booklet requires 'Funded from Aid and Grants' to be reported separately. This is picked up from the total of the 'Grant Amount' column. For this purpose, projects funded by loans are included under 'Govt Actual Amount' not under 'Aid and Grants'. [Note: this presentation needs to be clarified by FAAC].

Note: The total of capital expenditure reported on the 'Cap Ex Data' sheet (i.e. the total of the 'Grant Amount' plus 'Govt Actual Amount' columns) must equal the total of capital expenditure entered by economic code summary in the 'Data' sheet.

## 7. How to check the results

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Whenever data has been entered into the data sheets, the result should be checked by looking at the sheets for the Financial Statements. Some easy checks to carry out are as follows:

1. Does the 'Statement of Assets and Liabilities' (Bal Sh) balance? Do 'TOTAL ASSETS' equal 'TOTAL PUBLIC FUNDS AND LIABILITIES'?
2. Does the revenue and expenditure in the CRF and CDF statements show up in appropriate places in the Cash Flow Statement?
3. Do the figures shown for loan receipts, interest and repayments on the 'Loans' sheet appear properly in the Cash Flow Statement, the CRF and the CDF?
4. Can the movement in the 'Assets over Liabilities' account be properly explained? See the 'Loans' sheet and the 'Statement of Assets and Liabilities' (Bal Sh).
5. Are the balances on the CRF and CDF the same in the 'Statement of Assets and Liabilities' (Bal Sh) as in the CRF Statement and CDF Statement?
6. Do the figures in the Cash Flow Statement for 'Cash and its equivalent' agree with the figures in the 'Statement of Assets and Liabilities' (Bal Sh)? See also the note at the bottom of the Cash Flow Statement.
7. Does the total for capital expenditure agree with the analysis of capital expenditure by sector?

## 8. What to do if data is rejected or wrongly treated

The SPARC template is still at the 'prototype' stage and it is inevitable that some problems will be encountered in using it.

- Is the total of all data entered on the OB Data Sheet and the Data Sheet zero?
- Are the codes being used the same as in the National Chart of Accounts?
- Have items been correctly coded to the correct Economic Codes? Have all the Economic Codes you have used been 8 digits?

**Note:** There are problems in the use of some of the published NCOA codes. There are some misprints and some inconsistencies. In particular, the types of codes for loans are inconsistent between receipts, interest, repayments and balances. Similar inconsistencies can be seen in other types of assets/liabilities, for example 'Advances'. As a result, the SPARC template has made some small changes to the NCOA codes. A full list of the economic codes used by the template is included in the 'Technical Guide' which accompanies this User Guide.

## 9. Test data for input to the template

With this user guide, you are given four Excel workbooks:

1. A blank copy of the Excel workbook for the SPARC GPFS Template: 'IPSAS GPFS Cash Basis Template v5 NCOA blank.xlsx'.
2. An Excel workbook containing test data for input: 'IPSAS GPFS Cash Basis Template v5 NCOA test data 1.xlsx'.
3. An further Excel workbook containing test data for input: 'IPSAS GPFS Cash Basis Template v5 NCOA test data 2.xlsx'.
4. A copy of the Excel workbook for the SPARC GPFS Template, with all the data added: 'IPSAS GPFS Cash Basis Template v5 NCOA with data.xlsx'. This workbook can be used to compare with the results that you produce using workbooks 1 to 3 above.

### 9.1 The first set of test data

The first test data workbook enables you to build up a set of financial statements in stages, putting in different types of transactions one after the other. It contains the following sheets:

*Figure 5*

Opening balances	Last year's balance sheet.
Bond & SF	Data relating to the receipt of cash from a domestic bond, the setting up of a sinking fund to ultimately repay the bond, and the purchase of sinking fund investments.
Revenue	Recurrent revenue data.
Capital receipts	Receipts from loans, grants and other capital receipts.
Recurrent exp	Recurrent expenditure (personnel and overhead costs, etc.).
Debt repay	This contains debt interest payments as well as repayment of loans.
Capital Exp	The total figure for capital expenditure
BTL items	Below the line items: Items relating to granting of advances, and receipt of repayments, etc.
CapEx Data	Detailed capital expenditure data.

### Instructions:

1. Copy and paste the 'Opening balances' into the 'OB Data' sheet of the Template and observe the result on the previous year's column of the 'Statement of Assets and Liabilities'.
2. Copy and paste the 'Opening balances' again, this time into the 'Data' sheet of the Template and observe the result on all the Financial Statements. This gives the state's position at the start of the year.

**Note:** This second step is easy to miss out, but it is essential to make the template work. The opening balances must be pasted twice (Steps 1 and 2 above), once to give the closing balances for last year, and once to give the opening balances for this year.

3. In the same way, copy and paste the test data from 'Bond & SF', 'Revenue', 'Capital receipts', 'Recurrent exp', 'Debt repay', 'Capital Exp' and 'BTL items' in the Template's 'Data' sheet, and observe the gradual build-up of the financial statements.

**Note:** For the purpose of 'cut and paste', the data on the test sheets can be posted 'all at once' or broken down into self-balancing sections – the only rule is that the total of the data pasted at any time must be zero. The explanatory notes can also be pasted in, without affecting the working of the template. Also, try deleting some of the 'DESCRIPTION/ECONOMIC NAME' column, to show that it does not make any difference.

Finally, paste the data from the 'CapEx Data' test data sheet into the 'Cap Ex Data' sheet in the template, and observe the analysis of expenditure by Sector in the Cash Flow Statement and the CDF Statement.

When you have finished, delete the data from the Template and try putting it in in a different sequence.

## 9.2 The second set of test data

The second set of test data enables the User to input a complete trial balance in the 'Data' sheet, for an instantaneous set of financial statements.

### Instructions:

As before, copy and paste the 'Opening balances' into the 'OB Data' sheet of the Template and observe the result on the previous year's column of the 'Statement of Assets and Liabilities'.

**Note:** This time the opening balances do not need to be also pasted into the Data sheet, because in this example they are included as part of the Trial Balance that will be pasted in next.

Next post the trial balance into the Data Sheet and observe the complete set of financial statements.

Finally, paste in the Capital Expenditure details as before.

# Technical Guide

## 10. Introduction

This Technical Guide accompanies the User Guide to the SPARC Excel Template to Produce General Purpose Financial Statements in IPSAS format, version 5 for the National Chart of Accounts (the SPARC IPSAS Template). For the purpose of the SPARC IPSAS Template and details of how to use it, please see the User Guide.

This Technical Guide describes how the Template works and how it can be adapted to suit the specific Charts of Accounts in the various Nigerian states. The Technical Guide assumes a reasonable familiarity with the requirements of International Public Sector Accounting Standards (IPSAS), and with the workings of some common formulae in Microsoft Excel.

The template, which consists of an Excel workbook, converts the trial balance of 'economic items' (account codes) produced by a state's accounting system into a set of the four main General Purpose Financial Statements required in order to report the state's financial results using the IPSAS Cash Basis. It is applicable to those states which can produce a valid trial balance, whether that be by means of computerised or manual systems.

## 11. Composition of the SPARC IPSAS Template

The template is an Excel work book (.xlsx) which consists of a total of 12 worksheets, as described in Figure 6 below.

*Figure 6: Worksheets in the template*

<b>Worksheet Name</b>	<b>Type of sheet</b>	<b>Normal protection</b>	<b>Normal visibility</b>
Cash Flow St	<b>Outputs:</b> Financial Statements and related reconciliations	Fully protected	Visible with hidden columns
Bal Sh			
CRF			
CDF			
Loans			
Sinking Fund	<b>Workings:</b> Collation and computation sheets	Fully protected	Hidden
OBTB			
Detail TB			
CapEx Data Arr	<b>Inputs:</b> Data collection sheets	Relevant columns are open for data input.	Visible
OB Data			
Data			
Cap Ex Data			

As the template is currently at the prototype stage, there is no password attached to the protection of sheets. Any of the sheets can be unlocked by using the 'Review - Unprotect Sheet' command.



## 12. Basis of transferring input data to output sheets

### 12.1 Input data rules

Apart from Capital Expenditure Details (dealt with later) all items of input data consist of three fields: 'EconCode'; 'DESCRIPTION/ECONOMIC NAME'; and 'Amount'. These are entered into the three columns with the same names that can be seen in the 'Data' input sheet (Columns A to C), as in the example below:

*Figure 7*

EconCode	DESCRIPTION/ECONOMIC NAME	Amount
22010102	PENSION	3,291
22020101	LOCAL TRAVEL & TRANSPORT : TRAINING	2,000
22020103	INTERNATIONAL TRAVEL & TRANSPORT : TRAINING	1,000

Column B 'DESCRIPTION/ECONOMIC NAME' is not used by the template. It is there to provide the User with information about the meaning of the EconCode, but can be omitted if not easily available. The two active fields are EconCode and Amount.

Values for EconCode and Amount must be listed in the named columns A and C, and must pair with each other horizontally. However, these pairs can appear anywhere in the appropriate columns - there is no set position, for example, for a particular Econcode to be placed. Thus input data does not have to be pre-sorted or pre-totalled.

In the 'Data' input sheet:

- 'EconCode' can be listed any number of times with different values for 'Amount'. These could refer to individual accounting transactions or to period totals for those transactions. In practice, both types of data will be entered.
- 'Amount' can be positive (a Debit) or negative (a Credit). The rule for data input, which requires user verification, is that the total of the 'Amount' column must be zero (i.e. total Debits = total Credits).
- Column D 'Total' is not used by the Template. It is there so that the User can perform a simple SUM test to check that the total of any batch of data added to 'Amount' is zero.
- The automatic total at the top of column F is the sum of all items in the 'Amount' column, and should be zero to signify validity of input.

### 12.2 Processing requirement

The underlying requirement is that the template should:

- Total the amounts for all items of data with the same EconCode;
- Place these totals in the appropriate place(s) in the Output sheets. A figure in an output sheet may be the sum of a number of total Amounts for Econcodes.

### 12.3 Totalling the amounts for all items of data with the same EconCode

The 'Data' input sheet contains an Excel Table covering cells A1:D3600. This table also has the name 'Data'.

The 'DetailTB' working sheet contains an Excel Table covering cells A1:L1308. This table has the name 'DetailTB'.

The first two columns (A and B) of the table 'DetailTB' are in effect the National Chart of Accounts, with a few variations to correct misprints or other problems in the printed version - see Annex 1 for the complete Chart of Accounts used by the template.

Column C of the table 'DetailTB' contains the formula:  
`=SUMIF(Data[EconCode],[@EconCode],Data[Amount]).`

The 'Data' in this formula refers to the table in the 'Data' input sheet. Thus the working sheet 'Detail TB' sums all amounts on the 'Data' input sheet which relate to the EconCode on 'DetailTB', producing a total for that EconCode. The complete listing of columns 1 to 3 of sheet 'Detail TB' thus produces the complete trial balance in the NCOA sequence of Econcode.

## 12.4 Placing the totals in the appropriate place(s) in the Output sheets

Version 1.3 of the Template uses a different method of organising the data on the output sheets. The earlier versions of the Template programmed cells on the output sheets with formulae to pick up the correct items on sheet 'Detail TB'. However, this was time-consuming to adapt if a state has a non-standard chart of accounts.

Version 1.3 has given Tag numbers for all the items in each of the Output sheets (Financial Statements). For example, on the Cash Flow Statement (sheet 'Cash Flow St') the tags are in column G:

- Tag cf01 represents 'Statutory Allocation';
- Tag cfo2 represents 'Value Added Tax Allocation', etc.

In the working sheet 'Detail TB', columns G to L of table 'DetailTB' contain the Tags for each of the six Output Sheets that apply to each chart of accounts Econcode. Thus 11010101 Statutory Allocation appears in the Cash Flow Statement in the position determined by Tag cf01, and also in the CRF Statement in the position determined by Tag crf01.

Some tags refer to multiple Econcodes. For example revenue from Licenses refers to all the EconCodes from 12020105 to 12020137. All these EconCodes have been tagged with cf04 for the Cash Flow Statement and crf04 for the CRF Statement.

The output sheets pick up the sum of all the items which have the appropriate flags in the 'DetailTB' table. For example, the total of revenue from Licenses is picked up by the formula:

`=SUMIF(DetailTB[CFtag],G13,DetailTB[Amount]).`

In this formula, Cell G13 contains the Tag cf04. The columns containing the Tags numbers are hidden in the User version of the Template.

The advantage of this tagging system is that the Template can be relatively quickly adapted to other charts of accounts by changing the work sheet 'DetailTB' to hold the new chart of accounts and then placing the tag numbers alongside the new EconCodes. There is no need to change the output sheets. More on this is written in the section 'Adapting the Template to another Chart of Accounts', below.

## 12.5 Opening balances

To produce the IPSAS financial statements, opening balances (i.e. balances at the start of the financial year) are needed for cash accounts, fund accounts (CRF and CDF) and for various other assets and liabilities. The Template therefore has a separate input sheet for these balances ('OB Data'), which then automatically transfer to a separate working sheet ('OBTB') and from there are picked up by the appropriate cells of the output sheets using the same Tag numbers but by referring to the sheet 'OBTB' instead of 'DetailTB'.

## 12.6 Capital expenditure analysis by sector

The only figures in the main IPSAS financial statements that cannot be defined by economic codes are the 'capital expenditure by sector' figures which appear in the Cash Flow Statement and the CDF Statement. In the NCOA, the two-digit 'sector' code is at the start of the administrative codes for all MDAs.

The Template contains an input sheet for Capital Expenditure details ('Cap Ex Data'), and this transfers to the hidden worksheet 'CapEx Data Arr'.

The details that must be entered on the input sheet 'Cap Ex Data' are in the columns 'Administrative Code' and 'Actual'. The other analysis columns (Economic, Function, Program, etc.) are provided in case they are needed for reconciliation.

The template requires grant funded projects/activities to be totalled separately (though it appears that loan-funded projects will be included under the sector totals). To allow for this facility, in case a state wishes to use it, the input sheet contains a column for 'Grant Amount' in column L. This is deducted from the 'Actual' for that project/activity (column I) to give the figure under 'Govt Actual Amount' in column N.

The input data transfers to the hidden worksheet 'CapEx Data Arr', where the sector code is calculated in column O by taking the LEFT 2 digits of the Administrative Code. The output sheets then pick up the total of capital expenditure for each sector code, and the total of grant funded projects in column L.

This Capital Expenditure analysis by sector may need to be adapted for each state, so at the moment it has been left in a fairly 'free' format. Later versions of the template may vary the method of data input.

## 12.7 Formulae in the output sheets

The output sheets (Financial Statements) contain formulae of the following types:

- Tag references (described above);
- Totals;
- Pointers to the same figure elsewhere in the statements;
- Specific reconciliation formulae (e.g. the reconciliation at the bottom of the Cash Flow Statement).

The type of formula being used is noted clearly against all cells on the output sheets, in columns that are hidden from the User.

## 13. Adapting the Template to another Chart of Accounts

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The tagging system used in this version of the template makes it easier to adapt the template to a different chart of accounts by changing the work sheet 'DetailTB' to hold the new chart of accounts and then placing the tag numbers alongside the new EconCodes. There is no need to change the output sheets. In other words, the Tag numbers remain unchanged, but they will need to be 'pinned' to new chart of account codes.

This does not require technical expertise in Excel. It requires knowledge of which chart of account codes should appear under each heading in the financial statements, but the NCOA template will act as a guide to this, if in doubt.

A version specific to Jigawa's chart of accounts has been quickly produced by this method.

The chart of Accounts used by the SPARC GPFS template can be viewed by unhiding it.

Follow the menu: Home ⇒ Format ⇒ Hide & Unhide ⇒ Unhide Sheet.

This leads to the Unhide menu. Select the sheet 'DetailTB' which will then become visible.

## 14. Notes to the accounts

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The following paragraphs summarise where the information can be found to create the 'Notes to the Accounts' which are included in the General Purpose Financial Statements.

### Note 1 - Statutory Allocation from FAAC and Value Added Tax

The **Statutory Allocation** part of this note is based on the monthly schedules received from FAAC which notify the state of its gross Statutory Allocation and the deductions made from it on their behalf.

This note is not obtainable from the Trial Balance because the National Chart of Accounts does not distinguish payments deducted at source by FAAC from payments made in cash by the state. The note should therefore be prepared from the FAAC source schedules, and reconciled by checking that Statutory Allocation has been entered gross and that all deductions (e.g. loan repayments) are included in the appropriate accounts.

The **VAT** part of the note is simply the total that appears in the Trial Balance.

### Note 2 - Internally Generated Revenue (Independent Revenue)

This is obtainable from the Revenue Performance reports, total for the whole year.

### Note 3 - Other Revenue Sources of the Government

This is obtainable from the Revenue Performance reports, total for the whole year.

### Note 4 - Total Personnel Costs (including salaries directly charged to CRF in Note 4B)

This is the total of Sub Account Type 21 (Personnel Costs) minus Economic Code 21020202 (pension contribution), for each and every MDA. The MDAs are grouped by Sector.

In the national chart of accounts, an MDA is a Sub-Org, classified by 7 digits, the first 2 of which represent its sector.

CRF salaries are included in the total and shown separately in note 4B. (Contrast this with Employer's Contribution to Pension (21020202) which is not included in the personnel costs total but is separately reported in the main CRF and Cash Flow statements).

### Note 4B - Salaries directly charged to CRF

This is the total of Economic Code 21010103 for each and every MDA. In some cases, the name of the statutory office holder will be the same as the name of the MDA (e.g. State Auditor General). In other cases (e.g. Judges), a further description of the office holder may be necessary.

### Note 5 - Employer's Contribution to Pension According to Sector

This is the Total of Economic Code 21020202 for each and every MDA. The MDAs are grouped by Sector (see Note 4A).

### Note 6 - Overhead Costs

Overheads are the total of Account Class 2202 (Overheads) for each and every MDA. The MDAs are grouped by Sector.

#### **Note 7 - Consolidated Revenue Fund Charges (including Service Wide Vote)**

Consolidated Revenue Fund Charges are the total of Sub-Account Class 220101 for each and every MDA (ignore zero values). Narratives may need to be added to clarify the costs.

Service Wide Vote is the total of Account Class 2208.

#### **Note 8 - Subventions to Parastatals**

Subventions to parastatals are the total of Sub-Account Class 220501 for each and every MDA (ignore zero values). Some states no longer classify subventions in this way.

#### **Note 9 - Transfer to Capital Development Fund, by MDA**

Transfer from CRF to CDF will be recorded in the Chart of Accounts in total, when cash is transferred from one fund to the other. The figures recorded in Code 22070401 (payment from CRF) must be equal and opposite to the figures recorded in Code 14010101 (receipt into CDF).

The note requires this transfer to be analysed by MDAs within Sectors. This is unlikely to be done until the end of the year. It is also doubtful whether the information is useful. It is suggested that the Transfer to CDF for each MDA is taken as the total of actual capital expenditure made by that MDA, ignoring capital expenditure that is financed by loans and grants.

#### **Note 10 - Details of Aid and Grants Received**

This is a listing of the balances under Sub-Account Type 13. Further analysis may be found from the funding segment of the Chart of Accounts.

#### **Note 11 - Details of Total Capital Expenditure**

Total Capital Expenditure is Sub-Account Type 23. This is not analysed in more detail using economic codes, but is analysed by MDA within sector, in the manner of the salaries and overheads notes, above.



### Contact details

SPARC has eleven offices in Nigeria. For more information on our work:

Email: [info@sparc-nigeria.com](mailto:info@sparc-nigeria.com)



at [ask@sparc-nigeria.com](mailto:ask@sparc-nigeria.com)

Telephone: +234 (0) 809 564 3426

Visit our website: [www.sparc-nigeria.com](http://www.sparc-nigeria.com)

Find us on Facebook [www.facebook.com/SparcGovernanceNews](https://www.facebook.com/SparcGovernanceNews)



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