

STATEMENT OF ACCOUNTING POLICIES (Cont).**f. FUNDS OF THE COMMISSION(S. 52 OF THE ACT)**

The funds of the Commission consist of:

- i. Fees, charges and other income accruing to the Commission from licenses and other things done by it in terms of enabling act, excluding any fines or penalties recovered pursuant to the Act;
- ii. Funds allocated to the Commission by the National Assembly, pursuant to a request by the Commission for additional funds to meet its reasonable expenditures; and
- iii. Such other money as may vest in or accrue to the Commission, whether in the course of its operations or otherwise.

The funds are to finance the operations of the Commission and any surplus fund at the end of the year is appropriated in line with the provisions of the enabling act.

g. SURPLUS FUNDS OF THE COMMISSION/RURAL ELECTRIFICATION FUND

In accordance with S.53 of the Enabling Act, any surplus fund to the budgeted annual requirements of the Commission as determined by the Auditors is paid by the Commission to the Rural Electrification Fund, subject to the approval by the National Assembly. The surplus fund is appropriated from the income and expenditure account in the first instance and any further amount from the grant account.

h. FOREIGN CURRENCY TRANSACTIONS

Transactions arising in foreign currencies are converted into naira at the approximate rates of exchange ruling at the time they arise. Assets and liabilities existing in foreign currencies are translated into naira at the rates applicable at the balance sheet date. Exchange differences arising on foreign currency transactions are taken to the profit and loss account.