Sule Lamido University Kafin Hausa

P.M.B 048, Kafin Hausa, Jigawa State

Accounting Policy

Developed by Bursary Department

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Preface

It is with great pleasure that I present the Accounting Policy of Sule Lamido University, Kafin Hausa, Jigawa State, Nigeria. This document serves as a fundamental guide for ensuring transparency, accountability, and efficiency in the financial management of our institution. As a public university committed to academic excellence and institutional integrity, it is imperative that our financial processes align with global best practices and national regulatory frameworks.

This policy is structured to provide clarity on the principles, guidelines, and procedures governing our financial operations. It reflects our commitment to adopting the International Public Sector Accounting Standards (IPSAS) and adhering to all applicable financial regulations. By maintaining a strong financial governance structure, we aim to enhance the confidence of stakeholders, including government agencies, donors, students, and staff, in the university's financial stewardship.

I urge all departments and stakeholders to adhere strictly to this policy, ensuring that the university's financial resources are utilized efficiently and responsibly to support our mission of academic and research excellence. I also encourage periodic reviews of this document to accommodate emerging financial trends, regulatory changes, and the dynamic needs of the institution.

I commend the Bursary Department and all contributors for their dedication in developing this policy. I am confident that this document will serve as a valuable resource in strengthening the financial sustainability of our great University.

Professor Mohammad Ibrahim Yakasai, ***facasson, mnae***
Vice Chancellor, Sule Lamido University, Kafin Hausa, Jigawa State, Nigeria

1. Preamble

The financial management of any institution is fundamental to its sustainability, accountability, and overall effectiveness. As a growing public university, **Sule Lamido University, Kafin Hausa (SLUK)** recognizes the need for a structured and transparent accounting framework that ensures the prudent utilization of financial resources in alignment with regulatory and institutional objectives. This **Accounting Policy** provides a clear framework for financial reporting, revenue recognition, expenditure management, and asset accounting in accordance with the International Public Sector Accounting Standards (IPSAS) and relevant financial regulations. The policy serves as a reference document for financial officers, auditors, administrators, and all stakeholders involved in financial decision-making within the university.

By adopting this policy, SLUK aims to:

1. **Promote Transparency and Accountability** – Ensuring all financial transactions are properly recorded, reported, and monitored in compliance with national and international standards.
2. **Enhance Financial Sustainability** – Establishing principles that guide responsible financial planning, resource allocation, and risk management.
3. **Support Effective Decision-Making** – Providing accurate and timely financial information to support strategic decisions at all levels of administration.
4. **Ensure Compliance with Regulations** – Aligning with government financial policies, IPSAS requirements, and university financial regulations to maintain credibility and integrity.

This policy document is subject to periodic review to accommodate emerging financial trends, regulatory changes, and institutional developments. It is expected that all financial activities within the university shall strictly adhere to the provisions of this policy to ensure efficient financial management and accountability.

2. Purpose

The purpose of this Accounting Policy is to establish a standardized framework for financial management at Sule Lamido University, Kafin Hausa (SLUK). It ensures transparency, accountability, and compliance with International Public Sector Accounting Standards (IPSAS) and relevant financial regulations. This policy guides financial reporting, revenue recognition, expenditure management, and asset accounting to support informed decision-making and sustainable financial practices within the university.

3. General Information

Sule Lamido University Kafin Hausa (SLUK) is a state-owned public University in Kafin Hausa, Jigawa State, Nigeria. Established on May 13, 2013, and licensed by the National Universities Commission in July 2013, the university commenced full academic activities in September 2014.

The institution is committed to providing quality higher education, conducting research, and fostering collaborations in line with established principles.

4. Legal Basis and Accounting Framework

The accounting framework at SLUK is designed to report the university's budgetary activities for each financial year in accordance with the Appropriation Law. The financial statements are prepared using the accrual basis as per the International Public Sector Accounting Standards (IPSAS) 33, 'First-Time Adoption of Accrual IPSAS', and other relevant financial regulations.

5. Basis of Preparation

i. Statement of Compliance

SLUK adheres to the Accrual Basis of IPSAS, which was adopted as the national standard for public sector accounting in Nigeria following its approval by the Federal Executive Council in 2016. IPSAS 33 allows for a transitional period of up to three years, meaning the university is unable to make an explicit and unreserved statement about full compliance with accrual basis IPSASs at this stage.

ii. Basis of Measurement

Financial statements are prepared using historical cost unless otherwise stated.

iii. Functional and Presentation Currency

The university's financial statements are presented in Nigerian Naira (NGN), which is its functional and reporting currency. Foreign currencies shall be converted at the official government rate or parallel market rate, with any gains or losses from conversions recorded in the statement of financial performance.

iv. Going Concern

The financial statements are prepared on a going concern basis.

6. Accounting Principles

The objective of SLUK's financial statements is to provide relevant information on the university's financial position, performance, and cash flows for decision-making and accountability purposes. The financial statements adhere to the principles outlined in IPSAS 1 and SLUK's Financial Regulations, including:

i. Fair presentation

ii. Accrual basis accounting
iii. Going concern assumption
iv. Consistency in presentation
v. Aggregation and offsetting
vi. Comparative information disclosure

7. Accounting Periods

SLUK's financial year runs from January 1 to December 31, aligning with the national fiscal year.

8. Summary of Significant Accounting Policies

8.1 Revenue Recognition

8.1.1 Revenue from Non-Exchange Transactions

These transactions involve the receipt of economic benefits without a direct exchange of equal value. SLUK recognizes revenue from government subventions, research grants, and other non-exchange sources based on the following:

i. **Government Subventions and Grants:** Revenue is recognized systematically over the period necessary to match it with related costs. The University is classified as a subvention institution by the Government of Jigawa. Government subvention to the University is made up of Capital and Recurrent Interventions (Emolument and Administrative). Emolument subvention refers to funds received to cover personnel costs. Administrative subvention refers to funds received to pay for budgeted operational expenditure. Non-monetary grants such as land or other resources are accounted for at fair value by the University.
ii. **Capital Grants:** Recognized upon receipt or when stipulated conditions are met.
iii. **Research Grants:** Recognized upon receipt or fulfillment of donor requirements.

8.1.2 Revenue from Exchange Transactions

i. **Academic Fees and Student Charges:** Recognized progressively based on the stage of completion of teaching services.
ii. **Other Exchange Transactions:** Revenue from tender fees, fines, shuttle bus services, accommodation fees, and trade operations is recognized upon service delivery or completion of contract terms.

8.2 Expenses Recognition

Expenses are recognized when incurred and categorized as:

i. **Operating Expenses:** Recognized upon delivery and acceptance of goods/services.

ii. **Employee Benefits:** Managed by the Jigawa State Government.

8.3 Taxation

Sule Lamido University Kafin Hausa being an educational institution is exempted from income tax.

8.4 Property, Plant, and Equipment

8.4.1 Initial Recognition and Valuation

Assets are recognized at cost. Assets acquired through non-exchange transactions are recorded at fair value at the date of acquisition.

8.4.2 Capitalization Policy

Expenditures above **₦200,000** are capitalized. Assets with more than one-year useful life are capitalized regardless of cost.

8.4.3 Depreciation Policy

Depreciation is applied on a straight-line basis with the following rates:

S/N	**Asset Type**	**Depreciation Rate**
1	Land	Nil
2	Work-in-Progress	Nil
3	Buildings	20%
4	Furniture & Fittings	10%
5	Machinery & Equipment	10%
6	Computer & IT Equipment	10%
7	Motor Vehicles	25%
8	Generators & Street Lights	10%
9	Library Books & Journals	10%
10	Laboratory Equipment	10%
11	Boreholes	10%
12	Power Generating Plants	10%

An asset's carrying amount is written down if its estimated recoverable value is lower than its book value. Gains or losses on disposals are recognized in the statement of financial performance.

9. Financial Governance and Compliance

9.1 Internal Controls and Risk Management

SLUK implements internal control mechanisms to safeguard assets, prevent fraud, and ensure compliance with financial regulations. Risk management strategies include periodic audits, financial monitoring, and adherence to best practices in financial governance.

9.2 Financial Reporting and Disclosure

Financial statements are prepared periodically (monthly, quarterly, and annually) in accordance with IPSAS requirements. Transparency and full disclosure of financial information are ensured in compliance with state regulations.

9.3 Procurement and Expenditure Controls

Procurement policies align with public sector regulations, ensuring competitive bidding, value for money, and accountability in expenditures. All procurement activities follow due process as prescribed by relevant laws.

9.4 Audit and Compliance

SLUK undergoes regular internal and external audits to ensure financial integrity and compliance with IPSAS and national financial laws. The audits aim to identify any financial discrepancies and recommend corrective actions.

10. Review and Amendments

This policy document shall be reviewed periodically to ensure compliance with financial regulations, IPSAS updates, and the evolving financial needs of the university.

11. Further Information

Any questions relating to this Accounting policy should be directed to the Accounting Policy Compliance Officer at: apco@slu.edu.ng. phone no.: 080xxxx

Address:

Bursary Department

Sule Lamido University Kafin Hausa

P.M.B 048, Kafin Hausa, Jigawa State, Nigeria.

20. Declaration

The Sule Lamido University Kafin Hausa, PMB 048, Jigawa State, Nigeria, hereby declares this Accounting Policy, as the applicable guidance for financial officers, auditors, administrators, and all stakeholders involved in financial decision-making within the university.

Signed and Stamped by

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(The Registrar, SLUK)

This __________________ day of _______________in the Year 2025

Signed and Stamped by

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(The Vice Chancellor, SLUK)

This __________________ day of _______________in the Year 2025