

**UNIFORM ACT OF 24 MARCH 2000 ON THE  
HARMONIZATION OF THE ACCOUNTS OF  
ENTERPRISES**



## TABLE OF CONTENTS

PART ONE THE PRIVATE ACCOUNTS OF ENTERPRISES.....	559
CHAPTER 1: GENERAL PROVISIONS .....	559
CHAPTER II: ORGANISATION OF ACCOUNTS .....	562
CHAPTER III: ANNUAL FINANCIAL STATEMENTS .....	565
CHAPTER IV: RULES OF EVALUATION AND DETERMINATION OF RESULTS .....	567
CHAPTER V : THE PROBATIVE VALUE OF DOCUMENTS, CONTROL OF ACCOUNTS, COLLECTION AND PUBLICATION OF ACCOUNTING INFORMATION .....	
PART TWO CONSOLIDATED ACCOUNTS .....	
CHAPTER I: CONSOLIDATED ACCOUNTS .....	
CHAPTER II: COMBINED ACCOUNTS .....	
PART THREE .....	
CHAPTER I: PENALTIES .....	
CHAPTER II: PROVISIONS FOR APPLICATION AND DATE OF COMING INTO FORCE	



**PART ONE**  
**THE PRIVATE ACCOUNTS OF ENTERPRISES**  
**(NATURAL AND CORPORATE PERSONS)**

**CHAPTER I**  
**GENERAL PROVISIONS**

**ARTICLE 1:** Any enterprise as defined by article . 2 below shall have accounts for its own information and that of the public.

For that purpose:

- it shall classify, keyboard and register in its accounts all stock transactions with third parties or reported or carried out in the course of its internal management;
- it shall after the proper recording of those transactions, furnish the statements of accounts which by law or by its article s of association it is obliged to furnish, as well as all necessary information needed by various users.

**ARTICLE 2:** The following shall be bound to keep accounts termed “general accounts” – enterprises subject to the provisions of Commercial Law, public, para-public, mixed enterprises, cooperatives, and more generally, structures which produce goods and services for commercial or non-commercial purposes insofar as the main or secondary economic activities carried out whether lucrative or not are based on acts performed repeatedly. Enterprises subject to the rules of public accounting shall be exempted.

**ARTICLE 3:** While proper care shall be taken in drawing them up, accounts shall comply with the requirements of regularity, genuineness and transparency which are the necessary ingredients in the upkeep, control, presentation and the communication of the information that has been recorded.

**ARTICLE 4:** To guarantee reliability, clarity and the possibility to compare information, the accounts of every enterprise shall take into consideration:

- the respect of terminology and guiding principles common to all the enterprises concerned in the States Parties signatories of the Treaty on the Harmonisation of Business law in Africa;
- The implementation of conventions, methods and procedures standardized according to the professional sectors;
- An organization which shall at all times respond to the necessity to collect, keep, control, present and communicate accounting information relating to the operations of the enterprises referred to in article 1.

**ARTICLE 5:** The compliance with the objectives assigned to accounting for the collection, keeping, control, presentation and communication by enterprises of information established

under the same conditions of reliability, understanding and comparability, shall be assured by the correct application of an accounting system common to all the States Parties named OHADA Accounting System and attached as an annexure to the present Uniform Act on the Organization of Accounting of Enterprises. However, banks, financial institutions and insurance companies shall apply specific accounting plans.

**ARTICLE 6:** The implementation of the OHADA accounting System shall ensure that:

- caution shall be the rule in all cases, from a reasonable appreciation of the events and operations to be registered for that year;
- the enterprise shall operate in all good faith conforming to the rules and following the procedure which are applicable;
- those responsible for the accounts shall put in place and implement internal control procedures which are indispensable for the knowledge which they shall normally have of the actual situation and the importance of the events, operations and situations relating to the activities of the enterprise;
- all information be clearly presented and communicated with no intention of concealing the exact situation of the enterprise.

**ARTICLE 7:** The summary financial statement shall set-out all accounting information at least once a year within a period of twelve months called a fiscal year; these shall be known as annual financial statements.

The fiscal year shall coincide with the calendar year.

The duration of the fiscal year shall exceptionally be less than twelve months for the first fiscal year which starts within the first semester of the calendar year. The said duration may exceed twelve months for the first fiscal year which started within the second semester of the year. Where activities are stopped for any reason whatsoever the duration of liquidation proceedings shall be for only one fiscal year subject to the establishment of provisional annual accounts.

**ARTICLE 8:** Annual financial statements shall include the Balance sheet, Income account, Table of income and expenditure as well as the attached statement.

They shall form an indivisible whole and shall describe in a regular and genuine manner the events, operations and the state of the fiscal year in order to give a true picture of the assets, financial situation and the income of the enterprise.

These shall be made and presented in accordance with the provisions of articles 25 to 34 below in a manner to allow their being compared at every stage fiscal year by fiscal year, and their being compared with the annual financial statements of other enterprises prepared under the same conditions of regularity, accuracy and comparability.

**ARTICLE 9:** The regularity and accuracy of information contained in the annual financial statements of the enterprise shall be the result of an adequate, accurate, clear, precise and complete presentation of the events, operations and situations relating to the fiscal year.

The possibility of comparing annual financial statements in the course of successive fiscal years requires a permanent terminology and permanent methods to be used in recording the events, operations and the situation set-out in these statements.

**ARTICLE 10:** any enterprise that correctly applies the OHADA Accounting System shall be deemed to show in its financial statements an accurate picture of its situation and operations in accordance with the provisions of article 8 above.

Where the application of an accounting rule appears insufficient or ill-adapted to portray this picture, supplementary information or an explanation shall be made in the attached financial statement.

**ARTICLE 11:** Annual financial statements shall as a matter of obligation be given in full or in part depending on the size of the enterprise which shall be determined from the turnover of the fiscal year.

Every enterprise shall, with the exception of those exempted for reasons relating to their size, be subjected to the “normal system” of presenting financial statements and keeping of accounts.

However, where the turnover does not exceed one hundred million (100.000.000) FCFA the enterprise may use the “simplified system”.

**ARTICLE 12:** In the normal system it shall be an obligatory to establish financial statements called ‘the statistical supplementary statement’ which shall give additional information.

**ARTICLE 13:** Very small enterprises whose annual income does not exceed the above minimum fixed in paragraph 2 of this article shall, except where they apply either of the two systems provided for in article 11 above, apply the “minimum cash system” as a dispensation from the general provisions of this Uniform Act.

The following shall be the thresholds:

- thirty million (30.000.000) FCFA for trading companies,
- twenty million (20.000.000) FCFA for handicraft and related enterprises,
- ten million (10.000.000) FCFA for enterprises providing services.

## **CHAPTER TWO ORGANIZATION OF ACCOUNTS**

**ARTICLE 14:** The accounting system put in place in the enterprise shall fulfill the requirements of regularity and accuracy in order to ensure the authenticity of what is written so that the accounts may serve both as an instrument to gauge the rights and obligations of members of the enterprise and proof of information given to third parties and management.

**ARTICLE 15:** The accounting system shall ensure:

- an exhaustive and prompt registration on a day to day basis of all basic data;
- the treatment at the appropriate time all registered data;
- the putting at the disposal of the users, required documents within the time-limits fixed by law for such publication.

**ARTICLE 16:** In order to ensure the availability of information at all times, every enterprise shall make available documents describing the accounting procedures and organization.

Such documents shall be kept for as long as they shall be required for the presentation of successive financial statements to which they relate.

**ARTICLE 17:** The accounting system shall at least satisfy the following conditions of regularity and security:

- 1- the keeping of accounts in the official language and in the legal tender of the country;
- 2- the use of the technique of double entry whereby accounts shall be in at least two entries one showing debit and the other credit. Where an operation is registered, the sum total of sum registered in the debit section of the accounts shall be equal to the sum total of sums registered in the credit section of other accounts;
- 3- the justification of the entries by documents dated, kept and filed in a defined order in compliance with the accounting procedures and organization likely to serve as means of proof and bearing the references of their registration in the account books;
- 4- the respect of the chronological registration of operations.

Any transaction affecting the assets of the enterprise shall be entered in the accounts books in a chronological order on the dates on which it qualified for registration as an accounting detail. This date shall be the date of issue by the enterprise of the documents to justify the transaction, or the date the document coming from outside was received. Transactions of the same nature carried out at the same place and in the course of the same day may be summarized in a single supporting document.

A periodic summary of the transactions shall be drawn up for a predetermined period not exceeding one month.

A procedure shall be laid down for the purpose of ensuring that recording of such transaction is in a final form;

- 5- the identification of each of the entries precisely setting out its origin and its legal liability, the content of the operation to which it relates as well as the references of the supporting document;
- 6- control by drawing up an inventory of the existence and value of the assets, claims and debts of the enterprise. This operation shall consist in setting out all items of the assets of the



enterprise stating their nature, quantity, and the value of each of them on the date the inventory was drawn up.

The data for the inventory shall be organized and kept in a manner likely to clarify the content of each of the items listed in the assets;

7- the use of an approved accounting plan listed in the OHADA Accounting System for the purpose of keeping the accounts of the enterprise;

8- the compulsory keeping of books or other authorized back-ups as well as the putting into place agreed treatment processes which shall make it possible for the drawing up of annual financial statements referred to in article 8 above.

**ARTICLE 18-** The accounts of the OHADA Accounting System shall be in groups of homogeneous categories called classes.

For general accounts, the classes shall comprise:

- Classes of situation accounts;
- Classes of management accounts.

Each class shall be subdivided into accounts identified by numbers of two or more figures within the decimal codification following their degree of dependence in relation to the accounts of a higher level.

The accounting plan of each enterprise shall be sufficiently detailed so as to allow the registration of operations.

The enterprise may open all the necessary subdivisions where the accounts provided for by the OHADA Accounting System are not enough to enable it distinctly register all its operations.

Conversely, where the accounts provided for by the OHADA Accounting System are too detailed in relation to the needs of the enterprise, the said enterprise put them together in global accounts of the same level, more contracted, following the possibilities offered by this accounting system on condition that the grouping carried out at least allows the establishment of annual financial statements in the prescribed conditions.

The operations shall be registered under accounts headings corresponding to their nature.

**ARTICLE 19:** Accounting books and other back-ups which shall as an obligation be kept are:

- The Journal, in which all transactions registered for accounting for the fiscal year are entered under the conditions outlined in paragraph 4 of article 17 above;
- The Ledger made up of all the accounts of the enterprise in which are stated or entered at the same time as in the Journal account by account the different transactions of the fiscal year;

- General balance of accounts, a summary financial statement of accounts showing the end close of the fiscal year for each account, the debit or credit balance at the opening of the fiscal year, accumulation since the opening of the fiscal year loss-making transactions and the accumulation of profit-making transactions, the debit account and credit account on the date under consideration;
- The Inventory book in containing the Balance sheet, performance account of each fiscal year as well as a summary of inventory operation.

The opening of the Journal and the Ledger may be facilitated by the opening of journals and auxiliary books, or back-ups taking into account the size and needs of the enterprise. In that case, the totality of the back-ups shall periodically and at least once a month be centralized in the Daybook and in the Ledger respectively.

**ARTICLE 20:** The accounting books and other back-ups shall be kept without blank space or alteration.

Any correction of error shall be made exclusively by posting the opposite information of the erroneous item; a correct entry shall then follow.

**ARTICLE 21:** The enterprises/firms referred to in article 13 above which fall under the minimum cash system keep simple cash accounting under the conditions fixed by the OHADA Accounting System. Financial statements and the rules governing their establishment shall be the subject of a separate edition.

**ARTICLE 22:** Where the accounting system relies on computer processing it shall have recourse to procedures that fulfill the obligations of regularity and security required, such that;

- 1- the data relating to any operation which give rise to registration into the accounts shall comprise at the time they are processed in a computer an indication of their origin, the content and legal liability of the said operation. The data may be reproduced on paper or in directly intelligible form;
- 2- the irreversibility of the processing shall forbid any suppression, addition or subsequent modification of the registration; all processed data shall form the subject of validation in order to ensure the final nature of the entry into the corresponding account; this validation procedure shall be implemented at the end of each period which shall not exceed one month;
- 3- the chronology of operations shall be such that it shall be impossible to insert or add any data; to freeze this chronology, the system processing data in the computer shall provide for a periodic procedure (named "closure of data processing") at every quarter and implementation latest at the end of the quarter following the end of the period under consideration;
- 4- the registrations of various accounts for the period just ended are classified in a chronological order from the date of book value corresponding to the relevant period; however, where the date of book value corresponds to a period which is already closed, the operation concerned shall be registered on the first day of period not yet closed; in such case the date of the book value of the operation shall be clearly stated;

- 5- the durability of the registered data offers conditions of guaranty and conservation in conformity with the regulation in force. More particularly, any indelible transcription of data resulting in an irreversible modification of back-ups shall be deemed durable;
- 6- the organization of accounts guarantees every possibility of an eventual verification by allowing the reconstitution or the restitution of the revision procedure and giving the right to access information relating to the analysis, programming and procedure used for processing, with a view particularly to proceeding to the tests necessary for the execution of such control;
- 7- the periodic financial statements produced by the processing system shall be numbered and dated. Each registration shall be backed by a supporting document set up on paper or on a back-up which ensures reliability, preservation and the clear restitution of its content during the required time-limit.

All data entered into the processing system by transmission from another processing system shall be backed by a reliable supporting document.

**ARTICLE 23:** The annual financial statements shall be closed latest within four months following the closing date of the fiscal year. Their closing date shall be mentioned in all documents forwarding them elsewhere.

**ARTICLE 24:** The accounting books or the documents kept for the purpose of accounting as well as the supporting documents shall be preserved for ten years.

### CHAPTER THREE ANNUAL FINANCIAL STATEMENTS

**ARTICLE 25:** With the exception of the attached financial statement, annual financial statements referred to in article 8 above shall be presented in accordance with the models of which the data contained in them shall be classified under successive heads which are themselves divided into items.

These models shall be made according to the accounting system provided for in article 11 above and shall be presented in accordance with the layout appearing in the OHADA Accounting System.

**ARTICLE 26:** The normal system shall include the establishment of a Balance sheet, Income account for the fiscal year, Financial table (list) of resources and employment for the fiscal year, as well as the attached statement whose main components are set out in the OHADA Accounting System. It shall also comprise the establishment of a supplementary statistical statement.

**ARTICLE 27:** The simplified system shall comprise the establishment of the Balance sheet, Income account for the fiscal year and the Statement attached, simplified in accordance with the conditions laid down by the OHADA Accounting System.

**ARTICLE 28:** The minimum cash system referred to in article 13 above shall be based on the establishment of the statement of receipts and expenses showing the income (net receipt or net

loss), drawn up from the cash accounts which shall be kept by enterprises falling under this system in accordance with article 21 above.

The purpose of the Minimum cash system shall be to enable the enterprise to take into account in calculating its income and in the establishment of the state of the assets the following elements where they are significant:

- variation of stocks;
- variation of claims and commercial debts;
- variation of equipment and loans;
- variation of the initial capital.

**ARTICLE 29:** The Balance sheet shall describe separately the assets and liabilities that constitute the estate of the enterprise. It shall bring out clearly the shareholder's equity.

The income account shall recapitulate the returns on assets and the charges which bring by differentiation the net profit or net loss of the fiscal year.

The Financial table of income and expenditure shall retrace the flow of income and expenditure in the fiscal year.

The attached financial statement shall complete and contain details given by the other annual financial statements.

**ARTICLE 30:** The Balance sheet of the fiscal year shall bring out in a distinct manner on assets: fixed assets, working assets attached to normal activities of the enterprise, assets not in use for any normal activity, liquid assets; on liabilities: shareholder's equity and assimilated resources, financial debts, working debts attached to normal activities of the enterprise, debts not attached to any normal activity and liquid debts.

**ARTICLE 31:** The income account of the fiscal year shall bring out the produce and the charges, distinguished depending on whether they concern work operations attached to the normal activities of the enterprise, financial operations, and operations outside the normal activities.

The classification of the returns on assets and the charges shall make it possible to establish the management accounts balance under the conditions laid down in the OHADA Accounting System.

**ARTICLE 32:** The Financial table of income and expenditure of the fiscal year shall bring out for that year the flow of investment and financing, the other expenditures, financial resources and the cash variation.

**ARTICLE 33:** The annual financial statements defined above shall be accompanied by an attached Statement which shall be simplified where the enterprise falls under the simplified system.

The attached statement shall comprise all the significant elements not shown in the other financial statements but are likely to influence the opinion the recipient s may have of the assets, financial situation and the income of the enterprise.

This shall be true especially for the amounts of the financial commitments made and received of which the enterprise shall follow-up within the framework of its accounting system.

Any modification in the presentation of annual financial statements or in the method of evaluation shall be pointed out in the attached statement.

**ARTICLE 34:** The annual financial statements of the various enterprises shall comply with the following requirements:

- the balance at the opening of a fiscal year shall correspond to the balance at the close of the previous year;
- any compensation which has no juridical foundation between the items on assets and the items on liabilities in the balance sheet and between the items on charges and the items on returns in the Income account shall be prohibited;
- the presentation of financial statements each fiscal year shall be identical;
- each item of the financial statements shall bear the same code number as a corresponding item bore in the previous fiscal year.

Where one of the numbered items of a financial statement shall not be comparable to that of the previous year, the latter shall be adapted. The absence of comparability or adaptability of numbers shall be pointed out in the attached statement.

## **CHAPTER FOUR**

### **RULES OF EVALUATION AND DETERMINATION OF THE INCOME**