



STUDENTS' JOURNAL

JOURNAL FOR STUDENTS OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA



TAX IMPLICATIONS OF FINANCE ACT 2021.



How are you preparing for your exams?

Avoid distraction and procrastination, take extra care to set firm boundaries as you study, Goodluck!

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Editor's Note

We welcome our readers to the first quarter edition of the ICAN Students Journal. We wish you a very prosperous year 2022.

Our lead article in this edition is entitled **"Tax Implications of Finance Act 2021"**. It is published for the benefit of students of Accounting and Finance. The author while breaking down the content of the Finance Act, defined Finance Act as the fiscal legislation enacted by a country's National Assembly to give effect to the annual financial estimates, proposals or budget of the Federal Government of the country.

He hinted that after achieving the feat, President, Muhammadu Buhari promised that the Finance Act would henceforth be accompanying the Appropriation Act on annual basis, meaning that Nigeria's tax laws would constantly be updated and thus be in line with world best practice, if the promise is kept.

According to him, Finance Act is usually enacted once a year and contains provisions relating to income taxes, profit taxes, customs and excise duties, Value Added Tax, Capital Gains Tax and other types of tax cases, tax exemptions and reliefs.

You will also read the various news items chronicling the events of the Institute within this quarter.

As usual, we publish some past questions and solutions to guide our students on how to tackle examination questions in future. The detailed reports of all these and other regular columns are contained in this edition.

Your comments and contributions are welcome. Please contact the Editor via: **editor@ican.org.ng** or **aowolabi@ican.org.ng**

Project ICAN Positively, Eyitayo Urges Members



ICAN President, Mrs. Comfort Eyitayo laying the foundation for the ICAN Resource Centre in Ijebu-Ode

Members of Ijebu-ode and District Society of the Institute have been advised to justify the huge investment the Institute has put in place for them through the ICAN Resource Centre being constructed for the District..

The ICAN President, Mrs. Comfort Olu Eyitayo gave the admonition while performing the ground breaking ceremony of the building on Friday, January 28, 2022 in Ijebu-ode. She added that the only way to justify the investment is to project ICAN as a one-stop professional body for both qualified and budding Chartered Accountants.

According to her, the ICAN Resource Centre, which will be a repository of materials for ICAN members in and around Ijebu-Ode in Ogun State would house several cutting-edge facilities.

She noted that the structure would enable members of the District Society to have a meeting place for networking and cross-fertilization of professional ideas thereby providing the enabling environment for professional interactions and socialization.

“The Resource Centre would also provide

the needed ambience for ICAN students in Ijebu-Ode and its environs as they prepare for the Institute's examinations. ICAN students in this District would be able to access preparatory materials from the Centre's library”, she noted.

ICAN Unveils New-look Head Office



The Institute has unveiled its new look head office following a recent upgrade of the building's façade. The unveiling ceremony was performed by the Chairman of Body of Past Presidents (BOPP) Princess Agnes Adenike Adeniran FCA who commended the 57th President for the upgrade.

In her remarks at the occasion, the President Mrs. Comfort Olu Eytayo said upgrad-

ing of the façade is part of the Institute's re-branding initiatives.

"We consider it expedient for us to provide an attractive physical and virtual presence for the Institute. You will agree with me that there haven't been major upgrade of the Secretariat since it was built many years ago. In view of this, the Governing Council considered it expedient to do the upgrading

at this time ", she explained.

She noted that the secretariat building which was an imposing structure when it was opened in 1979 has been overshadowed by more modern and high-rise buildings in the area which necessitated the need for a facelift to enhance its look and feel.

Eytayo Urges Secondary School Students To Embrace Accounting



ICAN President, Mrs. Comfort Eytayo with the winners at the quiz competition.

The ICAN President, Mrs. Comfort Olu Eytayo has implored young secondary school students to embrace Accounting as a profession.

Speaking at the grand finale of the 9th Ijebu-Ode & District Society of ICAN Secondary Schools Quiz Competition on Friday, January 28, 2022, Eytayo said "the accounting professional is one of the few that can work across sectors, irrespective of the nature of business.

She urged the students to join the profession by enrolling for the Institute's Accounting Technicians Scheme,

West Africa (ATSWA) which is a fast route to qualifying as Chartered Accountants.

"The world has a way of appropriately rewarding anyone who would give it all it takes to rise above the masses. You must consciously distinguish yourselves in life by going the extra mile. You might have heard the popular expression that the difference between "ordinary" and "extra-ordinary" is that little "extra" you put above what your peers are doing," she explained.

Earlier, the Chairman of Ijebu-Ode and District Society, Mrs. Morenike Ramat Taiwo had explained that the quiz programme

which started in 2010/2011 has created awareness among secondary school students and has also taken ICAN to the grassroots.

"It has now become an event which all secondary schools in the three local governments within senatorial district eagerly look forward to yearly. Scholarships have been awarded to winners to write the ICAN ATSWA examination and also for full sponsorship to study in the Universities", she disclosed.

ICAN Seeks Support of Abia State Governor on Accountability Index



ICAN President, Mrs. Comfort Eytayo presenting souvenir to the Secretary to Abia State Government, Barrister Chris Ezem.

The Institute has appealed to the Abia State Governor Dr. Okezie Victor Ikpeazu to be an advocate of the ICAN-Accountability Index (ICAN-AI) in the state.

Speaking when she paid a courtesy visit to the Governor in Umuahia, last week ICAN President Mrs. Comfort Olu Eytayo, mni, FCA also appealed to the governor to advise all relevant Ministries, Departments and Agencies (MDAs) in the State to provide the necessary information required by the ICAN AI assessors to enable them rate the state appropriately in the next round of assessment. She expressed her belief that Abia State's ranking in the next AI report

could significantly improve if relevant information are provided to assessors in a timely manner.

She underscored the relevance of ICAN AI as one of the Institute's significant contributions to the promotion of accountability and transparency in the nation's public finance management.

"The ICAN-AI Report is an annual analysis that reviews governments' adherence to international best practices in Public Financial Management (PFM) at the Federal, State and Local Governments", she said, adding that local and international organ-

izations have endorsed the ICAN-AI as an objective, professional and indigenous monitoring of PFM practices in the country.

Speaking when he received the President and her team on behalf of the Governor, the Abia State Deputy Governor Sir Ude Oko Chukwu FCA pledged the support of the state government to ensure that the next ICAN-AI assessment in the state is successful. He promised to collaborate with ICAN to ensure that the people of Abia State reaps the benefits of ICAN's several years of expertise and experience.

ICAN Partners Bank of Industry on Entrepreneurship



ICAN President, Mrs. Comfort Eytayo presenting a souvenir to the Managing Director of Bank of Industry, Mr. Olukayode Pitan.

START UP



Professional Accountants Urged to Embrace Digitization



l-r: Managing Director, Wema Bank, Mr Ademola Adebise; Otunba Abdulateef Owoyemi (PP); ICAN Vice President, Mallam Tijjani Musa Isa; HRH Oba Mufutau Adesanya Kasali; ICAN President, Mrs. Comfort Eytayo; Representative of Awujale of Ijebuland, Oba Sikiru Adetona, Oba Y. O. Adekoya; Lagos State Governor representative, Mr Sewanu Temitope; Ekiti Governor representative, Mrs Olarika Olayinka; ICAN 2nd DVP, Haruna Yahaya; ICAN Past President, Alhaji Razak Jaiyeola; Ondo Governor representative, Chief Bunmi Alade; (from back roll) Representative of Oyo State Governor, Mr Adebowale Awaka; Conference Chairman, Mr Stephen Gbogjaran.

Professional Accountants have been advised to seize the opportunities which technology has provided, in order to shift from the back-end operations to the front seat in decision-making, both in the public and private sectors of the economy.

The admonition was given by a Past President of the Institute and Lead paper presenter, Alhaji Razak Jaiyeola, at the 16th Western Zonal Annual Accountants' Conference held from February 14 to 17, 2022, in Ijebu-Ode, Ogun state. The theme of the conference was "Digital Economy: Whither the Professional Accountants".

According to him, Professional Accountants must constantly assess the potential impact of technological developments in the pursuit of public interest mandate, challenge the status quo and interrogate the relevance of value propositions in light of the emerging developments.

Earlier in her speech, the President of the Institute, Mrs. Comfort Olu Eytayo said, "the world is transiting and there is a high level of interconnectedness between technology and all professions".

She implored members to embrace digitization because it has become a standard and competition as jobs are becoming keener for professionals.



Speaking further, she said technology has opened up a vast array of formerly non-existing business channels for Accountants, adding that it has also led to a shift of Accountants operations to the front seat in decision-making.

Participants at the conference were also

encouraged to support the amendments of the ICAN Act through engagement with members of the National Assembly, as well as educating the public that ICAN does not intend to regulate tax, but ICAN members must not be disallowed from tax practice, which has been their major area of expertise since 1965.

The conference also noted that "a digitalized environment will result in the capture of more persons who are presently outside the tax net and yield improved revenue. To achieve this, there is an urgent need to deal with identification and enumeration issues.

Tax Authorities should encourage the use of data and intelligence to detect where conflicting information is given by a taxpayer to different agencies of government".

The conference which featured two plenaries and two workshops, was declared open by the Special Guest of Honour, Awujale of Ijebu land, His Imperial Majesty, Oba Dr. Sikiru, Kayode Adetona ably represented by Dagbuwewe of Idowa, Oba Y.O. Adekoya.

TECHNOLOGIES

Lack of Transparency and Accountability Still Pose Obstacle to Growth in Nigeria.

The President of the Institute, Mrs. Comfort Olu Eytayo, has declared that despite the appreciable progress made in the country's budget system, lack of transparency and accountability across sectors still pose an obstacle to growth and development.

Eytayo made the declaration in Lagos on Wednesday, February 23, 2022 while declaring open the Institute's 2022 Economic Discourse entitled "Exploiting Nigeria's Growth Opportunities and Mitigating the Challenges in the Digital Era".

"While the nation appears to be winning the battle against the corona virus, there are other developments impeding the expected progress of the country. These include terrorism,

banditry, crises between farmers and herds-men, corruption, poor physical and digital infrastructure, weak institutional framework and lack of consistent commitment to policies and programmer".

"We acknowledge the appreciable progress made in the country's budget system, but lack of transparency and accountability across sectors still pose an obstacle to growth and development," she stated.

Speaking further, she maintained that the Institute's annual Economic Discourse was aimed at regularly reviewing social, economic and political developments in the country and proffering suggestions to relevant government stakeholders, as well as the Institute's way of contributing to public interest

mandate.

According to her, the Discourse would critically examine the high-lighted challenges and how to address them in order to restore the country back to the path of meaningful growth.

She advised that since the country is preparing for 2023 general elections, the Managers of the country's resources must reach a tolerable compromise between politics and governance, so as not to negatively impact As we prepare for another general election year in the already fragile social and economic indices.



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
(Established by Act of Parliament No. 15 of 1965)

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**UNIVERSITY OF PORT HARCOURT,
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**DISRUPTIVE TECHNOLOGY:
ACCOUNTING PRACTICES, FINANCIAL
AND SUSTAINABILITY REPORTING**

TAX IMPLICATIONS OF FINANCE ACT 2021

By- Obatola, Olugbenga



INTRODUCTION:

The democratic government in Nigeria for the first time since few years after the 1960 independence, 1965 to be precise, was able to amend its tax laws by the National Assembly in a democratic dispensation in year 2020 and immediately after achieving this feat, the President, Muhammadu Buhari, promised that the Finance Act would henceforth be accompanying the Appropriation Act on annual basis¹. If this promise is kept, it is believed that our tax laws would always be constantly updated and thus be in line with world best practice.

Finance Act by definition can be described as the fiscal legislation enacted by a country's National Assembly to give effect to the annual financial estimates or proposals or budget of the Federal Government of the country. Finance Act is usually enacted once a year and contains provisions relating to income taxes, profit taxes, customs and excise duties, Value Added Tax, Capital Gains Tax and other types of tax cases, tax exemptions and reliefs. As at date, users of tax laws and regulations in Nigeria can be proud of being in possession of 3 Finance Acts (2019 - 2021) whose objectives among other goals are as outlined by Fasoto (2020) are aimed at the following:

- a) to promote fiscal equity by mitigating instances of regressive taxation;
- b) to reform domestic tax laws to align with global best practice;
- c) to introduce tax incentives for investment in infrastructure and capital markets;
- d) to support small businesses in line with the ease of doing business; and;
- e) to raise revenue for government, by various fiscal measures, including, for instance, increase in the VAT rate from 5% to 7.5% and that of TET from 2% to 2.5%, introduction of the Crisis Intervention Fund and the

Unclaimed Funds Trust Fund², etc.

Going through these three Finance Acts, there were lots of changes with far reaching implications which they have brought to bear on our tax system in Nigeria. For instance, the Finance Act, 2019 which amended many of the country's tax legislations through several amendments implicated the financial landscape of the country in the following ways:

- (a) Restricted tax exemption on compensation for loss of office
- (b) Tax concessions on assets transferred pursuant to a related party business re-organisation
- (c) Introduction of Digital and Service Permanent Establishment
- (d) Exemption of profits from Excess Dividend Tax rule
- (e) Introduction of new expense deductibility rules
- (f) Restriction of deductible interest to 30% of Earnings Before Interest, Tax, Depreciation and Amortisation in the accounting period
- (g) Simplification of commencement and cessation rules
- (h) Moderation of Foreign Loan Exemption
- (i) Providing different income tax rates for small and medium companies;
- (j) Changes to Modalities for minimum tax calculation
- (k) Revocation of the exemption of WHT on dividend distribution by upstream companies
- (l) Broadening the scope of coverage of the Nigerian VAT Act

(m) Introduction of Cash basis for accounting for VAT and VAT refunds

(n) Increase in VAT rate from 5% to 7.5%

(o) Imposition on all customers to self-account for VAT³

Finance Act, 2020 with 80 amendments of 14 different tax laws and which became operational on 1st January, 2021 also have far reaching tax implications on the country's economy in the following areas⁴:

- (1) Compensation for loss of office up to ten million naira (N10,000,000) is now exempted from Capital Gains Tax while any tax due on excess above this N10,000,000 is to be deducted by the payer and remitted to the relevant tax authority of the beneficiary within the time specified under the Pay As You Earn (PAYE) regulations.
- (2) Minimum tax for companies in respect of returns for years of assessments due between 1st Jan 2020 and 31st Dec 2021 has reduced from 0.5% to 0.25% of gross turnover less franked investment income.
- (3) Cost of donation made in cash or kind to any fund set up by government in respect of any pandemic or natural disaster is to be tax deductible subject to a maximum of 10% of assessable profit after other allowable donations.
- (4) The Federal Inland Revenue Service (FIRS) may prescribe the form of accounts other than audited financial statements to be prepared by small and medium companies for the filing of their tax returns as defined under Company Income Tax Act (CITA). The objective of this policy is to assist small businesses and encourage investment through ease of doing business.
- (5) Service of notice of tax assessments and notice of tax objections under the CITA may be done via courier service, email or other electronic means as may be directed by the Federal Inland Revenue Service (FIRS) in a notice.
- 6) The Tax Appeal Tribunal may conduct its hear-

ing remotely through virtual means, using such technology or application as may be necessary to ensure fair and impartial hearing.

(7) An organisation with public character for the purpose of tax exemption means an organisation or institution that is registered in accordance with the relevant laws of Nigeria and does not distribute or share its profits in any manner to its members or promoters.

(8) A small or medium company that is engaged in primary agricultural production may be granted pioneer status for an initial period of 4 years and an additional period of 2 years upon satisfactory assessment by the tax authority, making a total period of 6 years.

(9) Gross income for personal relief purposes, that is, consolidated relief and allowances, has been redefined as income from all sources less non-taxable income, exempt items and income on which no further tax is payable. In the case of an enterprise or an unincorporated organisation, less all allowable business expenses and capital allowance.

(10) Low-income salary earners whose income is less than the prescribed minimum wage is to be exempted from tax. Presently, the official minimum wage in the country is Thirty Thousand Naira (N30,000:00) per month as stated in the National Minimum Wage Act.

(11) Telecommunication services provided in Nigeria have been included as one of the goods that are liable to Excise Duties in Nigeria.

(12) Import duty on some agricultural equipment and motor vehicles were reduced as follows:

(a) Tractors for agricultural or construction services from 35% to 5%;

(b) Mass Transit vehicles for transportation services of more than 10 passengers from 35% to 10%;

(c) Motor vehicles (Trucks) used for construction services from 35% to 10%;

(d) Motor vehicles (Cars) from 30% to 5%.

(13) For the purpose of VAT, where the beneficial owner of the right in or over goods is a taxable person in Nigeria or the goods or right is situated, registered or exercisable in Nigeria, taxable supply is defined to mean those services consumed by a person in Nigeria or whether rendered within or outside Nigeria but excluding employment; and in respect of incorporeal properties, includes exploitation of a right, acquisition of or assignments of rights by a person in

Nigeria and the incorporeal connected with tangible or immovable asset located in Nigeria. Goods in this case exclude land and building, money or securities.

A cursory look at the contents of the two Finance Acts that predated the Finance Act, 2021 that was done above became imperative for us to understand and appreciate the tax implications of the Finance Act, 2021 and which forms the basis for this our today's lecture.

President Muhammadu Buhari on 31st December, 2021, signed into law the Finance Act, 2021 otherwise called the FA2021 alongside the 2022 Appropriation Act which was named "the Budget of Economic Growth & Sustainability".

Specifically, Finance Act, 2021 (FA2021) amends 13 different tax and fiscal legislations and these amendments were aimed at encouraging revenue mobilization for the purpose of financing the country's 2022 budget. Notable areas of change and their tax implications are explained below.

(1) Capital Gains Tax Act (CGTA):



Section 2 of the FA2021 amended section 30 (2) of the CGTA which provides exemption from tax on profits realised from the disposal of government securities. This exemption is now qualified as follows as any gains that accrues to a person from the disposal of shares in any Nigerian company shall be chargeable gains and subject to CGTA at 10%. Exemption from this tax is only possible where:

(a) The gains from the disposal are reinvested to acquire shares in the same or other Nigerian company within the same year of assessment. However, the portion not reinvested will be subject to tax.

(b) The total proceeds realised from disposal are below N100,000,000 in any 12 consecutive months, for example, from May 2022 to April 2023 or November 2022 to October 2023 and the person making the disposal renders appropriate returns to the Federal Inland Revenue Service (FIRS) in the case of companies or any other relevant State tax authority in the case of an individual on an annual basis.

(c) The shares are transferred between an approved Borrower and Lender in a regulated Securities Lending Transaction.

(d) The gains accruing to a person on disposal of Nigerian government securities shall not be chargeable gains under this Act.

(2) Company Income Tax Act (CITA):



The FA2021 impacted on the CITA in many ways and some of these areas were examined below:

(a) Profits of Educational Institutions: Section 7 of FA2021 amended section 23 of CITA by asserting that profits of public educational institutions which were hitherto exempted from tax are now to be subjected to CIT. This is due to the removal of profits from educational activities from the list of profits that are not chargeable.

(b) Taxation of Non-Resident Companies: Section 4 of FA2021 also amended section 13 of CITA to incorporate the taxation of non-resident companies carrying on business in Nigeria and previously covered in the Companies Income Tax (Significant Economic Presence) Order, 2020. In this case, any non-resident companies engaged in digital services and or providing technical, management, consultancy or professional services will be subject to income tax in Nigeria to the extent that the company have a significant economic presence in the country.

However, any WHT paid on these services would be regarded as the final tax on the services.

(c) Also, a new Section 30(1) (b) (iia) of CITA was introduced by section 8 of FA2021 and this provides for a new rate of tax for the taxation of non-resident companies providing digital services in the country. These are companies that engage in the business of transmitting, emitting, or receiving signals, sounds, messages, images or data of any kind by cable, radio, electromagnetic systems or any other electronic or wireless apparatus to Nigeria in respect of any commerce, trade or activity, to the extent that the company has Significant Economic Presence (SEP) in Nigeria.

The SEP rule provides that these companies are to be assessed on fair and reasonable percentage of their turnover attributable to that presence. This section of the ACT also reinforces the concept of turnover tax for for-

oreign companies. The Minister of Finance at a later briefing on 5th January, 2022 announced an income tax rate of 6% of turnover for these companies.

(d) Also, in section 7 of FA2021, a new section 23 (1)(q) of CITA was inserted and here profits would not be taxed where "the profits of any Nigerian company (other than companies engaged in the Upstream, Midstream or Downstream Petroleum operations) in respect of goods exported from Nigeria, if the proceeds of such exports are used for the purchase of raw materials, plant, equipment and spare parts"⁵. The interpretation of the above is that profits of Upstream, Midstream or Downstream Petroleum companies from the exports of their produced goods are now liable to CIT.

(e) Section 9 of FA2021 also amended section 31 of CITA and restricted the amount of capital allowance that can be utilized in an assessment year. Here, the calculation method for determining the total profits of companies was amended by inserting new provisions. The capital allowance claimable in any year of assessment shall be limited to the amount relating to the qualifying capital expenditure employed in generating the assessable profits of that year of assessment.

Therefore, where the qualifying capital expenditure in respect of an asset was partially utilized to generate taxable income, such asset will qualify for capital allowance only on prorated basis, provided that the proportion of non-taxable income is greater than 20% of the total income of the company.

(f) Again, in section 9 of FA2021, section 31(1C) of CITA was amended and here the new provision asserts that capital allowance on qualifying capital expenditure incurred by small and medium companies are deemed utilized during the periods such companies are not chargeable to tax.

You will recall that companies with a gross turnover that is lesser than N25,000,000 are not chargeable to tax while those between N25,000,000 and N100,000,000 are regarded as medium sized companies.

Automatically, where their profits would not be subject to tax, then it becomes reasonable to assume that the capital allowances incurred in the generation of their profits at these periods would also not qualify for deductions. An exemption is however granted where the company is still enjoying a pioneer status.

(g) The Finance Act, 2020 fixed the rate of Minimum Tax at 0.50%. This was further reduced by Finance Act, 2021 to 0.25% by amending the provision of section 33 of CITA. The reduced minimum tax rate will however be "for tax returns prepared and filed with respect to financial years ending on any date between 1 January 2019 and 31 December 2021, both days inclusive"⁶. In effect, taxpayers will enjoy this relief in respect of two tax returns for any two accounting periods ending on any date from 1st

January, 2019 to 31st December, 2021.

(h) Section 12 of FA2021 inserted a new section 55 of CITA and specifies the requirements for claiming minimum tax relief and penalties for late filing of tax returns. In this case, a new provision was introduced by the FA2021 which provides that where any company fails to file its annual tax returns within the specified timeline but claims minimum tax relief, such taxpayer will be liable to pay as penalty an amount equivalent to the minimum tax relief already claimed.

(i) Section 13 of the FA2021 also amended section 77 of CITA. In the amended section, any tax charged by any assessment and which is not or has not been the subject of an objection or appeal shall be paid within 30 days after service of such notice upon the company.

However, payment of tax on installments is allowed by the provision of this section provided the final payment is paid on or before the due date of the assessment.

(j) To encourage early remittance of tax, section 13 (5) of FA2021 provides that where a company pays its tax 90 days before the due date stated in the assessment to the company, such a company shall be entitled to a bonus of 2% if the company is a medium sized company, or 1% if the company is a large company. Note that small companies are excluded from payment of CIT.

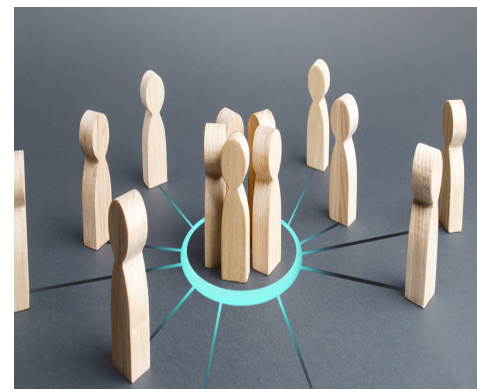
(k) Section 14 of FA2021 amended section 78 (4) of CITA by providing that withholding "tax, when paid over to the Service, shall be the final tax due from a (a) non-resident recipient of the payment, and (b) unit trust recipient of the payment"⁷. The implication of this is that henceforth, withholding tax will now apply to any interest earned on investment in unit trust which was hitherto excluded from tax.

The Act also gave us a new definition of Real Estate Investment Company to mean a company (including a Real Estate Unit Trust company) duly approved by the Securities and Exchange Commission as a Real Estate Investment Scheme in Nigeria.

(l) Section 5 of FA2021 deals with the taxation of insurance companies. In this case, the minimum tax provisions as stated under section 33 are now applicable to insurance companies.

Here, the gross turnover of an insurance company now is the Gross premium and other income from non-life insurance business plus gross income for life insurance business. In this section also, in subsection 15, new definitions are given to gross premium, gross income and other income of insurance companies to ease the computation of taxable income of insurance companies.

(3) Customs, Excise, Tariffs, etc (Consolidation) Act:



In the case of Excise Duties, section 17 of FA2021 amended section 21 of Customs, Excise, Tariffs, etc (Consolidation Act) by introducing excise duty of N10 on every litre of non-alcoholic, carbonated and sweetened beverages consumed in the country. While this is a welcome development as it will assist in the reduction in the consumption of these products with their attendant health effects, the legislation however forgot one area thus creating a lacuna and which is now expected to be addressed by subsequent amendment. The point at which this duty is to be charged, whether at the factory or at the point of consumption was not defined by the Act. While this policy has the tendency to increase tax revenue in view of the number of litres of these products consumed daily in the country, it also has the tendency to push up the prices of the affected products which ultimately may lead to decrease in sales and chargeable profits of the affected companies.

(4) The Federal Inland Revenue Establishment (FIRSE) Act:



Section 18 – 22 of the FA2021 deals with those amendments that were made to the FIRS (E) Act as follows:

(a) Section 18 of the FA2021(4) gives FIRS the power to deploy proprietary or third-party technology to automate the country's tax administration process including tax assessment and information gathering provided it gives 30 days' notice to the concerned taxpayer. This section therefore gives FIRS the power to seek and collect information on any taxpayer with a view to correctly determining the actual tax payable by the taxpayer.

(b) In part 4B of this same section 18, any

person who fails to grant access (to books, documents and other necessary materials of the person for the purpose of audit or investigation) to FIRS after 30 days of receipt of the notice to do this is liable to an administrative penalty of N25,000 for each day of failure to grant the access.

(c) In section 19 of the FA2021 Act amending section 28 of FIRS(E) Act and section 47 and 49 of PITA clearly states that any bank that fails to prepare and submit quarterly returns of new accounts (opened by their old and new customers) or any information requested by the relevant tax authority, or any bank that submit incorrect returns or information is liable to a penalty of N1,000,000 for each of the returns or information not provided or incorrectly provided.

(d) Section 21 of the FA2021 also amended section 50 of the FIRS (E) Act by stating that "every person in an official duty or being employed for the administration of this Act or otherwise, that has access to taxpayer information shall regard and deal with such information as secret and confidential"⁸. Where there is an infringement or leakage of any taxpayer's information by any tax officer, such officer would be liable to fine, imprisonment or both fine and imprisonment.

(e) Now, to further strengthen the powers of FIRS against those of other agencies of the Government, section 22 of the FA2021 while amending the provisions of section 68 (3) of the FIRS (E) Act made it an offence punishable by a fine of N10,000,000, imprisonment or both for any other agency of the Federal Government or their staff to carry out the function of administering, assessment, collection, accounting or enforcement of taxes and levies due to the Federation and the Federal Government of Nigeria except those books and accounts expressly designated by the Constitution of the country or as authorised by the Finance Minister or the National Assembly.

(f) Still on section 22 of FA2021 that amended the provision of section 68(5) of FIRS (E) Act, where in the course of performing their statutory functions, other agencies of the Federal Government are obliged to report to FIRS any case that requires tax investigation, enforcement or compliance which they may discover for the necessary action of FIRS. These other agencies are expressly forbidden from carrying out the jobs of tax monitoring, tax audit and tax investigation.

(5) The Personal Income Tax Act (PITA):



(a) Section 23 of the FA2021 amended section 33 of PITA which deals life assurance premium of taxpayers.

In this section, "there shall be allowed a deduction of the amount of any premium paid by the individual during the year preceding the year of assessment to an insurance company in respect of insurance on his life or the life of his spouse"⁹.

The FA2021 which goes on to clarify that the deductible life assurance premium for the purpose of PIT computation now excludes contracts for deferred annuity.

(b) Other provisions of the Finance Act 2021 in relation to banks rendering of quarterly accounts as in CITA also applies to PITA. (6) The Stamp Duties Act (SDA): In the case of stamp duty and handling of the Electronic Money Transfer Levy (EMTL), the Minister of Finance shall make regulations for the administration, collection and enforcement of the Electronic Money Transfer Levy (EMTL); and further provisions affecting the Stamp Duties and EMTL collected from 2015 – 2019.

(7) The Tertiary Education Trust Fund (Establishment) Act:



Section 28 of the Finance Act 2021 amended section 1(2) of the TETFund Act by increasing the rate of TET from 2% to 2.5% except for small companies having an annual turnover below N25 million. With this provision, companies filing their tax return from 01/01/2022 would remit TET at the rate of 2.5%. The implications of this change are its negation of the tenets of the Nigeria Tax Policy which stoutly campaigns for movement of tax imposition from direct to indirect taxes. Again, this policy may lead to increase in tax evasion as many companies would likely want to evade the payment of the 2.5% Tertiary Education Tax.

However, based on the provision of section 29 of FA2021 which amended section 2(2) of the TETFund Act, where FIRS raises an assessment for the payment of Tertiary Education Tax, this must now be paid or contested within 30 days as against the former 60 days.

(8) The Value Added Tax (VAT):



Section 30 - 32 of the FA2021 deals with VAT and here companies whose turnover is less than N25m are excluded from VAT registration and filing of tax return. However, organisations operating in the country's Upstream sector are required to comply with VAT registration and other compliance requirements.

Also, in section 10 of VATA, Non-Resident Entities (NREs) supplying VAT able goods/services to Nigeria must register with FIRs and charge, collect and remit VAT. This tax obligation however is to be managed by the Nigerian company dealing with the NRE where the NRE fails to do this.

As examined and reported by Anderson Digest, "the implications of this provision is that VAT may no longer be collected at the port by the Nigeria Customs Service and in order to implement the collection of the VAT, section 10(3) as amended by the FA2021 provides that the person to whom a supply is made in Nigeria (interpreted to mean the Nigerian customer) or such other person as may be appointed (interpreted to mean the Non-Resident Supplier) by the Service (FIRS) shall withhold or collect the tax as the case may be, and remit same to the FIRS"¹⁰.

Section 10(4) of the VATA as amended by the FA2021 appears to contradict this requirement as it states that where the party appointed in 10(3) make taxable supplies to a taxable person in Nigeria, the taxable person shall not have the obligation to withhold the tax. Therefore, there is the need for more clarity on which party has the primary responsibility to account for the VAT.

(9) Insurance Act:



The major changes brought to the Insurance Act by FA2021 is the change in the definition of "Paid-Up Share Capital" to "Capital Requirement" and the definition of Capital Requirement given for an existing company (FA2021 section 35a) and for a new company (FA2021 section 35b).

(10) The Nigeria Police Trust Fund (Establishment) Act (NPTFA):



"The NPTF Act imposes a levy of 0.005% on net profit of companies operating business in Nigeria. However, prior to the FA2021, the NPTF (E) Act did not clarify the agency to collect the levy and administer the Act"¹¹.

This lacuna was resolved by FA2021 which now clarified that the FIRS is the relevant tax authority to register companies for this form of levy, assess the companies, collect, account and enforce payment of the levy. Furthermore, the provisions of CITA and FIRS (E) Act shall apply to the administration, assessment, collection, accounting, returns and enforcement of the levy.

Although, FA2021 does not expressly clarify the due date for payment of this levy and penalty for non-compliance, it would be correctly assumed that the provisions of CITA and FIRS (E) Act will apply to this levy on the due date for filing CIT under CITA and the penalties for non-compliance as provided in the FIRS (E) Act will also apply in this instance.

(11) National Agency for Science and Engineering Infrastructure (NASENI) Act:



Commercial companies are no longer required to pay 0.25% of their turnovers to the NASENI fund. Commercial companies are not defined, hopefully a circular is issued to

this effect after passage.

The Anderson Digest while examining the effects of FA2021 on business operations in Nigeria observed that the "NASENI Act

was enacted in 1992 and impose a levy of 0.25% of PBT on companies with turnover of N4,000,000 and above. However, since its enactment, little or no traction has been achieved in terms of compliance and enforcement"¹².

However, on 24th January, 2021 the President directed the FIRS to ensure total compliance and enforcement of the Act. Despite this directive, compliance was still low and this was largely attributable to some controversies in the Act such as the due date for payment of the levy and the penalty for noncompliance.

It was the expectation of the tax and business community that the amendment by the FA2021 to the Act will address these omissions but this was not done as it only asserted that the levy will be limited to companies operating in the banking, mobile telecommunication, ICT, aviation, maritime, oil and gas sector and that it will now apply at only 0.25% of PBT on such companies with turnover of now N100,000,000 and above.

Conclusion:

Going by the report of the World Bank's 2020 Doing Business Index, Nigeria ranked 131 out of 190 economies on the ease of doing business ranking surveyed in 2020. Though this may be considered to be an improvement of about 15 places on the previous position of 146 in 2019 but honestly, it is still far behind other African countries like Rwanda (38), Kenya (56) and Tunisia (78).

One of the key parameters in assessing countries on their ease of doing business is ease of paying taxes and other business levies and in this report, Nigeria was not recorded as having made significant improvement in the ease of paying taxes¹³.

The improvement we recorded in our ease of doing business ranking was from other criteria like ease of starting business, getting construction permits, etc. Therefore, despite the recent tax reforms, improvements in tax administration and tax amendments, Nigeria still has significant work to do in improving the ease of paying taxes.

If sustained, the enactment of the Finance Acts is expected to improve the Nigeria tax system and this means that the country's tax laws, which were notoriously outdated will now be getting yearly and timely updates. The introduction of Promax electronic filing and payment system by FIRS should improve the Nigeria's ease of paying taxes now and in the near future.

However, Government needs to quickly address the thorny issue of multiple taxes at the

various levels of government in the country. Recently, the government has introduced new taxes/levies and some of these include the Police Trust Fund Levy and the National Agency for Science and Engineering Infrastructure Act (NASENI) Levy.

These are additional levies on the income of companies which are already struggling in the harsh economic climate in Nigeria. There is the need to harmonise the various taxes being charged on companies in Nigeria so as not to drive away investors from the country.

The Government should take necessary steps to develop a robust taxation system and other regulatory frameworks based on the principles enunciated in the 2017 National Tax Policy.

References

1. Fasoto, F., (2022), Tax Reforms in Nigeria
2. Ibid
3. Obatola, O. S., (2021), The Impacts of Finance Acts, 2019 and 2020 on Business operations in Nigeria. Paper presented at the CITN, 9th South West Zonal Conference in Akure, Ondo State, Nigeria on Wednesday, 20th October, 2021.
4. Ibid
5. See Section 7 of Finance Act, 2021
6. See Section 10 of Finance Act, 2021
7. See Section 14 of Finance Act, 2021
8. See Section 21 of Finance Act, 2021
9. See Section 23 of Finance Act, 2021
10. See Anderson Digest, Business Day, Tuesday, 18 January, 2022
11. See Anderson Digest, Business Day, Tuesday, 18 January, 2022
12. See Anderson Digest, Business Day, Tuesday, 18 January, 2022

Mr. Obatola, Olugbenga delivered this paper at the Technical Session of the monthly meeting of ICAN, Ikorodu & District Society on Sunday, 27th February, 2022.

Our goal is to ensure success in ICAN exams. We have, therefore, provided solutions to some past questions to guide candidates in future exams. Although these suggested solutions have been published under the Institute's name, they do not represent the views of the Council of the Institute. ICAN will, therefore, not enter into any correspondence about them.

**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
FOUNDATION LEVEL EXAMINATION – NOVEMBER 2021
MANAGEMENT INFORMATION**

Time Allowed: 31/4 hours (including 15 minutes reading time)

SECTION A: MULTIPLE-CHOICE QUESTIONS (20 MARKS)

INSTRUCTION: YOU ARE REQUIRED TO ANSWER ALL QUESTIONS IN THIS SECTION

Write ONLY the alphabet (A, B, C, D or E) that corresponds to the correct option in each of the following questions/statements:

1. Which of the following is NOT part of the main purposes of cost codes?

- A. Reduces clerical work
- B. Facilitates electronic data processing
- C. Facilitates a good costing system
- D. Facilitates logical and systematic arrangement of costing records
- E. Facilitates control

2. Which of the following is NOT a limitation of scatter diagram?

- A. Quickest and easiest approach to cost estimation
- B. Drawing the line of the best fit can be quite subjective
- C. It indicates a relationship where there is none
- D. It only shows relationship between two variables at a time
- E. It might lead to incorrect conclusions

3. Which of the following is NOT used in updating inventory records?

- A. Material requisition notes
- B. Material returns note
- C. Material invoices
- D. Goods received notes
- E. Goods returned notes

4. Which of the following is NOT an example of labour costs?

- A. Basic wages and salaries
- B. Additional payment for overtime working
- C. Bonuses
- D. Employer Pension Contribution
- E. Obsolescence

5. Activity based costing is NOT suitable as a method of costing in which of the following circumstances?

- A. Where absorption costing is required for inventory valuation
- B. Where large proportion of production costs are overhead costs
- C. Where products are provided to customer specifications
- D. Where production process is not complex
- E. Where direct labour costs are relatively small

6. Which of the following is NOT a purpose of budgeting?

- A. To coordinate the actions of all the different parts of the organisation
- B. To communicate the company plans to individuals
- C. To motivate managers and employees
- D. To ensure that planning is linked to the long-term objectives
- E. To convert short-term plans into more detailed long-term plans

7. ABCD uses 240,000 units of material BC each year, which cost ₦5.40 for each unit after a 10% discount. The cost of making an order for the

total cost.

- A. 36,893 units
- B. 35,000 units
- C. 26,087 units
- D. 24,745 units
- E. 24,000 units

8. „When direct labour is being paid but has no work to do, it is called idle time“. Which of the following is NOT a case of idle time?

- A. Machine breakdown during production process
- B. Machine breakdown during non-production process
- C. Time spent waiting for work due to a bottleneck
- D. Running out of vital direct material and waiting for new delivery
- E. Lack of work to do due to lack of customer orders

9. STUV is into production of a single product TU. Standard material cost per unit is 2kg @ ₦500 per kg. Actual production during the period is 5,000 units. Using 1.95kg purchased at the rate of ₦510 per kg. What is the total material variance?

- A. ₦125,000 (F)
- B. ₦97,500 (A)
- C. ₦97,500 (F)
- D. ₦27,500 (F)
- E. ₦27,500 (A)

10. The computation of the gross pay for each employee and calculation of payments to be made to employees, government and pension funds is called

- A. Wages control Accounting
- B. Labour cost accounting
- C. Payroll accounting
- D. Direct labour accounting
- E. Overhead control accounting

11. The intersection of a row and column in an excel spreadsheet is called

- A. Tab
- B. Box
- C. Cell
- D. Column
- E. Row

12. Which of the following is NOT an example of a secondary storage

- A. SD card
- B. Cache
- C. DVD
- D. Floppy diskette
- E. Tape drive

13. Cookies are stored

- A. On the client's computer system
- B. On the Web server
- C. In HTML
- D. On the Network

E. Domain Network Systems

15. The main characteristic of the fourth generation computer is

- A. Transistor
- B. Vacuum tubes
- C. Integrated circuit
- D. VLSI (Very Large Scale Integrated)
- E. Memory

16. The CPU and primary memory are located on the

- A. Output device
- B. Storage device
- C. Motherboard
- D. Expansion board
- E. Input device

17. Which of the following arranges the common data elements in order, from smallest to largest?

- A. Character, File, Record, Field, Database, File
- B. Character, Record, Field, Database, File
- C. Character, Field, Record, File, Database
- D. Bit, Byte, Character, Record, Field, File, Database
- E. Database, Field, File, Record, Character

18. Permanent instructions that the computer uses when it is turned on which cannot be changed by other instructions are contained in

- A. ROM
- B. RAM
- C. ALU
- D. CPU
- E. Expansion board

19. Encryption and decryption of data is performed in

- A. Presentation layer
- B. Physical layer
- C. Data link layer
- D. Session layer
- E. Network layer

20. The acronym EEPROM stands for

- A. Electronically Erasable Programmable Read Only Memory
- B. Electrically Erasable Programmable Read Only Memory
- C. Electronically Erasable Programmable Reach Only Memory
- D. Electrically Erasable Practical Reach Only Memory
- E. Electrically Erasable Practical Read Only Memory

SECTION B: OPEN-ENDED QUESTIONS (80 MARKS)

INSTRUCTION: YOU ARE REQUIRED TO ANSWER ANY FOUR OUT OF THE SIX

QUESTIONS IN THIS SECTION

QUESTION 1

ABCD is into manufacturing of two products AB and CD using similar equipment and methods. The following data were collected from the company's record:

	AB	CD
Units produced	140,000	200,000
Labour hour per 500 units	3	2
Machine hour per 500 units	2	1.5
Set-up in period	20	30
Orders handled in the period	40	60

Overhead for the period	₦
Budgeted Overhead	1,344,800
Actual	
Relating to production set-ups	550,000
Relating to Order handling	200,000
Relating to machine activity	<u>609,000</u>
	<u>1,359,000</u>

Required:

Calculate the overheads to be absorbed per unit of each product based on

- a. i. Conventional absorption costing using predetermined labour hour absorption rate. (6 Marks)
- ii. An ABC approach using suitable cost drivers. (9 Marks)
- b. State **THREE** advantages and **TWO** disadvantages of activity based costing system. (5 Marks)

(Total 20 Marks)

QUESTION 2

a. The following data was extracted from the records of a company manufacturing a single product.

Standard Cost Card	₦
Material 5kg @250/kg	1250
Direct labour 2 hours @350/hr	700
Overhead -variable (per hour)	250
Overhead – fixed (per hour)	400

Budgeted Production – 2,500 units

Actual Results	
Production	2,400 units
Direct material (11,800kgs)	₦2,891,000
Direct Labour paid(5,000hrs)	₦1,800,000
Overhead – Variable	₦1,300,000
Overhead – Fixed	₦1,900,000

Required:

Calculate the following variances:

- i. Direct material – (price and usage) (5 Marks)
- ii. Direct labour – (rate and efficiency) (5 Marks)
- iii. Variable overhead – (expenditure, efficiency and total) (5 Marks)
- iv. Fixed overhead – (expenditure) (2 Marks)
- b. State the causes of the variances in each of (i) and (ii) above (3 Marks)

(Total 20 Marks)

QUESTION 3

PQRS is a manufacturing company in Abuja producing a single product called QR. The selling price of the product is ₦250 with a marginal cost of ₦160, while the fixed cost is ₦1,800,000 per annum.

Required:

Calculate

- a. i. Number of units to break even (2 Marks)
- ii. Contribution/Sales ratio (2 Marks)

- iii. Sales value at breakeven point (2 Marks)
 iv. Number of units to be sold to achieve a profit of #450,000 (2 Marks)
 v. At a margin of safety of 50%, prepare a statement using the profit to be achieved. (6 Marks)

- b. i. List FOUR assumptions behind the cost-volume-profit (CVP) analysis. (4 Marks)
 ii. List TWO uses of the CVP analysis. (2 Marks)

(Total 20 Marks)

QUESTION 4

- a. Explain technology platforms (3 Marks)
 b. List FIVE examples of technology platforms (5 Marks)
 c. Identify TWO differences between TCP and UDP protocols (4 Marks)
 d. List FOUR types of application software and state ONE example each (8 Marks)

(Total 20 Marks)

QUESTION 5

- State THREE differences between ROM and RAM? (6 Marks)
 a. List TEN examples of output devices for computer systems (5 Marks)
 b. Identify SIX types of wireless technologies (6 Marks)
 c. Convert 234 to a binary number (3 Marks)

(Total 20 Marks)

QUESTION 6

- a. What is Virtual Private Network (VPN)? (3 Marks)
 b. Explain TWO types of Virtual Private Network (VPN) Protocols (4 Marks)
 c. Explain the difference amongst multiprogramming, multitasking, multi-threading and multiprocessing (8 Marks)
 d. Identify FIVE advantages of multi-programming (5 Marks)

(Total 20 Marks)

SOLUTIONS

1. C
2. A
3. C
4. E
5. D
6. E
7. B
8. B
9. D
10. C
11. C
12. B
13. A
14. B
15. D
16. C
17. C
18. A
19. A
20. B

Workings

$$7. EOQ = \sqrt{2CoD/C1} = \sqrt{2 \times 15312.5 \times 240000}/6 = 35,000 \text{ units}$$

$$9. ((9750 \times 510) - (9750 \times 500)) - ((9750 \times 500) - (10000 \times 500)) = 27,500(F)$$

MCQ - Examiner's report

This section comprises of 20 questions drawn from virtually the whole syllabus. It was attempted by all candidates and performance was good in the costing part while it was below average in the information technology part.

Candidates are hereby reminded that information technology is an integral part of the syllabus and preparations for future examinations should take this into consideration.

SOLUTION 1

ai. Labour Absorption rate

$$\begin{array}{lcl} \text{AB} & & \text{CD} \\ \frac{140,000}{500} \times 3 & & \frac{200,000}{500} \times 2 \\ = 840 \text{ hrs} & & = 800 \text{ hrs} \\ \text{Absorption rate} & \frac{1,344,800}{840 + 800} & = \text{N}820/\text{hr} \end{array}$$

$$\begin{array}{lcl} \text{AB} & & \text{CD} \\ 840 \times 820 & & 800 \times 820 \\ = \text{N}688,800 & & = \text{N}656,000 \end{array}$$

Overhead absorbed
Per unit

$$\begin{array}{lcl} \frac{688,800}{140,000} & & \frac{656,000}{200,000} \\ = \text{N}4.92 & & = \text{N}3.28 \end{array}$$

aii. ABC Approach using suitable cost drivers

$$\begin{array}{lcl} \text{Machine hour} & \frac{140,000}{500} \times 2 & \frac{200,000}{500} \times 1.5 \\ & = 560 \text{ hrs} & = 600 \text{ hrs} \end{array}$$

$$\begin{array}{lcl} \text{Machine hour rate} & \frac{609,000}{560 + 600} & = \text{N}525 \end{array}$$

$$\begin{array}{lcl} \text{Overhead absorbed per Machine hour} & 294,000 & 315,000 \end{array}$$

$$\begin{array}{lcl} \text{Set-ups (cost per set-up)} & \frac{550,000}{50} & = \text{N}11,000 \end{array}$$

$$\begin{array}{lcl} \text{Set-up cost} & \frac{20 \times \text{N}11,000}{40 + 60} & = \text{N}2,000 \end{array}$$

$$\begin{array}{lcl} \text{Cost per order} & \frac{200,000}{40 + 60} & = \text{N}2,000 \end{array}$$

$$\begin{array}{lcl} \text{Cost Per Unit absorbed} & & \\ \text{Machine hr} & 40 \times \text{N}2,000 & 60 \times \text{N}2,000 \\ & = \text{N}80,000 & = \text{N}120,000 \end{array}$$

$$\begin{array}{lcl} \text{Machine hr} & 294,000 & 315,000 \\ \text{Set-up cost} & 220,000 & 330,000 \\ \text{Order cost} & \frac{80,000}{594,000} & \frac{120,000}{765,000} \end{array}$$

$$\begin{array}{lcl} & \frac{594,000}{140,000} & \frac{765,000}{200,000} \\ & = 4.24 & = 3.825 \end{array}$$

$$\text{Machine rate per hour} = \text{N}609,000/1160 = \text{N}525.00$$

$$\begin{array}{lcl} \text{Absorption per product} & & \\ \text{AB} & = 560 \times \text{N}525 & = \text{N}294,000/140,000 \\ \text{CD} & = 600 \times \text{N}525 & = \text{N}315,000/200,000 \end{array}$$

$$\begin{array}{lcl} \text{Production set-up} & \text{AB} & \text{CD} \\ \text{Order handling} & 1.57 & 1.65 \\ \text{Machine hour} & \frac{2.10}{4.24} & \frac{1.58}{3.83} \end{array}$$

Examiner's report

This question tests candidates' knowledge of conventional absorption costing and activity-based costing.

It was attempted by about 60% of the candidates and performance was above average.

Candidates displayed poor knowledge of absorption costing and this revealed that not many efforts were directed to this area during their preparations.

Candidates are advised that though the concept of absorption costing is an old one, it still forms part of the syllabus. Therefore candidates should familiarise themselves with this part of the syllabus when preparing for future examinations.

**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
FOUNDATION LEVEL EXAMINATION – NOVEMBER 2021
FINANCIAL ACCOUNTING**

Time Allowed: 31/4 hours (including 15 minutes reading time)

SECTION A: MULTIPLE-CHOICE QUESTIONS (20 MARKS)

INSTRUCTION: YOU ARE REQUIRED TO ANSWER ALL QUESTIONS IN THIS SECTION

Write ONLY the alphabet (A, B, C, D or E) that corresponds to the correct option in each of the following questions/statements:

1. Which of the following will result in an increase in cash of the business?

- A. Drawings from the business
- B. Payments for a new assets
- C. Proceeds from disposal of non-current assets
- D. Payments to a suppliers
- E. Goods sold on credit to customers

2. Which of the following is a correct accounting principle?

- A. Revenue should be supported by equity
- B. There should be a balance in the account payable in order to measure total assets
- C. Where total liabilities is zero, the assets are equal to equity
- D. Total liabilities and equity are equal
- E. Total assets can be less than liabilities and equity

3. A cheque of N5,000,000 paid to Alhaji Daleko was correctly entered in the cash book but omitted in Alhaji Daleko's account. To correct this error, debit Alhaji Daleko's account and credit.

- A. Cash account
- B. Bank account
- C. Suspense account
- D. Purchases account
- E. Control account

4. Success Motors bought three Toyota Jeep on cash at the cost of N16,000,000. On debiting the vehicle account, the corresponding credit for the purchase will appear in the

- A. Sales day book
- B. Purchase day book
- C. Payable account
- D. Cash book
- E. Purchases account

5. An item credited in the bank statement but yet to be recorded in the firm's cash book is

- A. Standing order
- B. Direct credit
- C. Direct debit
- D. Uncredited lodgements
- E. Unpresented cheques

6. The control account is used in facilitating

- A. The location of errors in the various accounts
- B. To update bank transactions

C. The payment of debts and liabilities of the firm

D. Location of petty cash book error

E. Balancing the trial balance

7. Subscription in arrears is treated in the statement of financial position of a not-for-profit organisation as

- A. Current asset
- B. Current liability
- C. Non-current assets
- D. Intangible asset
- E. Tangible asset

8. Accounting concepts are generally accepted principles used in the preparation and presentation of financial statements. Which of the following is NOT an accounting concept?

- A. Going concern
- B. Impairment
- C. Matching
- D. Periodicity
- E. Prudence

9. According to IAS 2-Inventories, which of the following costs should be included in determining the value of inventories of a manufacturing company?

- A. Carriage inwards
- B. Carriage outwards
- C. General administrative overheads
- D. Depreciation of land and building
- E. Discount allowed

10. In accordance with IAS 1-Presentation of Financial Statements, which of the following is NOT a component of financial statements

- A. Statement of financial position
- B. Statement of profit or loss and other comprehensive income
- C. Statement of changes in equity
- D. Statement of affairs
- E. Statement of cashflows

11. If the total discount allowed in a cash book was N52,000 and the total discount received was N66,700, which of the following is TRUE concerning the two discounts?

- A. They should not appear in the trial balance as they were already either received or paid out
- B. They must be balanced in the cash book and the difference taken to the receivables
- C. They must not appear in the general ledger
- D. They must be balanced in the cash book and the difference taken to the trial balance
- E. They should not be balanced in the cash book before being taken to the trial balance

12 A source document for the sales day book is

- A. An invoice
- B. Cheque stub
- C. A customer advice
- D. A credit advice

E. A requisition form

13 In a cash book, the opening balance was N70,600, closing balance was N86,600 and the total cash received during the period was N180,000. What was the amount of cash paid out during the period?

- A. N89,000
- B. N98,000
- C. N146,000
- D. N164,000
- E. N186,000

14 The fixed amount of money given to a petty cashier at the beginning of a period is called

- A. Float
- B. Imprest
- C. Petty cash
- D. Cash received
- E. Cash advance

15 Which of the following bank reconciliation items should NOT be added or subtracted from the cash book balance to determine the adjusted bank balance?

- A. Bank service charges
- B. Unpresented cheques
- C. Direct transfer
- D. Cash book error
- E. Value added tax charges

16. The basic features of the single entry system of accounting are:

- A. Books of accounts are not maintained and business relies only on bank statement
- B. The journal records are absent and only the main ledger is kept
- C. There are incomplete classifications and recording of accounting procedures
- D. Only credit sales transactions and credit purchases are recorded
- E. Only debit entries are made

17. A business proprietor failed to maintain proper records, but you managed to ascertain that his opening capital, closing capital and drawings during the year were N225,000, N260,000 and N10,000 respectively. Determine the profit for the period

- A. N25,000
- B. N45,000
- C. N55,000
- D. N65,000
- E. N75,000

18. Adjustments are made for prepaid and accrued expenses in order to comply with which fundamental accounting concept?

- A. Matching
- B. Prudence
- C. Aggregation
- D. Materiality
- E. Consistency

19. Which of the following is NOT a liability?

- A. Accrued wages
- B. Trade Payables
- C. Prepayments
- D. Insurance due but unpaid
- E. Rent arrears

20. Goodwill can be valued in partnership when

- A. Partners make profit
- B. Large losses are made
- C. A partner retires
- D. A new branch is opened
- E. A partner receives salary

SECTION B: OPEN-ENDED QUESTIONS (80 MARKS)

INSTRUCTION: YOU ARE REQUIRED TO ANSWER ANY FOUR OUT OF THE SIX QUESTIONS IN THIS SECTION

QUESTION 1

On April 6, 2020, Alhaji Mogaji received his bank statement for the month ended March 31, 2020. The bank statement showed a balance of N41,740,000 (overdraft) as at March 31, while the cash book showed a balance of N52,599,000 (Credit) as at that date. On examination of the cash book and the bank statement the following were discovered:

- (i) Bank charges of N201,000 had not been recorded in the cash book;
- (ii) Alhaji Mogaji exceeded his overdraft limit during the month of March. The bank had therefore charged him a default penalty of N250,000. This was not reflected in the cashbook;
- (iii) A sum of N1,250,000 had been credited to Alhaji Mogaji's bank account in error;
- (iv) A cheque for N1,230,000 had been returned by the bank as dishonoured, in effect, the bank charged Alhaji Mogaji N15,000. This was not reflected in the cash book;
- (v) Cash receipts of N3,740,000 were posted as cash payments of N4,730,000 in the cash book;
- (vi) On March 21, Alhaji Mogaji transferred cash of N650,000 to his personal bank account. This was credited to the business bank account in error by the bank;
- (vii) Standing orders and direct debits of N1,115,000 had not been posted to the cash book;
- (viii) Customers had transferred N2,170,000 directly to the bank account and credit alert received but no record had been made in the cash book;
- (ix) An amount of N5,120,000 lodged to the bank account on March 31, 2020 had not been credited by the bank; and
- (x) The following cheques, drawn on the bank account; had not been presented to the bank for payment as at March 31, 2020:

Cheque Number	Date Cheque was Written	₦
No: 4528	March 11, 2020	840,000
No: 4535	March 28, 2020	1,740,000
No: 4537	March 31, 2020	3,670,000

You are required to:

- a. Prepare the adjusted cash book for the month of March, 2020. (9 Marks)
- b. Prepare a statement on March 31, 2020 reconciling the bank statement balance with the adjusted cash book balance. (7 Marks)
- c. Explain **TWO** reasons for preparing bank reconciliation statement On a regular basis. (4 Marks)

(Total 20 Marks)

QUESTION 2

Bala and Ade had been together in partnership for several years in plastic manufacturing, sharing profits and losses in the ratio of 3:2 after charging salaries of N3,000,000 p.a. each.

On September 1, 2020, Ngozi was admitted into the partnership on the following terms:

- (i) That she paid N2,800,000 to the partnership as her capital contributions; and
- (ii) She would be entitled to salary of N2,700,000 per annum and a 20% share of profits after charging all salaries.

Bala and Ade are to continue their old profit sharing ratios and Ngozi's 20% share of profits is guaranteed at a minimum of N1,500,000 per annum, by the old partners.

On December 31, 2020 the following balances were extracted from the partnership books of Bala, Ade and Ngozi:

	₦'000	₦'000
Capital accounts:		
Bala		28,000
Ade		18,000
Current accounts:		
Bala		4,800
Ade		2,000
Amount paid in by Ngozi		2,800
Revenue		272,000
Purchases	190,000	
Wages	20,000	
Salaries	25,000	
General expenses	10,000	
Plant and machinery	25,000	
Motor vehicles	15,000	
Receivables	20,000	
Telephone expenses	3,750	
Payables		24,350
Inventory January 1, 2020	15,000	
Allowances for bad debts		1,500
Bank balance	17,100	
Drawings:		
Bala	6,600	
Ade	5,000	
Ngozi	1,000	
	<u>353,450</u>	<u>353,450</u>

You are informed that

- (i) Allowances for doubtful debts should be maintained at 5% of receivables.
- (ii) Inventory at December 31, 2020 was valued at N12,000,000.
- (iii) Depreciation on plant and machinery is 20% per annum and on motor vehicles is 25% per annum.

You are required to prepare

- a. Statement of profit or loss and appropriation for the year ended December 31, 2020; accounting for Ngozi on a pro rata time basis. (12 Marks)
 - b. Partners' current account for the above period. (8 Marks)
- (Total 20 Marks)**

MCQ SOLUTIONS

1. C
2. C
3. C
4. D
5. B
6. A
7. A
8. B
9. A
10. D
11. E
12. A
13. D
14. B
15. B
16. C
17. B
18. A
19. C
20. C

Tutorial

Cash book			
13.	₦		₦
Bal b/d	70,600	Payments	164,000
Customers	180,000	Bal c/d	86,600
	<u>250,600</u>		<u>250,600</u>
17. Opening capital			
			225,000
Profit for the period (balancing)			45,000
			<u>270,000</u>
Drawings			(10,000)
Closing capital			<u>260,000</u>

MULTIPLE CHOICE SOLUTIONS

Examiner's report

The questions test all the areas of the Financial Accounting syllabus and covers concepts, principles and their applications.

All the candidates attempted the questions but performance was below average.

Candidates displayed inadequate knowledge of some accounting concepts, principles and their applications, thereby selecting the wrong options.

Candidates are advised to cover all sections of the syllabus and pay more attention to accounting concepts, principles and their applications when preparing for future examinations.

SOLUTION 1

Alhaji Mogaji Adjusted cash book for the month of March 2020			
	₦'000		₦'000
Direct credits	2,170	Balance b/d	52,599
Cash receipts posted as		Bank charges	201
cash payment	8,470	Default penalty	250
Balance c/d	44,770	Dishonoured cheque	1,230
		Dishonoured chq charge	15
		Standing orders & direct debits	1,115
	<u>55,410</u>		<u>55,410</u>
		Balance b/d	44,770

b)

Alhaji Mogaji			
Bank reconciliation statement as at March 31, 2020			
	N'000	N'000	
Balance as per cash book		(44,770)	
Less cheque written not yet presented			
Cheque number:			
4528	840		
4535	1,740		
4537	<u>3,670</u>		
		6,250	
		(38,520)	
Add lodgements made not yet credited		<u>5,120</u>	
Correct bank statement balance		(43,640)	
Bank errors			
Wrong credit to the account	1,250		
Proprietor's personal account wrongly credited	<u>650</u>		
Balance as per the bank statement		<u>1,900</u>	
		(41,740)	

(c) The reasons for preparing bank reconciliation statement on a regular basis are to:

- Detect errors on either the cash book or bank statement;
- Determine the final closing balance on the cash book, which will be used to prepare the final accounts;
- Detect fraud that may have been perpetrated on either the cash book or bank statement; and
- Ensure complete update of accounts in the ledger.

Examiner's report

This question tests candidates' ability to prepare adjusted cash book, bank reconciliation statement and to state the reasons for preparing bank reconciliation statement.

Majority of the candidates attempted the question and their performance was average. A good number of the candidates performed very well in the preparation of the adjusted cashbook but many performed poorly in the other parts of the question.

Candidates' commonest pitfalls include their:

- Inability to correct errors committed by the bank;
- Failure to realise that addition of unrepresented cheques to cashbook overdraft balance would reduce the balance rather than increase it; and
- Inability to marshal their points on the need for entities to prepare bank reconciliation statement.

Candidates are advised to cover all areas of the syllabus and make use of past examination papers of the Institute.

SOLUTION 2

(a)

Bala, Ade and Ngozi Partnership			
Statement of profit or loss and appropriation for the year ended December 31, 2020			
	N'000	N'000	N'000
Revenue			272,000
Cost of sales:			
Inventories at January 1, 2020		15,000	
Purchases		<u>190,000</u>	
		205,000	
Inventories at December 31, 2020		<u>12,000</u>	
		193,000	
Add wages		<u>20,000</u>	213,000
Gross profit			59,000
Allowance for bad debts written back			<u>500</u>
			59,500
Less operating expenses:			
Salaries		25,000	
General expenses		10,000	
Telephone		<u>3,750</u>	
Depreciation on:			
Plant and machinery	5,000		
Motor vehicle	<u>3,750</u>	<u>8,750</u>	<u>47,500</u>
Profit for the year			12,000
Appropriations			
Partners' salaries:			
Bala		3,000	
Ade		<u>3,000</u>	
Ngozi		<u>900</u>	
			<u>6,900</u>

Share of profits:		
Bala	2,760	
Ade	1,840	
Ngozi	<u>500</u>	
	<u>5,100</u>	<u>12,000</u>

Workings

1: Allowance for bad debts written back		
Allowance for bad debts brought forward	1,500	
Current year allowance 5% of N20,000	<u>1,000</u>	
	<u>500</u>	
2: Ngozi's salary		
Ngozi's annual salary as a partner	<u>2,700</u>	
Ngozi's salary on pro rata basis ($\frac{4}{12}$ of 2,700)	<u>900</u>	
3: Ngozi's share of profit		
Profit for the year	12,000	
Less salaries (3,000 + 3,000 + 900)	<u>6,900</u>	
Net after partner's salaries	<u>5,100</u>	
Share ($\frac{4}{12}$ of 20% of 5,100)	<u>340</u>	
On the basis of guaranteed minimum ($\frac{4}{12}$ of 1,500)	<u>500</u>	
4: Bala's share of profit		
$\frac{3}{5}$ of N(5,100 - 500)	<u>2,760</u>	
5: Ade's share of profit		
$\frac{2}{5}$ of N(5,100 - 500)	<u>1,840</u>	

(b)

Bala, Ade and Ngozi Partnership

Partners' current account for the year ended December 31, 2020

	Bala	Ade	Ngozi		Bala	Ade	Ngozi
	N'000	N'000	N'000		N'000	N'000	N'000
Drawings	3,000	3,000	1,000	Balance b/d	4,800	2,000	2,800
Capital	-	-	2,800	Salaries	3,000	3,000	900
Balance c/d	<u>3,960</u>	<u>1,840</u>	<u>400</u>	Share of profits	<u>2,760</u>	<u>1,840</u>	<u>500</u>
	<u>10,560</u>	<u>6,840</u>	<u>4,200</u>		<u>10,560</u>	<u>6,840</u>	<u>4,200</u>

Examiner's report

The question tests candidates' ability to prepare statement of profit or loss, appropriation account and the current accounts of a partnership with admission of a new partner during the year.

Most candidates attempted the question with good performance on the preparation of statement of profit or loss but poor performances on appropriation and partners' current accounts.

The following deficiencies were noted:

- Candidates inability to determine apportionment of the periods before and after the admission of the new partner correctly;
- Wrong application of the guaranteed minimum share of profits to the new partner; and
- Wrong application of double entry principle to the capital introduced by the new partner.

Candidates are advised to cover all areas of the syllabus and pay attention to details.

They should also make use of the Institute's study text for better performance in future examinations.

	RECOGNISED TUITION CENTRES	ADDRESSES	E-MAIL	TELEPHONE	VALID TILL
1	3A Professional Tutors Limited	3A Professional Tutors Limited, (Doseg Int'l College, 41B Akin Maleola Street, By GT Bank, Lilly Estate, Amuwo Odofin, Lagos	info@3AProfessionalTutors.com/ kunleecoma@gmail.com	07030003251, 08033757234	March, 2023
2	Able God Professionals College	47, Ikotun/Egan Road, Market B/stop, Igando, Lagos	agpcentres@yahoo.com	234-8035398818, 08033531527	March 1, 2022
3	ABUAD Tution Centre	Department of Accounting, ABUAD Ado-Ekiti			April, 2021
4	Accountancy Training Centre , Makurdi	Uni-Agric Road, Opposite First Gate, Makurdi, Benue State	gealfred@yahoo.com	07038068866, 08053559666,	2018
5	Accuracy Tutors, Aba	Immaculate Girls Secondary School, Umungasi, Aba, Abia State	jimao@yahoo.co.uk	8068548135, 08053054434	Aug-21
6	Achievers' Tutor Nig. Ltd	Junior Secondary School Phase 3, Gwalalada, Abuja	akinsanwo@gmail.com	8133488948	April, 2020
7	Alternative School, Port Harcourt	Plaza 21, Alcon Road, By Welcome U Supermarket Woji, Port Harcourt.	fialternativeschool@gmail.com	08176014423, 08176014424	October, 2022
8	Assurance Success Point	22, Ijede Road, Itamaga, Ikorodu	successpointassociates@gmail.com	07034608759, 08077595821	May, 2022
9	Best Option Tution Centre, Makurdi	9, kashim Ibrahim Road, Makurdi, Benue State	terencegaddy@yahoo.com	8034932068	2017
10	Best-Ranked Dynamic Professional Tutors	1, Institute of Continuing Education, off Wire Road, Benin City, Edo State	fisayoacca@gmail.com	234-7033322328	April, 2021
11	Brace Management Solution	Proactive Chamber, 131 Ofada road, Mowe, Ogun State	waleakanbi@yahoo.com, bmanagementsolution@yahoo.	8023509889, 08023509872	Apr-21
12	Brainy Professional Academy	2nd & 4th floor, ANCE Building, Magazine road, Jericho, Ibadan, Oyo State	taofik.adeagbo@gmail.com	907,022,347,108,034,000,000	March, 2022
13	Bratim Training Centre Limited	Ground Floor, National Library Building, Adjacent Reiz Continental Hotel, Central Area, Abuja	tejan@bratim.com	08059125288, 08030408384	2019
14	CIP Consulting Ltd	Solid Rock International, FHA, Lugbe, FCT, Abuja	cipconsulting@yahoo.com	234-9098762550	Jan, 2022
15	Crest Professional Tutors, Ijeshatedo, Lagos	Florida House, Plot 133 Apapa/Oshodi Expressway, beside GTBank, Agunlejika B/s Ijeshatedo	crestprofessionals@gmail.com crownacademynigeria@gmail.com	08056243941, 07025289695, 08033721559	2019
16	Crown Academy	14, Abdulsalam Street, Off old Akute Road, Obawole, Iju, Lagos State		8023181240	Sept, 2021
17	Deo-Gratia Professional Tutors, Oshogbo	25, Oyedokun Street, Ago-Wande, Oke -Onitea Road, Oshogbo, Osun State	deogratiasp.t.edu@gmail.com	08060053496	2019
18	Dynamic Stride Professional Ltd, Ibadan	28, Adebayo Street, Kongi layout, New Bodija, Ibadan	dynamicprofessionalstutors@gmail.com	08064904411, 08069198274, 08059134594	2020
19	Edge Educational Services & Logistics	47, Athur Eze Avenue (Emmaus House), Awka, Anambra State	edgelogistics15@gmail.com	8033036184	2018
20	Edo Wyse School of Professional	75/98, Arthur Eze Avenue, by Unizik Temp-Site Junction, Awka, Anambra state	edo- wyse@hotmail.com, fidelisabiah	07038584227, 08065303399	2018
21	Ehibram International Consultancy Ltd	172, Idimu Road, Abule-Odu Bus stop, Idimu, Lagos	ehibrameduconsult@gmail.com	8066759953	Dec, 2021
22	Equitorial Tutors limited	Iponri Grammar School, behind Lead Way Assurance, Iponri	sabamaudit@yahoo.com	8097118222	May, 2022
23	Excel Professional Centre	11, Queen Elizabeth Road, Mokola, Ibadan, Oyo State	excelprofessionalcentreeng@yahoo.com, moaloluwa@ya	07081488611	2016
24	Excellent Associates Tutors	African Church Model College, College Road, Ifako-Ijaiye, Oqba Lagos	excellentassociates@yahoo.co.uk	08025112972, 07060616956	2019
25	First access Associate Ltd	Gobi Plaza, 221/223 Idimu Road, Egbeda	firstaccessltd@gmail.com	8023032873	Mar-22
26	First Attempt Associates	15, Udotung Ubo Street, Off Aka road, Uyo Akwa-Ibom State	sunnymanekepo@yahoo.com	8023168512	Sept, 2021
27	First Class Associate Tutors	Millbank Hall Secondary School, 26 LASU Isheri road, Agboroko, Bus Stop, Ojoo, Lagos	fcattutor@gmail.com	08028407323, 08131672267	Nov, 2020
28	Foresight Professional Institute	24 Road Opposite H Close, Festac Town, Lagos	foresight_professional@yahoo.com	08033034504, 08024145121	2019
29	Galaxy Professional Tutor & Consultant	L.E.A Primary School, by Mopol Junction, Opposite Diamond Bank Plc, Nyanja, Abuja	galaxytutors11@yahoo.com	08063513106, 08056922440	October, 2022
30	GAMP Tution house	Bamidele Ajala House, Plot 8-9, State Residential Estate, Ise road, Ikere Ekiti	registrar@gamptuitionhouse.com	8034093675	Apr-22
31	Hedge Professional Services Ltd	Suite 323 Lozumba Plaza, Opposite GSS Garki Area 10, Abuja FCT	hedgep323@gmail.com	08033081244, 08033812878	Aug, 2021
32	Horizon Business School	13, Edede street, Owerri, Imo State	info@horizonbusinessschool.com	9024241669	April, 2021
33	ICAN Minna Tution centre	Women Day College, Opposite Keystone Bank, Bosso Shiroro road, Minna	mohammedsoja@yahoo.co.uk	08099529225, 08036875196	March, 2022
34	Ideal Professional Tutors, Ago-Iwoye	Along OOU Mini campus road, Adjacent, Limba Fuel Station, Ago Iwoye	adesanwolobae@yahoo, emma adesanwo@gmail.com	08053846329, 08056182849, 081381059914	2019
35	Insight Professional Mgt & Consulting	St. Brigid's Convent School, Mokola, Ibadan, Beside St. Gabriel Catholic Church, Mokola	labzkuzle2@yahoo.com	0.07031054988	Oct, 2020
36	Integrity Professional Academy, Warri	253 Warri Sapele Road, Warri, Delta State	ointegrity@yahoo.com 08028808182	08060008880, 08028808182	2018
37	IQ Bryte, Ipaja Lagos	Towergate Private School, Falola Street, Off Church B/Stop Ipaja, Lagos	nicetybase@yahoo.com, iqbryteprofessionals@yahoo.co	08062933469, 08171890482	2019
38	Knight Business School, Oyingbo	80, Murtal Mohammed Way, Ebute-Metta	braingro@yahoo.com	08034034195, 08084369290	2018
39	Legacy Associate Limited	Olatunji HSE/Legacy HSE, 299/295, Ikorodu Rd, Idiroko B/stop, Maryland, Lagos	legacyassociates@gmail.com	07038917831, 08023226913	Jul-22
40	Legend Business School	105, Ogombo Road, Off Abraham Adesanya Estate Round about, Lekki-Ajah	bencisa@yahoo.com	234-8023200577	Jan, 2022
41	Lekki Professional & Associate Ltd	Tollywood Schools, Km 43 Lekki Epe Expressway Oko Ado By Splash	topefatai@gmail.com	08022222174, 08099445029	April, 2023
42	London College of Science & Tech, Ikeja	110b Oluwole Philips Avenue, off Obafemi Awolowo way, Ikeja	cashflowacademy2017@gmail.com	8188166766	2020

RECOGNISED TUITION CENTRES

43	Management Education & Training Ltd	43A Seriki Aro Street, Off Ajao Road, Off Adeniyi Jones, Ikeja	ican@meteducationng.com	08034855960, 08138562897, 08143219884	June 2020
44	Maximus Professionals	Palmville College, 41/411 Road, Gowon Estate, Opposite Ponle St. Ipaja, Egbeda	kingsleyodion@gmail.com	08121332706, 08137047329	2019
45	MSL School of Accountancy & Mgt. Studies	L8, Ahmadu Bello Way, Katsina Round-about, same building with Studio 24, Kaduna, Kaduna State	mucomail@yahoo.com	08038492871	2018
46	Navigation Tutors	Saints Model College, Ogun State Housing Corporation, Ota, Ogun State	ipuolodavid@yahoo.com	8032324206	Sept. 2021
47	Networth Professional Academy, W/I	Kings College Annex, Adeyemo Alakija Street, Victoria Island Lagos	networthacademy@gmail.com, info@networthacademy.co	07015688772, 08182429689	2019
48	Nomba Limited	28, Jemila Joy St. off Obafemi Awolowo Rd, Radio B/S, Ikorodu Video lectures-Odyssey Place, Plot 4 TF Kuboye Rd, Oniru Lekki	gwasiru009@gmail.com	8171396487	Aug. 2021
49	Onitsha Business School, Onitsha	19A Lady Regina Nwankwu Avenue, GRA, Onitsha, Anambra State	info@onitshabusinessschool.com	08037060685, 08059271049	February, 2023
50	Opsy Consult Limited	Anthens College, 3rd Avenue, C Close, Opposite Immigration Office, Festac Town	opsyawo@yahoo.com	08023743124, 07030272744	Aug. 2021
51	Password Professional Tutors, Akoka	Oluwole Pry School Complex, Beside Unilag Main gate, Akoka	pwplimited@yahoo.com	gsm 08097526579	2018
52	Pointon Academy	Govt. Secondary School, Phase 4, Kubwa, Abuja	pointonacademy@gmail.com	08033148445, 08039581008	Aug. 2021
53	POSSE Associates Tutors, Enugu	WTC Primary School Compound, Off WTC B/Stop, Near University of Nigeria, Enugu Campus (UNEC)	posseassociates@yahoo.com, sesan.sosanolu@yahoo.com	08038036940	2019
54	Potec Training Centre, Abuja	84, Gado NASCO Road, Phase 2, Site 1, Kubwa	psalorp@gmail.com	8060311442	Aug-21
55	Potec Training Centre, Port-Harcourt	1 Chinda Street, Off Stadium Road, Opposite BEKO Port-Harcourt	potectrainingcentre@yahoo.com	8033403848	2019
56	Precept with Passion Consulting	164, Iju Road, Opposite Fagba grammar school & 57, Isheri rd, County B/stop Ogba	consultingpwp@gmail.com	08053642805	2020
57	Professional Tutor for Success	PTS Building, Opposite NUJ Secretariat, Iwo/Ibadan Road, Dada Estate, Oshogbo, Osun State	plsosogbo@gmail.com, ayocajaylobo@yahoo.com	08023526689, 08038550380	2019
58	Protrac Associates Limited	68, TOS Benson (Beach) road, opposite Ikorodu library, Ebute, Ikorodu	agbaawo2014@gmail.com	8033050586	May. 2021
59	Real Professional Tutors	Wuse Zone 6, School Compound, behind Oando filling Station, Abuja	realtutorsltd@hotmail.com	08136111191, 036184645	2018
60	Risk Free Standards Associates Limited	5, Olusoji Idowu Street, Off Association Avenue, Ilupeju, Obanikoro B/Stop, Lagos	riskfreestandards@yahoo.com, seyiolanrewaju@yahoo.co	08023050654, 08039475507, 013423986	July. 2020
61	Safe Associate Limited	31, Ore-Ofe Street, Gbaja, Off Barracks B/Stop, Onitolo, Opposite Laspotech Surulere Campus, Lagos	safeican@yahoo.com, oyemolu@yahoo.co.uk	08038103492, 08023210622, 07034030255	2017
62	Salvage Professional School, Ibadan	9, Kabiau Street, Opp. Veterinary, Mokola Ibadan	salvageconsultants@yahoo.com	8057741108	2019
63	Speedysuccess Professional	391, Old Ojo Road, Rooftop Tanterlizer Building, Satellite Town, Lagos	speedysuccesspro@gmail.com	8148421111, 08029563287	Sept. 2019
64	Springboard Associate	6, Adeyemi Olusegun Street (Near Munirat Filling Station) off University road, Tanke, Ilorin	springboardassociates12@gmail.com	234-8147383987	Jan. 2022
65	SQUAD Associates	Excellent Foundation College, Beside Big Treat, Omole Bus Stop, Agidingbi, Lagos	squadassociates@gmail.com	08038314631, 08028842327	July. 2020
66	Starry gold Academy	Suit D2 Alhaja Humani Shopping Mall, 82 Kudirat Abiola Way, Oregon, Lagos	starrygold3@yahoo.com	07038174484, 08023428420, 08123189141	2018
67	Students SWOT Associate, Enugu	Govt. Secondary school, opposite shoprte, Abakaliki rd, Enugu	nwabuzorlexy@yahoo.ca	8063582316	October, 2022
68	Superiorpoints Associates Limited	148 Olojo Drive, FCMB Building, Opposite Ojo Local Govt Secretariat, Ojo	gomoreqbee@yahoo.com	07064963480, 07044913730	2019
69	Sure Success Better Consult, Lokoja	Ule Close, GRA, Lokoja, Kogi State	suressuccess4real@gmail.com	08027870760, 08077175165, 08053956630	2019
70	Synergy Professionals, Iponri	2, Afric Road, Off Funsho Williams Avenue, Iponri, Surulere, Lagos State	synergypros@yahoo.com	7050571587, 08038426744	2018
71	Taraba Business School, Jalingo	Opposite Civil Service Commission, 183 Hammaruwa Way, Jalingo	gayinka2006@yahoo.com	Gsm 08060660661	2019
72	Technion Academy Limited, Sango Ota	71, Idiroko Road, Sango Ota, Dental Bus Stop, Oju-ore, Ogun State	adeqbola_michael@yahoo.com	08036960102, 08177465141	2019
73	Tekoa Consult, Ijebu Ode	12 Omo owo Street, Along General Hospital, Ijebu - Ode	tekoaconsult@gmail.com	8037272718	Sept. 2019
74	Timerte Tuition	4, Idi-Iroko Road, Leadwell Academy, beside Justrite Supermarket, Ota, Ogun State	timrite74@gmail.com	08033965019, 08028555956	May. 2022
75	Top Professional Solutions, Port Harcourt	5B, Omerelu Street, GRA Phase 1, Port Harcourt	toriyomi@ipsng.com	8022275354	2018
76	Topclass Tutors Limited	27, Moronfolu Street, Pako Bus Stop, Akoka, Lagos	taijudeenlabi6791@yahoo.com	08023003675	August 2022
77	Topnotch Learning Centre Ltd, Abuja	Suite 23, 2nd Floor, O'neal Centre, Plot 360 Obafemi Awolowo Way, Jabi, Abuja	info@topnotch.ng, www.topnotch.ng	08104012026, 07059491175	2019
78	TopTalented Tutors, Lekki	SM Fasinro Memorial School, 12, Ayetoro Ajah Ilaje, Ajah, Lagos	chriscapital@yahoo.com	8037447917	July, 2021
79	Trace Professional Associates Limited	Anwar-ul-Islam Girls High School, Km 27, Lagos/Abeokuta Exp. Ahmadiyya B/S Ijaye Ojokoro	tracepass008@gmail.com, mayowale003@yahoo.com	08064302210, 08025870770, 08053949705	2019
80	Treasurerhall Training, Festac, Lagos	Waterfront Plaza, 1st Avenue, Near 1st Gate Festac Town, Lagos	info@treasurerhalltraining.com, chidiotumba@gmail.com	08035237320, 07089676799, 08182005099	2019
81	Triumph Dynamics Professional Limited	UMC Demonstration School, Molete, Ibadan, Oyo State	triumphglobal2000@yahoo.com	08034087611	2017
82	Unique Professional Tutors Limited	Govt Junior Secondary Sschool, Tudun Wada, Zone 4, Wuse, Abuja	uniquetutors@yahoo.com	7040500671	Nov. 2020
83	Wellspring Professional Solutions	Management Development Institute, Mary Slessor Avenue, Calabar	wellspringprofessional@gmail.com	234-90782442361	Mar-22
84	Wide-Range Professionals Ltd, Arepo Ogun	Flomic Private School, Plot 2210 Alao Arasi Street, Glory Land Estate, Arepo Ogun State	gbadevanolushola@yahoo.com	8131140884, 08030454946	2019
85	WYSE Associates Limited	C/O Immaculate College Compound, Maryland, Lagos	wysestudents@yahoo.com, adeniji.adeniyi@gmail.com	08033078065, 08023168451	2019

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