



REPUBLIC OF CAMEROON
PEACE – WORK - FATHERLAND

Audit Bench of the Supreme Court

Annual Report 2011

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The Audit Bench of the Supreme Court of Cameroon shall be competent to:

- (1) *Control and rule on public accounts as well as those of public and semi-public enterprises;***

Section 41 of Law No. 96/06 of 18 January 1996 to amend the Constitution of 2nd June 1972;

- (2) *Declare and check de facto accounting;***

Section 7 of Law No. 2003/005 of 21 April 2003 on the jurisdiction, organization and functioning of the Audit Bench of the Supreme Court of Cameroon;

- (3) *Give its opinion on any matter referred to it in connection with the control and verification of accounts;***

Section 10 of Law No. 2003/005 of 21 April 2003 to lay down the jurisdiction, organization, functioning of the Audit Bench of the Supreme Court of Cameroon;

- (4) *Give its opinion on Settlement Bills submitted to the National Assembly;***

Section 39(c) of Law No. 2006/016 of 29 December 2006 to lay down the organization and functioning of the Supreme Court;

- (5) *Draw up and publish annual reports on State accounts to be submitted to the Head of State;***

Section 39(d) of Law No. 2006/016 of 29 December 2006 referred to above;

- (6) *Submit to the President of the Republic, the President of the National Assembly and the President of the Senate an annual report setting out the general results of its deliberations and pertinent observations with a view to reforming and improving upon the keeping of accounts and the discipline of accountants;***

Section 3 of Law No. 2003/005 of 21 April 2003 referred to above.

This report was prepared by the Programming and Public Report Committee under the coordination of Mr. FOU DA AMOMBO, Master of the Supreme Court. The Committee includes among others Messrs Philippe THEUMOUBE, André DJOKO, MIKONE Martin Bienvenu, YEBGA MATIP, EZO'O BIZEME, Masters of the Supreme Court, Madam JIFON née NJOWIR Mary YIBEALA and Mr. HAMAN Dieudonné, Division Registrars.

Mr. EBENE Daniel, Advocate General was the Adviser to the Committee.

This report was edited by a committee presided over by Mr. ATEBA OMBALA Marc, President of the Audit Bench and made up of Mr. MBENOUN Théodore, Mesdames WACKA née FOFUNG NABUM Justine, SIMO BOPDA née Lucienne SIMO TCHUENTE, Division Presidents, FOU DA AMOMBO, Coordinator of the Programming and Annual Report Committee, Messrs KAMENI Pierre, MIKONE Martin Bienvenu, YEBGA MATIP, Masters of the Supreme Court, Mr. Michel PAGUEM, Registrar-in-Chief and Madam JIFON née NJOWIR Mary YIBEALA, Division Registrar.

Mr. NDJODO Luc, Senior Advocate General represented the Procureur General at the Supreme Court.

The final report was adopted by the full Chamber on 28 December 2012.

RULING

In accordance with the provisions of Order No. 26/CDC/CSC of 19 October 2010 signed by the President of the Audit Bench to determine matters which the various Divisions of the jurisdiction shall examine, the Audit Bench, deliberating in Chambers, adopted this report drawn up in application of section 3 of Law No. 2003/005 of 21 April 2003 to lay down the jurisdiction, organization and functioning of the Audit Bench of the Supreme Court.

The following were present:

- **Mr. ATEBA OMBALA Marc**, President of the Audit Bench ;
- **Mr. MBENOUN Théodore, Mesdames WACKA née FOFUNG NABUM Justine and SIMO BOBDA née SIMO TCHUINTE Lucienne**, Division Presidents.
- **Messrs MANGA MOUKOURI Isaac, HAKAPOKA Narcisse, KAMENI Pierre, DITOPE LINDOUME, FOU DA AMOMBO, FOU DA NKODO Achille, THEUMOUBE Philippe, NDONGO ETAME David, DJOKO André, MIKONE Martin Bienvenu, NDJOM NACK Elie, ALIMA Jean Claude, YEBGA MATIP, OUMAROU ABDOU**, Masters of the Supreme Court.

The following were also present and participated in the discussions without taking part in the deliberations.

Mr. NDJODO Luc, Senior Advocate General at the Supreme Court, **Messrs TENGEN Pius WERENGHO** and **EBENE Daniel**, Advocates General at the said Court;

Mr. PAGUEM Michel, Registrar-in-Chief, took the minutes.

Done at the Audit Bench of the Supreme Court this 28th day of December 2012.

FOREWORD

“Parva sed apta mihi”¹

The Audit Bench is this year publishing its 6th annual report. This report renders account of the activities carried out by the high jurisdiction during 2011.

More than in the previous reports, the 2011 report devotes more space to decisions of the jurisdiction be they rulings, final observation reports or even opinions.

Concerning opinions, two have been included in the 2011 annual report:

- The opinion on 2010 settlement law ;*
- The opinion on the production of originals of income and expenditure supporting documents at the Audit Bench.*

The opinion on the settlement law is in compliance with the provisions of Section 39(c) Law No.2006/016 of 29 December 2006 on the organization and functioning of the Supreme Court. Issued for the second time since 2010, this opinion is entering in a remarkable manner into the ritual of Republican procedures of managing the State budget.

*On its part, the opinion on the production of income and expenditure supporting documents is of a different nature. In fact, it draws its foundation from Law No. 2003/005 of 21 April 2003 on the jurisdiction, organization and functioning of the Audit Bench of the Supreme Court which in its section 10 grants it the jurisdiction to **“give is opinion on any matter referred to it in connection with the control and verification of accounts”**.*

It is in this light that the financial jurisdiction has had to rule on the requirement to submit originals of supporting documents of operations of a public or semi-public enterprise to the Audit Bench.

¹ ***“Modest but it suits me”***.

The Audit Bench has given an opinion on this matter which henceforth establishes a rule of principle: public and semi-public sector enterprises whose management is not governed by public accounting system are not bound to submit originals of income and expenditure supporting documents to the Audit Bench

This opinion which opens a new avenue for the exercise of the competence of the Bench has highlighted its unavoidable regulatory role “on any matter referred to it in connection with the control and verification of accounts”. Control and ruling on accounts being at the tail end of the process of management of public finance, this role must also be exercised upstream.

It is because the Supreme Court (Audit Bench) is the highest jurisdiction in matters of judgment on accounts and guardian of the respect of financial and accounting regulations that it is vested with this power.

Public authorities and all categories of bodies subject to the competence of the financial jurisdiction can thus seek the opinion of the Bench.

*That is the spirit of Section 41 of Law No. 96/06 of 18 January 1996 to amend the Constitution of 2 June 1972, which, setting up the Audit Bench of the Supreme Court grants it the power **“to control and rule on public accounts as well as those of public and semi-public enterprises”**.*

This opinion also indicates that the Audit Bench is ready to fully play its advisory role in the interest of public finance governance.

“Parva sed apta mihi ”

*Alexis DIPANDA MOUELLE
Chief Justice of the Supreme Court*

INTRODUCTION

According to section 3 of Law No. 2003/005 of 21 April 2003 to lay down the jurisdiction, organization and functioning of the Audit Bench of the Supreme Court of Cameroon, *“The Audit Bench shall submit to the President of the Republic, the President of the National Assembly and the President of the Senate an annual report setting out the general results of its deliberations and pertinent observations with a view to reforming and improving upon the keeping of accounts and the discipline of accountants. This report shall be published in the Official Gazette of the Republic of Cameroon.”*

The 2011 Annual Report prepared in compliance with these provisions renders account of the activity during the period concerned from four perspectives.

Thus, the first part of the report draws up both a descriptive and statistical inventory of the activities of the jurisdiction in 2011. These activities presented in four chapters concern administrative management, judicial control, administrative control and other activities within the remit of its advisory role.

The second and third parts give the jurisprudence of the Bench developed from the rulings rendered and decisions taken within the framework of the extra-judicial activities in 2011.

Part four looks at recommendations made by the Bench. Recommendations resulting from controls carried out in 2011 are added to those made in the previous reports and which recommendations have not been implemented yet.

Lastly, the conclusion of the 2011 report gives a timely reminder to those liable to face the Audit Bench that the law gives them the opportunity to request an opinion on any matter relating to the control and ruling on accounts.

PART ONE
ACTIVITIES OF THE AUDIT BENCH

CHAPTER 1. MANAGEMENT ACTIVITIES OF THE AUDIT BENCH

SECTION 1. Audit Bench staff

The staff strength of the Audit Bench remained stable between 2010 and 2011. In effect, as at 31 December 2011, the jurisdiction had a staff strength of ninety-five (95) against ninety-seven (97) a year earlier.

This staff included twenty-three (23) Legal and Judicial Officers, fifteen (15) Registry staff and forty-six (46) administrative and technical staff and eleven (11) security staff.

Paragraph 1. Legal and Judicial Officers

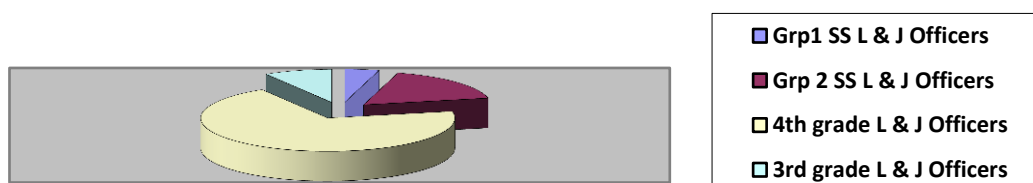
As at 31 December 2011, the number of Legal and Judicial Officers working at the Audit Bench was twenty-three (23) that is two (2) less than the previous year at the same period. Despite the posting of an Advocate General to the Audit Bench in October 2011, this drop in staff strength which concerned mainly the Legal Department was as a result of the death of two Advocates General appointed to the Bench in 2005 on the one hand and the departure of the Senior Advocate who was appointed to the Audit Bench of the Court of Justice of the Central African Economic and Monetary Commission on the other hand.

For almost six months this situation left a void in the State Counsel's Office and disrupted the culmination on time of control activities of the jurisdiction.

The distribution by grade of the twenty-three (23) Legal and Judicial Officers in activity at the end of 2011 including twenty-two in the Legal Department and one (1) from the seat is as follows:

- 1st Group Super Scale Legal and Judicial Officers: 01 ;
- 2nd Group Super Scale Legal and Judicial Officers: 04 ;
- 4th Grade Legal and Judicial Officers 16 ;
- 3rd Grade Legal and Judicial Officers: 02.

Graph No.1. Distribution of Legal and Judicial Officers by Grade



Paragraph 2. Registry staff

As in 2010, the number, distribution and categories of Registry staff remained the same in 2011 namely:

- 04 Registry Administrators Category A1;
- 08 Senior Registrars Category B2;
- 02 Registrars Category B1;
- 01 Assistant Registrar Category C.

Paragraph 3. Administrative and technical staff

Administrative and technical staff whose important role is to support the Legal and Judicial Officers saw their number reduce slightly in 2011. From fifty (50) in 2010, the number dropped to forty-six (46) as at 31 December 2011.

Among the administrative staff, there are ten (10) secretaries and twenty-six (26) drivers and among the technical staff there are four (4) computer specialists and seven (7) archivists and filing clerks.

Paragraph 4. Security staff

In 2010, seven (7) uniformed agents regularly ensured the security of the two sites housing the services of the Audit Bench. As at 31 December 2011, the security of the Seat and the site of the archiving centre in Nkozoa at the northern outskirts of Yaounde was ensured by three (3) warders and six (6) gendarmes, while two (2) police officers were responsible for the security of the Heads of the Jurisdiction.

Paragraph 5. Total evolution of staff numbers in service at the Audit Bench

Table No.1. Total evolution of staff numbers in service at the Audit Bench at 31.12.2011

Designation	2008		2009		2010		2011	
	<i>No..</i>	<i>%</i>	<i>Eff.</i>	<i>%</i>	<i>Eff.</i>	<i>%</i>	<i>Eff.</i>	<i>%</i>
<i>Legal and Judicial Officers</i>	25	32.47	24	27,90	25	25,78	23	24.21
<i>Registry Staff</i>	9	11.69	14	16.28	15	15.46	15	15.79
<i>Audit Assistants</i>							<i>PM</i>	
<i>Technical Staff</i>	13	16.88	13	15.12	12	12.38	11	11.58
<i>Administrative Staff and other support staff</i>	30	38.96	35	40.70	38	39.17	35	36.84
<i>Security Staff</i>	<i>PM</i>		<i>PM</i>		7	7.21	11	11.58
<i>Total</i>	77	100	86	100	97	100	95	100

SECTION 2. *Financial and material means*

Paragraph 1. State Budget resources

In 2011, the financing of the activities of the Audit Bench was essentially based on State budget resources. Contrary to previous years, discussions on the mobilization of external financial resources were not finalized.

Thus in 2010, the initial appropriation to the Audit Bench, except for salary expenses was reduced during the year from 1 271 000 000 CFA F to 1 038 673 161 CFA F, that is a drop of 18.27% compared the budgetary allocation of 2009.

This downward trend continued in 2011 with a volume of 786 000 000 CFA F credit allocated to the financial jurisdiction; this corresponds to a drop of 252 673 161 CFA F, that is 24.32% in relative terms.

During execution, the effective allocations were reduced to 496 177 622 CFA F and gave rise to commitments of 495 877 835 CFA F at 31 December 2011.

This situation expresses a consumption rate of credits in relation to the initial allocations of 63.08% clearly in reduction compared to that of the 2010 financial year which was 74.23%.

This downward trend of resources allocated to the Audit Bench occurs at a wrong period when the jurisdiction has started its progressive growth in strength through the extension of its jurisdiction on all missions which are granted it by the law in force.

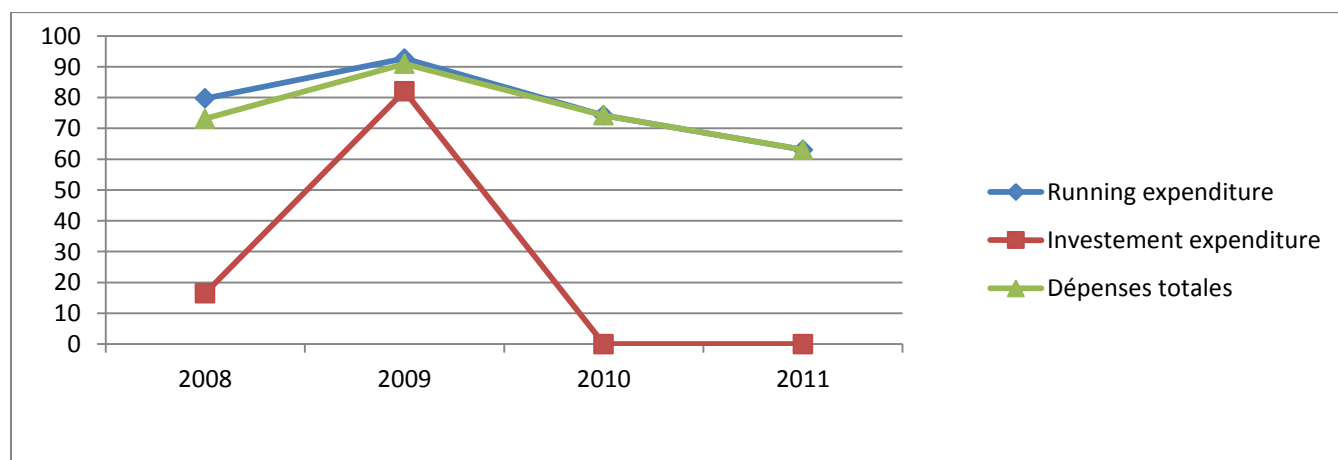
The reduction in budgetary resources to the Audit Bench is an expression of the inadequacy of financing of its activities. In the long run this may influence its performance. Table 2 and graph 2 below clearly show this trend.

Table No. 2. Evolution of budgetary expenditure of the Audit Bench

(In thousands of CFA F)

			<i>Financial years</i>		
		2008	2009	2010	2011
Running budget	<i>Forecasts</i>	1 030 000	1 042 000	1 038 673	786 000
	<i>Realizations</i>	821 288	965 396	771 079	495 878
	<i>Rate of realization (%)</i>	79.74	92.65	74.23	63.08
Investment budget	<i>Forecasts</i>	120 000	200 000	0	0
	<i>Realizations</i>	19 847	164 141	0	0
	<i>Rate of realization (%)</i>	16.54	82.07	0	0
Total expenditure	<i>Forecasts</i>	1 150 000	1 242 000	1 038 673	786 000
	<i>Realizations</i>	841 135	1 129 537	771 079	495 878
	<i>Rate of realization (%)</i>	73.14	90.95	74.23	63.08

Graph No. 2 Evolution of rate of realization of expenditure during 2007 – 2011.



This drop in resources to the Bench is however not compensated by external contributions which, at a given time was a significant source of its financial resources.

Paragraph 2. Material resources

- **Real estate**

As indicated in the 2010 Annual Report, the real estate is made up of a rented building which houses the seat of the jurisdiction and a building it owns where the accounts and other documents are stocked which buildings are becoming increasingly inadequate. The extension and development of this real estate therefore remains an envisageable solution for the provision of offices meeting the standards of comfort compatible with the efficiency of services and a secure archives and easily accessible documents. .

- **Computer equipment**

For computer equipment renewed at almost 70% in 2010, there is really no veritable problem apart from maintenance considering the reduction in financial resources. This problem is more acute with photocopy machines whose workload is very high.

- **Vehicles**

As of date, public authorities have provided all the Legal and Judicial Officers with service vehicles. Moreover, the utility vehicle that was made available three years ago through the aid of development partners continues to carry out the administrative errands of the Bench and especially the transportation of accounting documents between the Seat and the archiving centre. But on-the-spot control activities remain limited in 2011 due to the absence of vehicles adapted to mission within the country.

SECTION 3. Training activities

In 2011, the training activities of the Audit Bench were carried out not only for the benefit of Legal and Judicial Officers and the non legal staff but equally for certain public accountants, especially Council Revenue Collectors.

Paragraph 1. Training of Bench Staff

A. Training workshops

Two capacity building workshops were organized in 2011

The first workshop organized from 8 to 12 August 2011 had to do with the training of Legal and Judicial Officers of the Audit Bench in the drafting of rulings.

It dealt with the following points:

- The general principles of the presentation of a ruling or judgment (visa, whereas or preamble, the pronouncement);
- Preparation of the structure of a ruling with or without charge or a ruling for fine;
- Practical work on the drafting of interim or final rulings; the cases of commentaries of significant rulings in matters of revenue, expenditure and de facto management procedures.

The second workshop had to do with raising the level of mastery by the legal and non legal staff of techniques of word processing and editing, use of spreadsheets, computer-assisted presentation and management of the Bench's computer network.

B. Training of audit assistants

As their name indicates, audit assistants are auditors who assist the judge rapporteur in the examination of an account. While waiting for the culmination of the request by the jurisdiction for recruitment of audit assistants from the corps of revenue services and well grounded in public finance management and control, the Audit Bench took the resolution to train from among Registrars and other contract employees working at the jurisdiction in verification tasks.

This training carried out by Legal and Judicial Officers of the Bench under the coordination of the Training and Cooperation Committee concerned seventeen (17) staff (Registry staff and senior contract staff). It was entirely financed by the budget of the Bench.

This requalified staff is today the first crop of audit assistants of the Audit Bench whose effective service started after their swearing-in on 9 March 2011.

Paragraph 2. Regional training seminars of Council Revenue Collectors

The Audit Bench faced difficulties in the control and ruling on accounts of Regional and Local Authorities. In effect, not only the rate of production of management accounts at the Audit Bench is low but the examination of the produced accounts reveals a poor assimilation of laws and regulations and hence a poor keeping of council accounts by Council Revenue Collectors.

To reverse this trend, the Audit Bench multiplied actions: in July and August 2007 it organized a sensitization workshop for Council Revenue Collectors on the production of management accounts. In July and August 2009, a similar seminar was organized on financial and accounting management for Mayors.

Several instruments having an incidence on the accounting of Regional and Local Authorities have been signed, notably:

- Law No. 2007/006 of 26 December 2007 on the Financial Regime of the State;
- Directive 02/08-UEAC-190-CM-17 of 20 June 2008 on the general regulations governing public accounting;
- Law No. 2009/011 of 10 July 2009 relating the Financial Regime of Regional and Local Authorities;
- Law No. 2009/019 of 15 December 2009 on local taxation;
- Decree No. 2010/1734/PM of 1 June 2010 to lay down the sectoral accounting standard of Regional and Local Authorities;
- Decree No. 2010/1734/PM of 1 June 2010 to lay down the budget nomenclature of Regional and Local Authorities.

Considering these new instruments and taking account of accounting requirements in the management of transferred funds from the general allocation for decentralization, it has become necessary to build the capacities of Council Revenue Collectors in

order to improve the preparation and production of quality management accounts to the Audit Bench.

For this to take place, the Audit Bench sought and obtained support from the Programme for the Amelioration of Governance in the Management of Public Finance (PAGT/FP) , from the Ministry of Territorial Administration as well from the Ministry of Finance to organize regional training seminars for Council Revenue Collectors. This training activity took place from 16 August to 29 September 2011 in Regional Chief Towns under the technical supervision of Associated Consulting Partners (ACP).

The topics presented dealt with:

- Council budget: budgetary nomenclature:
- principles, drafting, vote and approval of the budget ;
- execution of council budget;
- council sectoral accounting standard;
- organization and keeping of accounts by the Council Revenue Collector;
- control of council accounts and sanction on accountants;
- relations between the Revenue Collector and other stakeholders in council management;
- local taxation.

These seminars had practical workshops on:

- the preparation of opening balance of the Council;
- registration of revenue operations regarding equipment subventions, fiscal revenues from issuances from Divisional Tax Centres, reimbursement of loans from FEICOM, revenues from a conceded activity;
- registration of operations relating to investment expenditure on the one hand and expenditure linked to transfer of competences on the other hand.

At the end of each regional seminar an evaluation was made of each Council Revenue Collector to find out the reasons for the low production of management accounts by Regional and Local Authorities during the 2004 to 2010 period. .

Several reasons were given, notably:

- the transfer of accountants and the lack of supporting documents in the accounting stations;

- the non inclusion of budgetary allocations relating to the preparation of management accounts and the irregular holding of council sessions;
- the non-mastery of sectoral accounting standard of Regional and Local Authorities by Council Revenue Collectors who face enormous difficulties in making accounting entries;
- lack of staff in Council Revenue;
- absence of logistics obliging almost all Council Revenue Collectors of keeping their accounting manually.

At the end of the said seminars, it was appropriate to consider:

- identification of the patrimony of Regional and Local Authorities and the computerization of budget and accounting management in order to facilitate the full implementation of the Financial Regime on 1 January 2013 on the one hand and to have genuine summary statements in real time on the other hand;
- the periodic programming of seminars to build the capacities of Council Revenue Collectors ;
- functioning of Regional Accounts Courts in order to relieve the Audit Bench, resolve problems of transportation of supporting documents and facilitate judicial control of Regional and Local Authorities;
- a joint MINATD/MINFI instruction requesting the council executive to provide for the preparation of the management account of the year in their budgets;
- technical supervision by Treasurer-Paymasters General of Council Revenue Collectors of their financial districts as well the work of preparation of the management accounts of the said accountants.

SECTION 4. International cooperation

Since its inception in 2005, the Audit Bench of the Supreme Court is resolutely part of the tradition of institutions of control of financial management and ruling on accounts of public accountants.

This tradition requires that each financial jurisdiction shares its experience with sister institutions. It is within this context that in 2011, the Audit Bench of the Supreme

Court of Cameroon was visited by Judges of the Audit Bench of Chad. It also took part in training abroad.

Paragraph 1: Visit of Chadian Judges to the Audit Bench of the Supreme Court

From Monday 21 to Friday 25 November 2011, the Audit Bench of the Supreme Court received at its Seat in Yaounde a delegation of the Audit Bench of the Supreme Court of Chad led by its President, Madam Ruth YANEKO ROMBA accompanied by five other judges.

During the visit the two financial jurisdictions exchanged experiences based on the following topics:

- the methodology of judicial control;
- the work of preparation of accounts;
- the practice of control of documents on the spot;
- the preparation of a questionnaire.

Other exchanges dwelled on the commitment of the responsibility of the accountant and the drafting of rulings (ruling on total or partial discharge, of clearance, of debit) notification of rulings, execution of final judgments.

Lastly, working sessions were organized with the Legal Department, the Registry and the various committees in the Audit Bench.

Paragraph 2. Training and missions abroad

A/ Training

In 2011, Judges of the Audit Bench of the Supreme Court undertook training abroad. They include:

1-Upgrading seminar on the methods applied in the audit and control of public accounts in Montreal Canada which held from 18 au 24 April 2011.

Three judges from Cameroon took part in this seminar.

Three topics were developed, namely:

- “Strategic stakes of control of public accounts”;
- “Concepts, environment and application of audits”;
- “Detection of accounting fraud through analysis of financial statements”.

2-Training at the Head Office of the Department of Enterprises of the *Banque de France* organized from 2 to 16 July 2011 in Paris.

Five judges and two support staff took part and followed the presentations on the following topics:

- general points and major accounting principles;
- financial analysis of enterprises;
- analysis of the balance sheet of an enterprise;
- presentation of the operational and dynamic management of enterprises;
- presentation of localized current and structural economic analysis.

3- Training in techniques and practice of audit in the OHADA zone, organized from 14 to 17 November 2011 in Ndjamena in Chad for judges of accounts courts and senior staff of economic or financial ministries of Central African countries. This training had as aim to sensitize participants on the general notions of the audit and control of accounts in the OHADA space, the organization of an audit mission, the place of an auditor in the OHADA business law.

Four Cameroonian judges took part in this training.

B/ Missions abroad

1- Mission to the *Cour des Comptes* of Senegal

This mission took place from 7 to 17 February 2011. Composed of four (4) judges and two (2) support staff, the Cameroonian delegation was briefed on the *Cour des Comptes*, its procedures, the judgment of accounts of public accountants, the judgment of accounts of public accounts of Regional and Local Authorities, the practice of the legal department of a financial jurisdiction, intervention methods of the the Commission for Verification of Accounts of Public Enterprises Accountants

(CVCCEP) not forgetting the specific programmes followed by the Registrar and the Computer specialist.

2- Participation in the General Assembly of AISCCUF

Twenty-eight (28) delegations from francophone countries including that of the Audit Bench of the Supreme Court of Cameroon participated on 22 February 2011 in Ouagadougou in Burkina Faso at the General Assembly of “*Association des Institutions Supérieures de Contrôle ayant en Commun l’Usage du Français (AISCCUF)*”.

3- Participation in the Congress of the Higher Council of the Order of Chartered accountants of France (*Conseil Supérieur de l’Ordre des Experts Comptables de France*)

Meeting from 13 to 15 October 2011, this congress in which the Audit Bench took part as an observer held discussions on the topics such as growth, competitiveness of small entities, liberal professions, economic, etc...

4-. Participation in the Conference of Heads of Institutions of the *Association des Institutions Supérieures de Contrôle ayant en Commun l’Usage du Français de Dakar- Senegal* 24-25 November 2011

The delegation of the Audit Bench led by the President of the Bench and including a Master of the Supreme Court took part in this conference that had as theme “*the responsibility of vote holders*”.

SECTION 5. Communication plan of the Audit Bench

Alongside this international activity, during the same year, the Audit Bench carried out a communication campaign materialized through the public presentation of the 2009 Annual report, the organization of a training workshop for media correspondents and civil society representatives in public finance control, the production of a brochure and a documentary report on the Audit Bench.

Paragraph 1: Public presentation of 2009 Annual report

For the first time since the commencement of its activities in 2006, the Audit Bench of the Supreme Court made a public presentation of its annual report. In effect, on 27 May 2011, the 2009 Annual report was publicly presented at the Seat of the jurisdiction.

In fact, even though the Annual Report is addressed to the highest State institutions and even published in the Official Gazette for the public, it was necessary for the financial jurisdiction to ensure wide dissemination on radio, television, in the print media because the Audit Bench as a supreme control institution, has the obligation to render account of its work.

During this occasion the legal basis and methodology of the preparation of annual reports were revealed before the presentation of the main parts of the 2009 public report.

Paragraph 2: Training workshop for media correspondents and civil society representatives in public finance control

The goal of this workshop was to:

- present the institution and its administrative and judicial competence;
- sensitize social actors on the principles of budget law and public accounting;
- publicize the work of the Audit Bench since its inception in 2005.

Thus equipped with this knowledge, media correspondents can henceforth put at the disposal of the public objective information on the management of public finance and civil society representatives have useful tools for a better prepared formulation of their contribution to the prescriptive activity of public authorities,

Paragraph 3: Preparation of a brochure and documentary.

With the desire to increasingly vulgarize its missions and reach a wide public, the Audit Bench of the Supreme Court in 2011 commissioned a brochure with information on its history, its organization, its functioning, its controls and their impact, its reports, its challenges and prospects.

The documentary was widely broadcast over Cameroon Radio and Television (CRTV). The brochure was widely disseminated.

CHAPTER 2. JUDICIAL CONTROLS

SECTION 1: Control of management accounts of State accountants

This concerns the management accounts of thirteen (13) financial districts of the State: the Office of the Paymaster General, the Central Accounting Office of the Treasury, the financial districts of the Adamawa, the Centre, the East, the Far North, the Littoral in Douala, Littoral North in Nkongsamba, the North West, the West, the South and the South West.

Paragraph 1. Production of accounts.

In compliance with section 26(2) of the law referred to above, “Accounts produced by certified accountants, finalized and examined in accordance with the instruments in force, shall be submitted for adjudication to the Audit Bench within 3 (three) months following the closing of the financial year”.

In accordance with section 62(3) of Law 2007/006 of 26 December 2006 on the financial regime of the State “Revenue and expenditure may be recorded in the books during a period complementary to the financial year whose time limit shall be February 28 of the year according to conditions specified by regulation.”

By taking into account this supplementary period of two months, the Audit Bench has set 31 May of the Year+1 as the deadline for submission of the said accounts at the Registry of the financial jurisdiction.

The table below gives information on the annual production of accounts by public accountants of the date from 2009 to 2011 financial years. It should however be noted that the management accounts produced during a given year are the accounts of Y-1 except those produced beyond the deadline.

Table No. 3. Annual production of management accounts of State accountant.

Year	Accounts expected	Accounts produced	Accounts produced/accounts expected (%)
2009	13	13	100
2010	13	13	100
2011	13	13	100

This table indicates that since 2009, all the 13 management accounts of the State are produced each year.

Paragraph 2. Examination and judgment of accounts of State public accountants

The examination of de facto management, subject of Order No. 2011/002/PCDC/CSC 023 of 24 January 2011 to lay down the work programme of the Audit Bench of the Supreme Court for 2011, culminated as at 31 December 2011 with regard to the accounts of State public accountants with the decisions recapitulated in the following table. .

Table No. 4. Examination and judgment of accounts of State public accountants

Item	Years		
	2009	2010	2011
Examination reports	14	10	11
Interim rulings	4	1	2
Final rulings	4	2	5
Final rulings with fines	0	1	0
Matters likely to constitute an offence forwarded to the Legal Department	0	1	0
De facto management	0	4	4
Total number of decisions	22	19	22

This table reveals that even though on the rise in compared to 2010, the number of decisions taken in 2011 remains the same as two years previously.

SECTION 2. Control of accounts of Regional and Local Authorities

This concerns the management accounts of 394 councils of Regional and Local Authorities distributed as follows:

- Adamawa : 23
- Centre : 77
- East : 29
- Far North: 49
- Littoral: 40
- North: 23
- North West: 37
- West: 49
- South: 35
- South West: 33

Paragraphe 1. Production of accounts of Council Revenue Collectors

In accordance with the terms of section 31(2) of Law 2009/011 of 10 July 2009 on the financial regime of Regional and Local Authorities *“an additional period from 1 to 31 January of the following year shall be granted to Regional and Local Authorities for settlement of current operations for the closure of the financial year”*.

The Audit Bench has set 31 May of the Year+1 as deadline for submission of the said accounts at the Registry of the financial jurisdiction. The table below describes the annual production of accounts of Regional and Local Authorities during the 2009 to 2011 financial years.

Table No. 5. Annual production of accounts of Regional and Local Authorities (RLA)

Year	Accounts expected	Accounts produced	Accounts produced/accounts expected(%)
2009	337	10	2.65
2010	337	4	1.18
2011	394	29	7.36

Graph No.3. Evolution of production RLA accounts

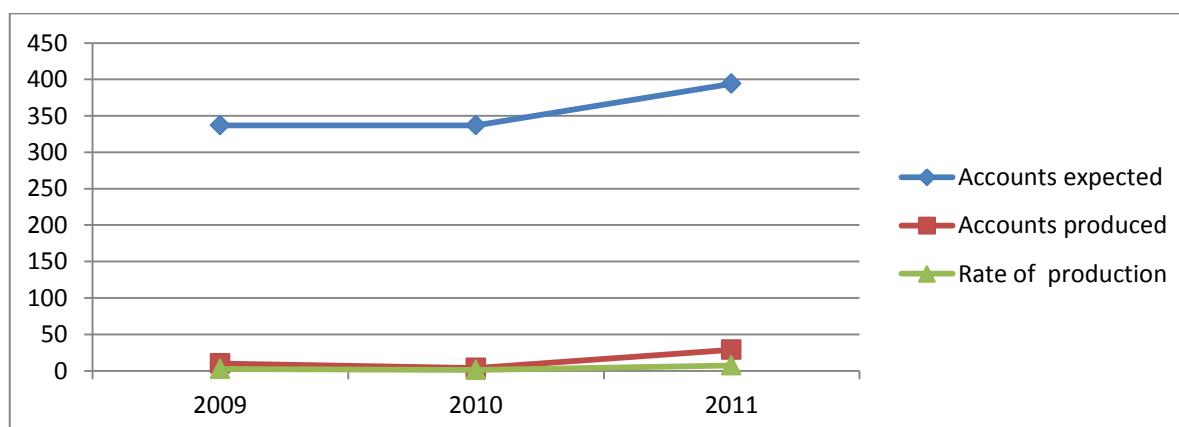


Table No. 5 and graph No.3 reveal that the submission of management accounts by Council Revenue Collectors remains preoccupying despite the various sensitization

seminars organized for them and Mayors. The gap between the accounts prepared during one year whose production is expected the next year and the accounts effectively produced is very wide. Of the three years concerned, in average less than 7.14% of management accounts of Council Revenue Collectors of year N were produced in year N+1.

The interim ruling addressed in 2010 to the Minister in charge of Territorial Administration and Decentralization and the Minister of Finance on the urgency of reflection on new concrete measures to redress this situation has not produced the expected effect.

Paragraph 2. Examination and judgment of accounts of Council Revenue Collectors

The table below renders account of examination and judgment decisions by the Audit Bench in the 2011 financial year.

Table No. 6. Examination and judgment of accounts of Regional and Local Authorities

Items		2009	2010	2011
Examination reports	At the end of the fine	0	191	228
	Others	6	28	22
Interim orders	Condemnation to pay fine		181	99
	Others	4	22	22
Final orders	In substance	1	3	4
	On fines	2	2	61
Likely offences forwarded		1	0	0
Declared de facto management		0	2	2
Total number of decisions taken		14	429	438

This table reveals that the number of final rulings for fines is in net increase which means that the Audit Bench has now moved to the punitive phase with regard to the delay in the production of accounts.

SECTION 3. Control of management accounts of Accounting Officers of Administrative Public Establishments (APE)

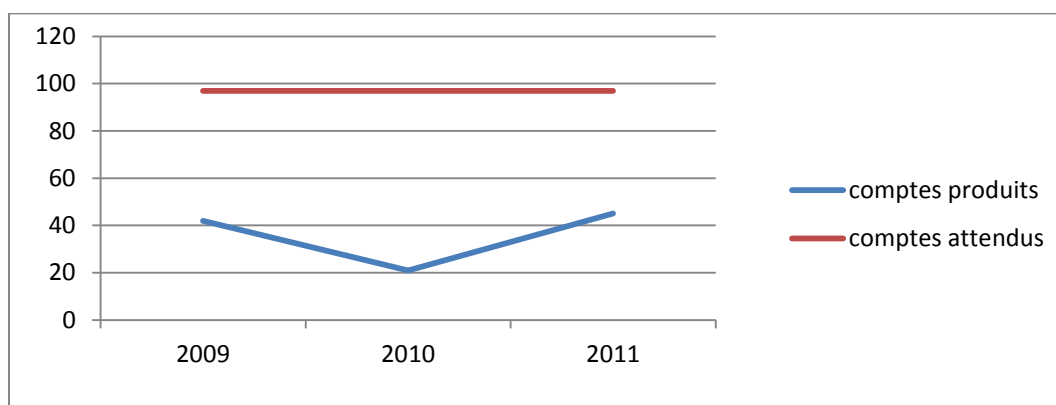
Paragraph 1. Production of accounts

For the 2009 to 2011 period, the production of accounts has evolved in the manner described in the table and graph below.

Table No. 7. Production of accounts

Items	2009	2010	2011
Accounts expected	97	97	97
Accounts produced	42	21	45
Accounts produced/Accounts expected(%)	43.3	21.6	46.4

Graph No. 4: Evolution of the production of accounts of Administrative Public Establishments



After a drop of 50% in the 2010 financial year, the annual production of management accounts of Administrative Public Establishments turned around moving from 21.6% in 2010 to 46.4% in 2011, a rate higher than that of 2009. The sensitization of Accounting Officers of Administrative Public Establishments by the Ministry of Finance in 2008 and 2010 has much to do with this change.

Paragraph 2. Examination and judgment of management accounts of Accounting Officers of Administrative Public Establishments (APE))

Table No. 7. Decisions taken in the judgment and control of accounts of Accounting Officers of APE

items		2009	2010	2011
Examination reports		15	16	22
Interim rulings		11	11	6
Final rulings	On substance	2	8	6
	With fines	0	6	5
Likely offences forwarded		0	0	0
Declared de facto management		0	1	2
Total number of decisions taken		28	42	41

The table above indicates that the number of examination reports produced by the Audit Bench increased from 15 to 22 respectively in the 2009 and 2011 financial years. Meanwhile, the production of rulings (interim and final) dropped as a result of the unavailability of judges posted to the Legal Department of the Audit Bench. Lastly, two cases of de facto management were declared during the judicial control of structures within the remit of the Third Division.

SECTION 4. Controls performed within the framework of joint sessions of Divisions

In accordance with section 21(1) of law No. 2003/005 of 21 April 2003 to lay down the jurisdiction, organization and functioning of the Audit Bench of the Supreme Court, the joint sessions are composed of the President of the Bench, Division Presidents, two Masters of the Supreme Court by Division and the Procureur General at the Supreme Court. It meets to examine matters within its competence.

Paragraph 1. Competence of joint sessions

According to article 2 of Order No. 26/CDC/CSC of 19 October 2010 by the President of the Audit Bench, the joint sessions of the Bench shall examine:

- Complex files of control and judgment on accounts and supporting documents of public accountants or those of public or semi-public enterprises, upon the decision of the President of the Bench or at the initiative or request of a Division or the Procureur General;
- Matters forwarded to the Audit Bench either by decision of the Budget and Accounts Disciplinary Board or by Order of the Chief Justice of the Supreme Court or by ruling of a Division;
- Appeals for review against final rulings;
- Any other matter which is expressly devolved on it by law

Paragraph 2. Examination and judgment on accounts within a Division

During the 2010 and 2011 financial years, joint sessions received 23 files from the Budget and Accounts Disciplinary Board (CDBF), the National Anti Corruption Commission (CONAC) and appeals for review against final rulings by the Audit Bench as indicated in the table below:

Table No.8. Files received at the joint sessions of Divisions

Source	2010	2011	Total
CDBF	13	5	18
Appeals for review	1	3	4
CONAC	0	1	1
Total	14	9	23

The full list of the said files is found in the annexure.

The procedure for examination and ruling of matters in the joint sessions is that laid down in sections 26 to 38 of Law No. 2003/005 of 21 April 2003 to lay down the jurisdiction, organization and functioning of the Audit Bench of the Supreme Court of Cameroon.

The joint sessions having started its activities in November 2010, the examination decisions were only taken in the 2011 financial year.

Thus, the examination and ruling on various matters culminated on 31 December 2011 in 17 examination reports and 3 interim rulings.

CHAPTER 3. EXTRA-JUDICIAL ACTIVITIES: ADMINISTRATIVE CONTROLS

In 2011, administrative controls by the Audit Bench had to do mainly with accounts of public and semi-public enterprises and the completion of the enquiry on the tax revenues of the State.

SECTION 1. Control of accounts of public and semi-public enterprises

Paragraph 1. Production of financial statements

a. Nature of financial statements

The OHADA law which governs financial and accounting management of all public and semi-public enterprises (PSPE) subject to control by the Audit Bench makes a distinction between obligatory and optional documents.

Obligatory financial statements are those which must be automatically transmitted to the Audit Bench as soon as they are approved by the authorized body, that is, the General Assembly and in the case where this organ does not exist, by the Board of Directors or any organ in lieu thereof.

For a proper exploitation of these obligatory financial statements, the Audit Bench requests the PSPE to attach the trial balance and General Ledger. The other accounting and financial documents such as the cash book may be the subject of expressed request by the jurisdiction or consultation on the spot.

b. Deadlines

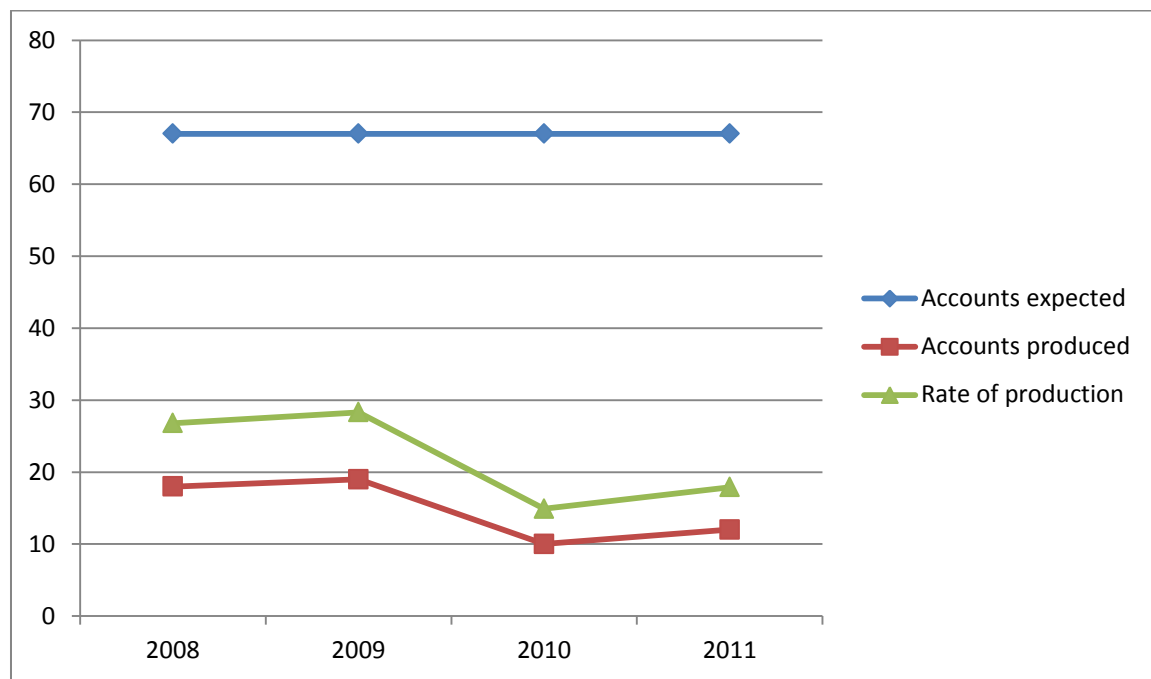
PSPE are bound to transmit their financial statements to the Audit Bench not later than three (3) months after their approval. For companies within the OHADA sphere of influence and in accordance with the provisions of section 54 of Law No. 99/016 of 22 December 1999 on the General Rules and Regulations governing public establishments and enterprises of the public and semi-public sectors these financial statements must reach the Audit Bench not later than 30 September of the year following that to which it refers.

c. Situation of production of financial statements in 2011

Table No.9. Production of accounts of public and semi-public enterprises

<i>YEARS</i>	<i>Accounts produced</i>	<i>Accounts expected</i>	<i>Accounts produced / accounts expected (%)</i>
<i>2008</i>	<i>18</i>	<i>67</i>	<i>26.8</i>
<i>2009</i>	<i>19</i>	<i>67</i>	<i>28.3</i>
<i>2010</i>	<i>10</i>	<i>67</i>	<i>14.9</i>
<i>2011</i>	<i>12</i>	<i>67</i>	<i>17.9</i>

Graph No. 4: Evolution of the production of accounts of public and semi-public enterprises



As was indicated in the 2010 Annual Report, less than one third of financial statements of public and semi-public enterprises was submitted to the Audit Bench. Despite a three-point increase between 2010 and 2011, the rate of production of financial statements remains low, less than 20% on the basis of financial statements expected during the current year.

Paragraph 2. Examination of accounts and observation reports

The controls entered in the programme of Fourth Division for 2011 concerned for the most part, accounts whose examination had started during the previous years. These controls continued and some culminated in interim or final rulings.

The completed controls which resulted in a final observation report concerned the accounts of AYABA Hotel for the 2004 and 2005 financial years, SOPECAM for the 2004 and 2005 financial years and the ADC for the 2004 financial year.

SECTION 2. Control of tax revenues

In compliance with section 39 (d) of Law No. 2006/016 of 29 December 2006 to lay down the organization and functioning of the Supreme Court, *“the Audit Bench shall be competent to... draw up and publish annual reports on State accounts to be submitted to the Head of State”*. In 2011, this annual report on State accounts dwelled on the control of tax revenues.

Paragraph 1. Reasons for the control

The 2009 Annual Report had established the fact of inadequate information on budgetary revenues of the State in the management accounts of public accountants submitted to the Audit Bench.

This inadequacy had to do on the one hand with the absence of readability of tax revenues both in documentary justification and figures. Any accounting activity of Tax Collectors linked to inactive values (fiscal stamps, windscreen licenses, tollgate tickets, stamping machines) whose importance is established in the structure of the budgetary revenues of the State, does not seem to be a faithful reflection of the situation in this sector.

The control initiated in 2010 had among other goals, a better understanding of the management of tax revenues, situating the responsibilities of accountants involved in this management in view of a rendering of accounts in compliance with the laws and regulations in force.

Paragraph 2. Control in accounting stations

The work of the Audit Bench consisted in an enquiry carried out in Regional Treasuries and Tax Centres from 18 April to 13 August 2010. The execution of the enquiry all over the eleven (11) financial districts of the State needed four (4) teams distributed as follows:

- Team 1: the three financial districts of the northern regions;
- Team two: the financial districts of the Centre, South and East;
- Team three: the financial districts of the West and North West;
- Team four: the financial districts of Littoral (Douala) and II (Nkongsamba) and South West.

This enquiry laid particular emphasis on the following elements:

- The management of tax revenues and their collection;

- The ordering and distribution of receipt booklets within the network of the Directorate General of Taxes;
- Management of inactive values.

The period covered concerns the 2004 to 2009 financial years.

Paragraph 3. Control report

The observations and recommendations resulting from this control are found in a report. *Report on State Accounts* which was adopted in Chambers on 14 December 2011 and extracts of which are included in the second part of the Annual Report are devoted to decisions of the Bench.

CHAPTER 4. OTHER EXTRA JUDICIAL ACTIVITIES: ASSISTANCE TO PUBLIC AUTHORITIES AND OPINIONS

SECTION 1. Permanent MINFI/CDC consultation framework

In 2011, the Audit Bench and the Ministry of Finance held three meetings within the framework of the permanent consultation instituted by Decision No. 001897/MINFI/CAB of 29 July 2008. In this regard, the following topics were examined:

- The consolidated accounts of the State;
- The new procedure of accounting of taxes and duties;
- Accounting of transferred expenditures within the framework of decentralization, the fate reserved for supporting documents;
- The general account of the State ;
- Preparation of management accounts of Regional and Local Authorities;
- Commentaries on rulings rendered by the Audit Bench on the 2004 and 2005 management accounts of certain Administrative Public Establishments;
- The opinion of the Audit Bench on the Settlement Bill.

At the end of discussions on the various topics, several resolutions were adopted.

1- Concerning the consolidated accounts of the State

It was recommended that the Directorate General of the Treasury, Financial and Monetary Cooperation seek the opinion of the Minister of Finance on the necessity of preparing the consolidated accounts of the State.

2- Concerning the collection of taxes using the single bulletin procedure

The single bulletin procedure adopted in the collection of taxes faces the problem of classification of supporting revenue documents according to economic sector. It was suggested to the Minister of Finance to set up a think tank to propose measures aimed at reducing this problem.

3- Concerning the “Miscellaneous Deposit and Consignment Account ” in Central Treasuries

The account “Miscellaneous Deposit Consignment Accounts” in Central Treasuries contains high amounts, entries of which go back several decades. These amounts are not always justified. In view of the transfer of the balance of such accounts to the newly created Deposit and Consignment Fund, their streamlining was recommended so as to preserve only amounts supported with probative supporting documents.

4- Concerning the training of senior staff

Within the prospect of the full application of Law No. 2007/006 of 26 December 2007 on the Financial Regime of the State, it was recommended that the Ministry of Finance and the Audit Bench train senior staff in the preparation and control of programme budgets.

5- Concerning the remuneration and benefits granted staff, public establishments and public and semi-public enterprises

It was recommended that Decree No. 87/1141 of 20 August 1987 to fix the remuneration and benefits of staff in public establishments and public and semi-public enterprises be amended.

6- Concerning income and expenditure supporting documents

Considering the difficulties observed in the justification of income and expenditure transactions by accountants, it was recommended that the Ministry of Finance draft a nomenclature of related supporting documents.

SECTION 2. Exchange forums between the Audit Bench and the Finance and Budget Committee of the National Assembly

The Audit Bench and the Finance and Budget Committee of the National Assembly organized within the premises of the National Assembly in Yaounde two forums on 15 June and 16 November 2011 within the framework of their annual exchange on public finance.

Like those of the previous years, the Supreme State Audit, the Ministry of Finance, ANIF, CONAC and the European Union took part in these forums. Their contributions enriched the discussions on the various topics developed and beefed up the recommendations adopted.

Paragraph 1. Topic of the forums

During the forum of 15 June 2011, two presentations were made:

- Presentation of the 2009 Annual report of the Audit Bench
- Financial information: reliability and genuineness of public accounts.

In the first presentation, the issue was to render account of the activities of the Cameroonian financial jurisdiction during the period from 1 January to 31 December 2009.

The second presentation recalled and situated the importance of reliable and genuine financial information in the management of public policies and the control of public finance in relation to the satisfaction of demands by citizens, the State and democracy.

The forum of 16 November 2011 had only one topic on its agenda: control of concessionary enterprises by the Audit Bench. Two points were particularly examined in this presentation: the jurisdiction of the Bench and the practice and limits of control.

The jurisdiction of the Bench here has an legal and economic basis and on the domains of the said control. The limits result from the shortcomings of Law No. 2003/005 of 21 April 2003 where they do not refer to *de facto* limits such as the refusal by the concessionary enterprises to submit their accounts to the Audit Bench or to programmed controls.

Paragraph 2. Recommendations

The recommendations which followed the discussions on the various presentations can be summarized as follows:

1. After the forum of 15 June 2011, the participants recommended:

- The elevation of the Audit Bench to an Accounts Court by endowing it with the power to judge management decisions by vote holders and to close the debate concerning the veritable Supreme Control Institution in Cameroon which to them should be the Audit Bench or Accounts Court;
- Access by the Audit Bench to the international reference framework of the International Organization of Supreme Audit Institutions (INTOSAI) and its regional structures which are the African Organization of Supreme Audit Institutions (AFROSAI) and the *Centre Régional de Formation des Institutions Supérieures de Contrôle des Finances Publiques de l'Afrique Subsaharienne* (CREFIAF), in view of building the capacities of judges in issues of certification of accounts;
- The recruitment of Legal and Judicial Officers and audit assistants and their training in institutions specialized in public finance;
- Acceleration in promulgating laws and instruments referred to above as well as the enabling instruments of Law No. 99/016/ of 22 December 1999;
- Recruitment by Regional and Local Authorities of qualified staff in view of increasing the rate of production of accounts.

2. After the forum of 16 November 2011, the recommendations dwelled on:

- The reminder that control by the Audit Bench over concessionary enterprises is a public obligation and that these enterprises must comply;

- A review of Law No. 2003/005 of 21 April 2003 in order to dispel any misinterpretations;
- The need to mention control by the Audit Bench in all concession agreements;
- extension of the scope of jurisdiction by the Audit Bench in technical assistance contracts;
- reinforcing the legal framework of concessions;
- Carrying out an exhaustive survey of conceded State assets.

SECTION 3. Opinions of the Bench

The Audit Bench issued two opinions during the 2011 financial year: the first on the Settlement Bill of the 2010 financial year and the second on the transmission to the Audit Bench of supporting documents by public and semi-public enterprises.

Paragraph 1. Opinion on the Settlement Bill of the 2010 financial year

This refers to a specific opinion which is given each year on the Settlement Bill presented to the National Assembly in application of the provisions of section 39 (c) of Law No. 2006/016 of 29 December 2006 relating to the organization and functioning of the Supreme Court.

In 2011, the Settlement Bill on which the jurisdiction has given its opinion is that of the 2010 financial year. This opinion, the second of its type, large extracts of which are reproduced in the second part of this annual report, was given by the Audit Bench meeting in chambers on 14 November 2011.

Paragraph 2. Opinion of the Audit Bench on the production of supporting documents by public and semi-public enterprises

According to section 10 of Law No. 2003/005 of 21 April 2003 to lay down the jurisdiction, organization and functioning of the Audit Bench of the Supreme Court of Cameroon *“the Audit Bench shall give its opinion on any matter referred to it in connection with the control and verification of accounts”*.

It is on the legal basis of this provision that the Audit Bench had to make a pronouncement on the request by MAETUR concerning the transmission of supporting documents of its accounting transactions to the financial jurisdiction.

Through this opinion, the Bench took a decision of principle according to which enterprises not subject to public accounting and more specifically those governed by OHADA accounting standards are not bound to produce supporting document in annex to their financial statements. These documents are put at the disposal of the Bench at the head office of each enterprise within the framework of programmed controls.

PART TWO

RULINGS BY THE AUDIT BENCH IN 2011

CHAPTER 1. CONTROL AND JUDGMENT OF MANAGEMENT ACCOUNTS OF PUBLIC ACCOUNTANTS OF THE STATE

SECTION 1. Ruling No. 05/CSC/CDC/S1 of 13/9/2011

Management account of the Treasurer Paymaster General (TPG) of the Far North in Maroua, 2004 financial year

Fixed nature of accounts

Injunctions and reservations lifted

Discharge of the accountant

THE AUDIT BENCH OF THE SUPREME COURT

Sitting in the ordinary hearing hall, the First Division responsible for the control and ruling on State accounts:

Rendered in a public hearing, in accordance with the law, on the management account of Mr. **N. I.J**, Treasurer– Paymaster General of the Far North financial district during the 2004 financial year.

The final ruling, the content of which follows:

I. ON THE NATURE OF ACCOUNTS

Whereas that balances are recorded in the account of the financial year and should be carried over exactly in the account of the following financial year as follows:

Item	Head	Debit balance	Credit balance
Established dues	c/385		Nil
Ordinary creditors	c/400		5.843.507.247
Requested transfers	c/404		1.872.734.586
Ordinary debtors	c/410		3.317.928.921
Financial services of Councils	c/421		395.135.109
Deposits and consignments	c/470.4		417.589.497
Deposits of Councils	c/470.55		9.457.731
A.R.M.P	c/470.6		4.775.000
Deficits and debits of accountants	c/471	44.439.206	
Bank cheques for cashing	c/550	14.987.037	
Bank	c/56	9.990.915	
Cash	c/57	198.186.146	

Whereas section 33(1) of Law No. 2003/005 of 21 April 2003 to lay down the jurisdiction, organization and functioning of the Audit Bench of the Supreme Court stipulates: *“The first part shall certify the nature of the accounts, and any corrections shall be indicated”*;

Whereas this certification involves obligation on the accountant to carry over recorded balances to the 2005 financial year;

It is established that the balances are finally closed.

II. INJUNCTIONS:

Injunction No. 1 relating to the minutes of control of the Revenue Collection Office of Maroua on 31/12/2004

Whereas **Mr. N. I. J**, was enjoined to “pay his own funds into the Public Treasury within a deadline of sixty days the sum of 359.945 CFA francs or to bring any other justification in his defense”;

Whereas in response to this injunction, the accountant produced a certified photocopy of Receipt No. H 81956432 of 16 April 2009 of 359,945 CFA francs in the name of the Revenue Collector of Mokolo, in coverage of the accounting shortfall;

Whereas the Receipt is by definition in return for sums paid into the Treasury and satisfies the injunction for justification;

The injunction is hereby lifted.

Injunction No. 2 relating to the report of control of the cash of the Koza Sub-Treasury at 31/12/2004

Whereas **Mr. N. I. J**, was enjoined to “*pay from his own funds into the public Treasury the sum of 3.529.043 CFA francs within sixty days or to bring any other justification in his defense*”;

Whereas in response to this injunction the accountant produced a certified photocopy of Receipt No. H 81935052 of 03 March 2009 of 3.529.043 CFA francs in the name of the Sub-Treasurer of Koza in coverage of the established accounting shortfall;

Whereas the receipt is by definition in return for sums paid into the Treasury and satisfies the injunction for justification;

The injunction is hereby lifted.

Injunction No. 3 relating to the control of the cash at the Kar-Hay Sub-Treasury at 31/12/2004

Whereas **Mr. N. I. J**, was enjoined to “*pay from his own funds into the public Treasury the sum of 672.877 CFA francs within a deadline of sixty days or to bring any other justification in his defense*”;

Whereas in response to this injunction the accountant produced a certified photocopy of Receipt No. H 81946534 of 17 April 2009 of 672.877 CFA francs in the name of the Sub-Treasurer of Kar-HAY, in coverage of the established accounting shortfall;

Whereas the receipt is by definition in return for sums paid into the Treasury and satisfies the injunction for justification;

The injunction is hereby lifted.

Injunction No. 4 relating to the control of cash at the Dargala Sub-Treasury at 31/12/2004

Whereas **Mr. N. I. J**, was enjoined to “*pay from his own funds into the public Treasury the sum of 229.629 CFA francs within a deadline of sixty days or to bring any other justification in his defense*” ;

Whereas in response to this injunction the accountants produced a certified photocopy of Receipt No. H 81961424 of 12 March 2009 in the name of the Sub-Treasurer of Dargala, in coverage of the established accounting shortfall;

Whereas the receipt is by definition in return for sums paid into the Treasury and satisfies the injunction for justification;

The injunction is hereby lifted.

Injunction No. 5 relating to the control of cash at the Maga Sub-Treasury at 31/12/2004

Whereas **Mr. N. I. J**, was enjoined to “*pay from his own funds into the public Treasury the sum of 5.939.114 CFA francs within a deadline of sixty days or to bring any other justification in his defense*”;

Whereas in response to this injunction the accountant joins injunctions No. 5 and 9 regarding the same accounting station; he justifies the payment of the 2.731.685 CFA francs by previous deduction on the benefits of **Mr. M. A.** responsible for the deficit. The balance, that is, 3.207.429 CFA francs is the subject of clearance through deduction from the salary of the person concerned.

Whereas the accountant has taken all the measures to recover the money notably through the seizure of the salary and other elements of remuneration of **Mr. M. A**;

That in so doing the accountant has satisfied the injunction;

The injunction is hereby lifted.

Injunction No.6 relating to the control of cash at the Kaï-Kaï Sub-treasury at 31/12/2004

Whereas **Mr. N. I. J**, was enjoined to “*pay from his own funds into the public Treasury the sum of 2.898.630 CFA francs within a deadline of sixty days or to bring any other justification in his defense*” ;

Whereas in response to this injunction the accountant produced a statement of recovery of a deficit of 3.147.819 CFA francs to which he attached certified photocopies of receipts issued to **Mr. S.**, responsible for operations during the period from 30/01/2005 to 16/08/2007 ;

Whereas the recovery statement and the photocopies of the receipts constitute proof of payment of the sum of 2.898.630 francs representing the deficit of 2004 and of the sum of 249.189 francs an ulterior deficit;

Whereas the receipt is by definition in return for sums paid into the Treasury and satisfies the injunction for justification;

The injunction is hereby lifted.

Injunction No. 7 relating to the control of the cash at the Makary Sub-Treasury at 31/12/2004

Whereas **Mr. N. I. J.**, was enjoined to *“pay from his own funds into the public Treasury the sum of 635.012 CFA francs within a deadline of sixty days or to bring any other justification in his defense;*

Whereas in response to this injunction the accountant produced a certified photocopy of Receipt No. H 81967581 du 04 April 2009, in coverage of the established accounting shortfall;

Whereas the receipt is by definition in return for sums paid into the Treasury and satisfies the injunction for justification;

The injunction is hereby lifted.

Injunction No. 8 relating to control of the cash at the Souledé-Roua Sub-Treasury at 31/12/2004

Whereas **Mr. N. I. J.**, was enjoined to *“pay from his own funds into the public Treasury the sum of 384.302 CFA francs within a deadline of sixty days or to bring any other justification in his defense;*

Whereas in response the accountant produced a certified photocopy of Receipt No. H 81954830 of March 2009, in the name of the Sub-Treasurer of Souledé-Roua of the sum of 384.302 CFA francs, in coverage of the established accounting shortfall;

Whereas the receipt is by definition in return for sums paid into the Treasury and satisfies the injunction for justification;

The injunction is hereby lifted.

Injunction No. 10 relating to the difference in amounts between the bills and the purchase vouchers

Whereas **Mr. N. I. J**, was enjoined to “*pay from his own funds into the public Treasury the sum of 180.881 CFA francs within a deadline of sixty days or to bring any other justification in his defense*” ;

Whereas in response the accountant produced:

- the certified photocopy of Receipt No. R04133670 of 11 January 2008 in the name of **Mr. B. A.** of 23.457 francs in coverage of the overpayment on the purchase voucher No. 2942;

- the certified photocopy of Receipt No. 481934416 of 10 March 2009 in the name of **Mr. Y. D.** former Revenue Collector of Kaélé of the sum of 83.424 francs, to cover the overpayment on purchase voucher No. 236291;

- the certified photocopy of Receipt No. H 81956433 of 16 April 2009 in the name of **Mr. B.B**, former Sub-Treasurer of Waza of the sum of 74000 francs in coverage of the surplus payment on purchase voucher No. N°254112;

Whereas the receipt is by definition in return for sums paid into the Treasury and satisfies the injunction for justification;

The injunction is hereby lifted.

Injunction No. 11 relating to the payment of mission orders with irregular endorsements

Whereas **Mr. N. I. J**, was enjoined to “*pay from his own funds into the public Treasury the sum of 293000CFA francs within a deadline of sixty days or to bring any other justification in his defense*”;

Whereas in response the accountant produced a certified photocopy of Receipt No. N°H81954048 du 04 March 2009 in the name of **Mr. M. J.**, Sub-Treasurer of Bogo of the sum of 239.000 CFA francs, in coverage of the irregular payment of purchase voucher No. N235764;

Whereas the receipt is by definition in return for sums paid into the Treasury and satisfies the injunction for justification;

The injunction is hereby lifted.

III- RESERVATIONS

Reservation No. 1 relating to the cash balance in the Revenue Office of Yagoua

Whereas a reservation was issued regarding the account of **Mr. N. I.J** to the effect to proceed to “an increase the cash balance of the Revenue Office by an amount of 137.834 francs CFA” ;

Whereas following this reservation the accountant produced Receipt No.H81941761 of 05 March 2009 in the name of the Revenue Collector of Yagoua of payment of the sum of 137.834 CFA francs, as other surplus into the Treasury to increase the cash balance;

Whereas this operation had as effect to re-establish the concordance between the balance and the cash;

It is established that the accountant has satisfied the reservation;

In consequence whereof the reservation is lifted.

Reservation No. 2 relating to the reduction of the cash balance in Zina Sub-Treasury

Whereas the reservation was made on the account of **Mr. N. I.J** to the effect to reduce the cash balance of an amount of 127.436 CFA francs;

Whereas the explanation given by the accountant seems to be convincing, the statement of the issues raised not causing any prejudice to the State;

The reservation is hereby lifted.

Reservation No. 3 relating to the cash balance in the Hina Sub-Treasury

Whereas the reservation was made on the account of **Mr. N. I.J** to the effect to “increase the cash balance of an amount of 461.617 CFA francs”;

Whereas following this reservation the accountant produced Receipt No. H81951882 of 17 April 2009 in the name of **Mr. G. M.**, Sub-Treasurer of Hina of payment of the

sum of 461.617 CFA francs, in the account of the surplus cash in increase of his cash balance;

Whereas this operation has as effect to re-establish the concordance between the balance and the cash;

It is established that the accountant has satisfied the reservation;

The Reservation is hereby lifted.

Reservation No. 4 relating to the cash balance in the Mora Revenue Collection Office

Whereas the reservation was made on the account of **Mr. N. I.J** to the effect to reduce the cash balance of an amount of 100.000CFA francs;

Whereas following this reservation the accountant produced Receipt No. H81951882 of 9 March 2009 in the name of the Revenue Collector of Mora of payment of the sum of 100.000 CFA francs, in the account of the surplus cash in increase of his cash balance;

Whereas this operation has as effect to re-establish the concordance between the balance and the cash;

It is established that the accountant has satisfied the reservation;

The reservation is hereby lifted.

Reservation No. 5 relating to the cash balance in the Kaele Revenue Collection Office

Whereas the reservation was made on the account of **Mr. N. I.J** to the effect to reduce the cash balance of an amount of 1.665608 CFA francs in the Kaele Revenue Collection Office;

Whereas following this reservation the accountant produced Receipt No. H81951882 of 17 April 2009 in the name of **Mr. Y. D.**, former Revenue Collector of Kaele of payment of the sum of 1.665.608 CFA francs, in the account of the surplus cash in increase of his cash balance;

Whereas this operation has as effect to re-establish the concordance between the balance and the cash;

It is established that the accountant has satisfied the reservation;

The reservation is hereby lifted.

Reservation No. 6 relating to the recovery of deficits established against certain collaborators

Whereas a reservation was made on the account of **Mr. N. I.J** to the effect: “producing measures carried out to recover the sum of 44.439.206 CFA francs”;

Whereas the accountant was not explicit on the measures taken in view of clearing the deficits of his collaborators;

But considering the circumstances linked to the first year of rendering account, the reservation is hereby lifted.

**FOR THESE REASONS,
RULING IN A PUBLIC HEARING,
ADVERSARIALY, IN FINAL RULING**

On the nature of account:

Acknowledge to **Mr. N. I. J.** that the nature of account closed at the end of the 2004 financial year balanced in credit and debit is recorded in the sum of 20 868 372 436 CFA F and that the balances are established as in the account.

Concerning the reservation and injunctions:

State that they are all lifted.

In consequence whereof no charge is brought against **Mr. N.I.J.** for his management of the Far North financial district in the 2004 financial year, he is therefore declared discharged.

Thus judged and ruled in a public hearing on the same day, month and year as above.

SECTION 2. Ruling No. 06/CSC/CDC/S1 of 20 September 2011

Management account of the Treasurer-Paymaster General (TPG) of North West in Bamenda, 2004 financial year

Fixed nature of account

Injunctions and reservations lifted

Discharge of accountant

THE AUDIT BENCH OF THE SUPREME COURT

Sitting in its ordinary hearing hall, the First Division responsible for the judgment of State accountants;

Rendered in a public hearing, in accordance with the law, on the management account of the 2004 financial year of **Mr. H. S.**, Treasure- Paymaster General of the North West financial district in Bamenda.

The final ruling, the content of which follows:

1. ON THE NATURE OF ACCOUNT

Whereas the nature of account closed at the end of the 2004 financial year balanced in credit and debit is established at 19.650.673.543 CFA F and that the closing balances are the same as in the trial balance of accounts as follows:

CLASS OF ACCOUNTS	DEBIT	CREDIT
09	826.727.552	
2	7.345.047.475	
3	1.857.671.536	
4	3.935.776.873	
5		14.508.693.562
6	5.685.450.107	
7		5.141.979.981
TOTAL	19.650.673.543	19.650.673.543

ITEM	DEBIT BALANCE	CREDIT BALANCE
New carried forward 3503	2.052.811.315	
Difference on opening carry forward 39000	1.193.213.373	
Established dues 385		1.388.353.152
Ordinary creditors 400	736.829.589 (abnormal balance)	
Requested transfers 404		1.746.392.311
Ordinary debtors 410	202.353.170	
Financial services of Councils 421		127.864.655
Sundry deposits and consignments 4704		377.973.909
Deposits of Councils 47055		109.757.971
ARMP 47056		4.496.865
Deficits and Debits of accountants 471	68.223.805	
Bank cheques received and bank cheques for cashing 550	7.148.964	
Bank 56	103.946.543	
Cash 57	207.6.36.712	

2. INJUNCTIONS

Injunction No.1 of Ruling of 18/12/2008 relating to the discordance between the amounts of cash entered in the minutes of the internal cash control as at 31/12/04 of certain accounting stations and the cash balance accounts of these accounting stations in the trial balance of accounts

Whereas by reason that certain 570 000 XXX accounts titled “cash with the accountant” show different debit balances in the trial balance of accounts and in the minutes of internal control prepared as at 31/12/2004, *“Mr. H. S was enjoined to produce within a deadline of sixty days following this notification proof of payment into the public Treasury from his own funds the sum of 23.698.493 CFA francs or in default, any other justification likely to clear his responsibility”;*

Whereas in his response the accountant stated that some of these discordances resulted from either poor key-in of data in the computer application or from key-in omissions of certain ten-day accounting period, or from erroneous calculations in the minutes of cash control or from dysfunctions of the computer system;

That corrections were made and receipts issued for cash surpluses on the one hand and minutes establishing deficits were prepared on the other hand;

Whereas photocopies of minutes establishing the deficits and revenue slips relating to entries of cash surpluses attached by the accountant helped in establishing that he corrected the irregularities noticed in the account balances of the 2004 financial year in the 2007 financial year by firstly correcting the trial balances and then establishing deficits in the case where the corrected balances still remained above balances in the minutes of cash control and cash surpluses in the contrary case.

The said injunction is hereby lifted.

Injunction No. 2 of Ruling of 18/12/2008 relating to the absence of regularization of bank cheques rejected during clearance

Whereas by reason that the annex “receipts of accounting station not established by the Bank” of the statement of concordance of the current account of the Central Treasury of Bamenda prepared as at 31/12/2004 has ten (10) bank cheques of a total amount of 3.052.067 CFA francs registered and accounted for between February 2000 and February 2001 and not yet cashed at the date of concordance, *Mr. H. S* was enjoined to produce within a deadline of sixty days following this notification proof of payment into the public Treasury from his own funds the sum of 3.052.067 CFA francs or in default, any other justification likely to clear his responsibility;

Whereas in his responses the accountant indicates the following : *“faced with certain difficulties in the cashing of certain promissory notes which had kept considerably long in our services, we had received instructions in 2003 from the Department of the Treasury to transfer these promissory notes to them. Hence the competent services of the Department to follow up on their collection which was done in full in 2005”*;

That as proof of the collection of these cheques the accountant produced a statement of concordance of the current bank account of the Bamenda Central Treasury prepared on 28/02/2005 in which the annex "Revenues of the accounting station not established by the bank" in which the cheques had been entered is empty;

The said injunction is hereby lifted.

Injunction No. 3 of Ruling of 18/12/2008 relating to the erroneous calculation in mission allowances

Whereas by reason that mission allowances were wrongly calculated **Mr. H. S** was *enjoined to produce within a deadline of sixty days following this notification proof of payment into the public Treasury from his own funds the sum of 4.090.000 francs CFA francs or in default, any other justification likely to clear his responsibility;*

Whereas in his responses the accountant indicates the incompatibilities between the grade or incremental position of the beneficiary of mission allowances and the daily rate of certain civil servants who effectively hold duty posts to which they were appointed without being taken care of in their payslips, he was bound to take into consideration the appointment instruments in the payment of the mission allowances of the concerned persons;

That for mission allowances paid to certain officials of the Bamenda Treasury for missions whose duration is a single day he stated the following: *"for each of these outings, the staff on mission leave very early in the morning and return only in the afternoon, which is usually more than twelve hours between departure and return. We base our action on article 27 of Decree No. 200/693 of 13 February 2000 in this matter which, in this case, grants this staff a daily mission allowance, we enter on the mission warrants dates which ensure obtaining the logical allowance during calculation, which to us, would have given the same result with the departure and return hours.*

Moreover, it should be noted that in most cases, due to a lack of a service vehicle, it is the vehicles of these persons which are used without taking into consideration their

depreciation and with all the risks of such movements. Can one remain indifferent to the sense of sacrifice which this staff demonstrates for the smooth functioning of the public service?"

Whereas the provisions of article 27 of Decree No. 2003/693 of 13 September 2000 indicate that mission allowances paid for missions whose duration is at least twelve (12) hours is justified ;

That moreover the explanations on the adaptation by the accountant of the daily rate of the beneficiary in a post of responsibility are admissible considering the situation;

The said injunction is hereby lifted.

Injunction No. 4 of Ruling of 18/12/2008 relating to payments made to fake beneficiaries

Whereas **Mr. H. S** was enjoined to produce within a deadline of sixty days following this notification proof of payment into the public Treasury from his own funds the sum of 2.700.000 CFA francs or in default, any other justification likely to clear his responsibility; the reason being that purchase vouchers accompanied by bills in the names of certain suppliers were established in the name of public employees designated as cashiers by line superiors and thus in violation of the provisions of article 221 of Ordinance No. 62/OF which states that “*vouchers related to each clearance must provide proof of vested right by creditors and prepared in the form laid down by regulations*”.

Whereas in his responses the accountant indicates the following: *the persons in whose names the bills issued on behalf of corporate persons were mandated, are proprietors of the enterprises concerned. Our verifications enabled us to discover that these are people who have the same tax file with the same taxpayer's number. The difference is often caused during the keying in the CADRE application which requires that the name of the manager of the enterprise be entered. And most often the bank account number is in the name of the natural person*”.

Whereas the established irregularities concern:

- Bills of a total amount of 1.350.000 CFA francs in the name of FUNASHUH HOLDINGS, paid on purchase voucher Nos. 495027, 495028, 495029 and 495030 of an amount of 337.500 CFA francs each by Mr. FRU Emmanuel CHOH, Senior Registrar, vote holder, Head of the Administration and Finance Service at the Court of Appeal of Bamenda in the name of his collaborator named NJU John ACHUO, State employee appointed cashier on the proposal of the said vote holder;
- Bills of a total amount of 1.350.000 CFA francs in the name of DETERMINATION ENTERPRISE paid through purchase vouchers Nos.590395 and 509396 of an amount of 675.000 CFA francs each by Mr. MBIPEH Pius SHIDIKI, Agricultural Engineer Divisional Delegate of Agriculture for Mezam, vote holder in the name of TUMAJONG Joseph, salary matriculation No. 166118-M, designated cashier upon the proposal of the said vote holder;

Whereas it seems these two public employees have no link with these enterprises, owners of the said bills;

That the accountant has annexed to his response a statement of nine (9) purchase vouchers of a total amount of 4.500.000 CFA francs paid in the same manner by Mr. FRU Emmanuel CHOH during the same financial year.

That considering the prevailing circumstances, the accountant should be enjoined to ensure strict respect of concordance of names which feature in the payment vouchers and the bill forming the subject of the payment.

3. RESERVATIONS

Reservation No.1 of Ruling of 8/12/2008 relating to debit and credit operations noticed in account 39000 during the financial year

Whereas a reservation has been raised on the account of the 2004 financial year of **Mr. H. S** in expectation of the regularization of wrongly entered operations during the 2004 financial year in account 39000 in debit of 855.169.494 CFA francs and in credit of 244.168.358 CFA francs;

That account 39000 titled *“Difference on the accounts balance” in the trial balance* of the opening balance of an amount of 582.212.237 CFA francs, debit and credit operations respectively in the amounts of 855.169.494 and 244.168.358 CFA francs and a debit of an amount of 1.193.213.373 CFA francs at 31/12/2004 ;

Whereas the Treasury Instruction No. 004/0004/MINFIB/DT DER of 29 March 2004 the subject of which is the opening balance of the 2004 financial year specifies:

“differences between debit and credit balances of the opening balance shall be repeated in account 39000 titled “difference on opening balance” which should not be moved during the 2004 financial year” ;

Whereas upon analysis and considering the dysfunction of the computer system signaled by the accountant, it can be deduced that account 39000 was debited by 855.169.494 CFA francs and credited by 244.168.358 CFA francs automatically by the computer system during the automatic transfer of balances in the opening balance of the 2004 financial year and not during the financial year;

That considering this special circumstance, the reservation should be lifted.

Reservation No. 2 Ruling of 18/12/2008 relating to disequilibrium between the general total debit and the general total credit in the trial balance of accounts

Whereas a reservation was made on the 2004 account of **Mr. H. S** in expectation of the regularization of the imbalance noticed between the general total debit and the general total credit of the trial balance of the account;

Whereas the trial balance of accounts of the 2004 financial year indicates a “Total general debit” of an amount of 76.886.533.436 CFA francs and a “a total general credit” of an amount of 76.885.133.436 francs CFA, that is a difference of 1.400.000 CFA francs;

Whereas upon analysis, it seems during the 2004 financial year debit and credit operations of all the accounts of the trial balance are in balance;

That the disequilibrium established between the total general debit (76 886 533 436) and the total general credit (76 885 133 436) is due to the disequilibrium observed

between the totals of debit balances (16 000 073 969) and credit (16 001 473 969) in opening balance, disequilibrium caused by the dysfunction of the computer system;

That considering the particular circumstance the reservation should be lifted.

Reservation No. 3 of Ruling of du 18/12/2008 relating to non regularized deficits

Whereas a reservation was made on account of the 2004 of Mr. **H. S** in expectation of information on the measures taken in order to obtain the regularization of deficits of accountants in his financial district which deficit amounts to 104.790.621 CFA francs as at 31/12/2004 ;

Whereas most of these deficits which are imputable on certain heads of accounting stations of the financial district are currently being regularized;

In consequence whereof the reservation should be lifted.

Reservation No. 4 of Ruling of 18/12/2008 relating to the non production of certain statements and supporting documents lacking in the management account

Whereas a reservation was made on the account of the 2004 financial year of **Mr. H. S** in expectation of the production of certain supporting documents lacking in the said account;

Whereas the statements and supporting documents did not block the control and judgment of the management;

In consequence whereof the reservation should be lifted.

Whereas the control of the management account of the 2004 financial year of the North West financial district indicates that there is no longer any charge against **Mr. H. S**;

That all the operations mentioned in the account should be admitted, that the concerned should be discharged of his management of the period from 1 January to 31 December 2004.

**FOR THESE REASONS,
JUDGING PUBLICLY, IN A FINAL RULING**

Acknowledge to Mr. H. S. that the nature of account closed at the end of the 2004 financial year balanced in debit and credit, stands at 19.650.673.543 CFA F and that the balances are closed as in the trial balance of accounts.

Pronounce:

- the lifting of the 04 reservations and 03 injunctions ;
- the transformation of an injunction as a warning for the future;

State that no charge having been retained against the account of Mr. H.S., he is consequently discharged of his management of the North West financial district in the 2004 financial year.

Thus judged and ruled in a public hearing on the same day, month and year as above.

**CHAPTER 2. CONTROL AND JUDGMENT OF MANAGEMENT ACCOUNTS OF
COUNCIL REVENUE COLLECTORS IN 2011**

SINGLE SECTION: Judgment No. 72/AD/CSC/CDC/S2 of 29 September 2011

- **Management account of the Garoua Urban Council , 2004 financial year**
- **Fixed nature of account**
- **Injunctions lifted (5)**
- **Warning injunction for the future (1)**
- **Debits (3) for a total amount of 1 375 444 F CFA**
- **Suspended discharge of the accountant.**

The management account of the Garoua Urban Council for the 2004 financial year submitted at the Registry of the Audit Bench on the 29 January 2009 under No. 11 was programmed for the judicial activities of 2011.

By interim ruling No.167/P/S2/CVA of 05 August 2010, the judgment session of the Second Division of the Audit Bench, considering the balance of the 2003 financial year and the 2004 income and expenditure operations fixed the nature of account on the one hand and on the other hand pronounced nine pay back injunctions against **M.M.A.**, Council Revenue Collector of the Garoua Urban Council appointed by joint Order No. 0174/MINAT/MINEFI of 09 May 1995.

Following the responses of the Council Revenue Collector to the injunction to pay back, the judgment session by judgment No. 72/AD/CSC/CDC/S2 of 29 September 2011, took the final decisions on the said accounts, the main elements of which are summarized hereunder.

1. Nature of account

The nature of account was set in debit and credit at the sum of 69 944 226 CFA F and the balances established as in the account at the close of the financial year as follows:

- Balance in the management account: 69 944 226 CFA F;
- Balance of inactive assets: 2 437 960 646.

2. Injunctions lifted

The interim ruling No. 167/P/S2/CVA of 05 August 2010 had pronounced reimbursement injunctions against the Revenue Collector of the Garoua Urban Council concerning :

- Pay back of taxes into the public Treasury of the sum of 3 473 941 CFA F;
- The absence of sign-out statements of collection relating to the payment of salaries of temporary workers for the amount of 698 139 CFA F;
- The payment of mission allowances within the country of the sum of 7 293 000 CFA F without the production of mission warrants or orders;
- Payment of mission allowances out of the country of the sum of 9 350 000 CFA F without supporting documents;
- Payment of mission allowances above the rate in force.

After explanations and documents submitted by the Council Revenue Collectors, the judgment session lifted these five (5) injunctions.

3. Injunction for the future

Out of an amount of 13 600 000 CFA F disbursed within the framework of the organization of a cultural week and representing part of financing of the activities, the Council Revenue Collector submitted an application account without supporting documents for the sum of 13 000 000 CFA F.

The organizing committee and the auditors having validated the said expenditure, the judgment session agreed to lift the corresponding injunction and to enjoin the Council Revenue Collector that in future to require in support to the application account of expenditure authorized by a disbursement decision, probative supporting documents such as purchase receipts, statement of collection by beneficiaries of the various commissions as well as officials of various dance groups.

4. Debits

Concerning the management account of the Garoua Urban Council, the judgment session, by final ruling No. 72/AD/CDC/CSC/S2 of 29 September 2011, declared the Council Revenue Collector in debit of the sum of 1 375 444 CFA F for the following reasons:

- payment of vehicle maintenance allowance to the Government Delegate without legal basis and without budgetary authorization for an amount of 750 000 CFA F;
- payment of an unauthorized purchase voucher causing a loss to the public Treasury of 175 444 CFA F ;
- payment of mission allowances without probative justification of the mission being carried out for the sum of 450 000 CFA F.

5. Suspended discharge

In view of the charges retained against the Council Revenue Collector of the Garoua Urban Council for his 2004 management, the Audit Bench decided to suspend the discharge until the regularization of the amount of 1 375 000 CFA F of which he is in debit.

CHAPTER 3. CONTROL AND JUDGMENT OF MANAGEMENT ACCOUNTS OF ACCOUNTING OFFICERS OF ADMINISTRATIVE PUBLIC ESTABLISHMENTS IN 2011

SINGLE SECTION. Ruling No. 09/AD/CSC/CDC/S3 du 01/07/2011,

- **Management account of the Accounting Officer of the Hydrocarbons Price Stabilization Fund (CSPH), 2004 financial year**
- **Nature of account fixed**
- **Injunctions lifted (4)**
- **Warning injunction**
- **Debits (6) for a total amount of 58 877 000 CFA F.**
- **Suspended discharge of the Accounting Officer.**
-

In accordance with the law, the Audit Bench on 1 July 2011 rendered Ruling No. 09/AD/CSC/CDC/S3 on the management account of the Hydrocarbons Stabilization Fund (CSPH) for the 2004 financial year produced by the Accounting Officer, **Mr. E.J.D.**, Treasury Inspector. This ruling can be summarized as follows:

1. On the nature of account

The balances as at 31 December 2004 of the trial balances recorded by the Accounting Officer are closed in debit and credit at the total sum of 51 907 754 939 CFA F (fifty one billion nine hundred and seven million seven hundred and fifty four thousand nine hundred and thirty nine). They are in concordance with the financial statements prepared by the financial services of CSPH.

The nature of account is fixed at 16 376 119 280 F CFA (sixteen billion three hundred and seventy six million one hundred and nineteen thousand two hundred and eighty CFA francs) corresponding to the amount of funds in the books of the Accounting Officer.

2. Warning injunctions

Ruling No. 09/AD/CSC/CDC/S3 of 01 July 2011 pronounced four warning injunctions against the Accounting Officer, including notably:

- The injunction on payments above the voted budgetary allocations of 46 167 919 CFA F for running expenditure and 218 224 131 CFA F for investment expenditure without the approval of the deliberating body;
- Injunction on the payment of mission allowances without the mission warrants bearing the required indications and visas on departure and arrival in compliance with Decree No. 2002/693/PM of 13 September 2002 to lay down the regime of missions of public employees and the modalities for payment of the attendant costs and circular of the Minister of Finance and the Budget on the execution and control of execution of the budget of the State and bodies receiving subsidies.

3. On debits

In addition, the ruling referred to above also pronounced injunctions expressed through debits against the Accounting Officer of a total amount of 54 877 000 CFA F distributed as follows:

- Various payments of up to 18 000 000 CFA F in violation of legal and regulatory provisions of the CSPH committing the personal and pecuniary responsibility of the Accounting Officer in accordance with article 83(2) of Ordinance No. 62/OF/4 of 07 February 1962 which states that: *"the pecuniary responsibility of a Treasury accountant is committed because of the expenditure he orders if the accountant cannot establish that he verified the application of laws and regulations regarding the expenditure concerned"*.
- Four payments of the running budget of the CSPH Tenders Board, rental of a bus and other services without supporting documents for a total amount of 35 392 000 CFA F ;
- Irregular payment of the participation fees of a medical adviser in an international congress for the sum of 1 485 000 CFA F.

4. Regarding lifted injunctions

The Accounting Officer produced probative supporting documents on the four injunctions which were addressed to him. These injunctions were lifted.

The Audit Bench thus suspended the discharge of Mr. E.J.D of his management of CSPH for the 2004 financial year and ordered the notification of this ruling. :

- To **Mr. E.J. D.** c/oS/c Accounting Office of CSPH ;
- To the CSPH accountant;
- To the Director General of CSPH ;
- To the Minister of Commerce ;
- To the Minister of Finance.

CHAPTER 1. ADMINISTRATIVE CONTROLS OF THE AUDIT BENCH IN 2011

The activities of control and examination of accounts of public and semi-public enterprises of the Audit Bench in 2011 culminated in the production of three final observation reports. Included in this report are extracts of the report on the accounts of SOPECAM for the 2004 and 2005 adopted at the session of the Fourth Division of 15 September 2011.

SINGLE SECTION. Observation report on the accounts of the Cameroon Publishing and News Corporation (SOPECAM) for the 2004 and 2005 financial year

I – BACKGROUND TO THE CONTROL

The accounts of the Cameroon Editing and Publishing Company (SOPECAM) for the 2004 and 2005 financial years entered in the programme of control of 2006 and 2007 were entrusted to the judge rapporteur by Orders Nos. 007/CSC/CDC/S4 of 27 July 2006 and 04/CSC/CDC/S4 of 06 March 2007 respectively.

These accounts ready for examination include on the one hand, all the summary financial statements as provided by the Organization for the Harmonization of Business Law in Africa (OHADA): the balance sheet, the income statement, the financial table of resources and application, the annexed statement; on the other hand, the ledger, the general ledger, the trial balance of accounts and the auxiliary ledgers. In support to these documents, the supporting documents of operations registered during the period under review were deposited at the Registry.

In application of the adversarial principle, the rapporteur, after an exhaustive control on the documents and on the figures, received complementary information by exchange of correspondence with the Directorate General.

II- PRESENTATION OF THE ENTREPRISE

II.1 - GENERAL

Set up and organized by Decree No. 77/250 of 18 July 1977, SOPECAM, born out of the ashes of the Cameroon News Agency from which it inherited the assets and liabilities, is a public establishment of industrial and commercial nature endowed with legal personality and financial autonomy with a capital of 250 millions CFA francs. Its head office is in Yaounde and the supervisory authority is ensured by the Ministry in charge of information.

In accordance with the text referred to above, the management organs of SOPECAM were:

- A Board of Directors;
- A Directorate General;
- A Finance Commission.

The decree exhaustively enumerated management matters or actions to be submitted for the prior approval of the supervisory authority and detailed the organization chart of the enterprise comprising four (4) departments.

On 12 December 1985, the structure was reorganized by Decree No. 85/1716 and since then the management organs are:

- A Board of Directors;
- A Directorate General;
- A Finance Commission.

This decree puts SOPECAM in the second category of public establishments; the domains of intervention by the supervisory are no longer in the decree neither the amount of the share capital. However, statistical and fiscal declarations indicate that the capital in 2004 and 2005 was 838 370 459 CFA F, completely owned by the State of Cameroon.

On the basis of the elements submitted, the Audit Bench is not in a position to make a pronouncement, neither on the share capital nor the paid-up fraction of the said capital.

II.2- MANAGEMENT AND SURVEILLANCE ORGAN

- Absence OF General Assembly and Auditors

In accordance with the current legal framework fixed by Law No. 99/016 of 22 December 1999 on the General Rules and Regulations governing administrative public establishments, public and semi-public enterprises, inspired by the OHADA Uniform Act and especially the act relating to the law on commercial companies and economic interest groups (IEG) of 17 April 1997, the Uniform Act relating to general commercial law of 17 April 1997 SOPECAM, classified as a public enterprise since the signing of the 1999 law should have had as organs a General Assembly, a Board of Directors, a Directorate General and have an overseeing organ: Auditors.

Its organization remains based on the organs provided by decree No. 85/1716 of 12 December 1985 referred to above:

- A Board of Directors;
- A Directorate General;
- A Finance Commission. .

Response by management

“In 2003 SOPECAM had drafted the articles of association of the enterprise in compliance with the law in force which was forwarded to the Board of Directors and the financial supervisor. It is the validation of this document which conditions the putting in place of management organs”.

To the Audit Bench the status of SOPECAM is not in compliance with the legislation in force.

-Default in the certification of accounts:

The appointment and dismissal of the Auditor, legal certifier, are governed by section 33 of Law No. 99/016; like the Uniform Act relating to commercial companies and EIG (article 547) governs the General Assembly of shareholders. The audit missions of the Auditor cannot be performed out of this framework.

If the absence of the General Assembly, the Directorate General thought it could appoint an auditor, the missions it entrusted the auditing firm can only be performed within a framework of contractual assistance to the enterprise.

Consequently, despite the terms of the letter by which the services were ordered by SOPECAM from the accounting firm AUDIT CONSEIL EUROPE AFRIQUE in view of:

“establishing the statistical and fiscal declaration (D S F) ;

Certifying the accounts and produce a certification report;

Establish financial statements”;

The conditions were not met for the enterprise to recruit an Auditor. Also, the financial statements of 2004 and 2005 deposited at the Registry of the Bench are not certified.

Response by management

“While waiting for the validation of the statutes, SOPECAM has continued to function as a public establishment of an industrial and commercial nature. Board of Directors members are appointed by the public administration and the leaders by presidential decrees. It is this same logic which led the Board of Directors to maintain and always resort to the Finance Commission for the certification of accounts”.

To the Audit Bench the status of public establishment of an industrial and commercial nature such as SOPECAM makes it a public enterprise governed by law No. 99/016 and the Uniform Act relating to company law and EIG mentioned above. The use of the Finance Commission no longer has a legal basis. SOPECAM is wrong to maintain it.

-Incompatibility of the exercise of functions given the chartered accountant

The mission letter referred to above mixes up things granting the auditing firm both the work of assistance in preparing the DSF or financial statements and that of certification of the said statements which is an incompatibility not permitted by the laws in force.

Response by management

“This is more an error of formulation of the missions given to the ACEA firm. The missions given this auditing firm are those of an auditing firm and the preparation of the statistical and fiscal declaration as well as the accounting and financial statements. It seems the term “certification” was used wrongly”.

The Audit Bench concludes that there is incompatibility admitted by the management.

II.3. FUNCTIONING OF MANAGEMENT ORGANS

The management organs in place in 2004 and 2005 were those provided for by Decree No. 85/1716 12 December 1985, namely:

- A Board of Directors;
- A Directorate General;
- Finance Commission.

- Board of Directors

The Board of Directors has functioned during the period under review with nine members representing various administrations whose chairperson was appointed by Decree No. 99 /217 of 30 September 1999. It has held six (6) sessions.

- Directorate General

The General Manager and the Deputy General Manager in service at the period were respectively appointed by Decrees Nos. 2002 /160 of 23 June 2002 and 2001/325 of 16 October 2001.

- Finance Commission

It is responsible for the permanent control of the financial management of the enterprise; it audits the accounts of the enterprise and is bound to forward two half-yearly reports and an annual report to the chairman of the Board and the supervisory ministry.

It is composed of the following three personalities:

- One representative of the General State Inspectorate (Ministry Delegate at the Presidency of the Republic in charge of the Supreme State Audit); Chairperson;
- One representative of the Ministry of Finance, member;
- One representative of the Ministry in charge of information, member.

In fact, this Commission was no longer in existence in 2004 and 2005, none of the three institutions above having maintained its representation. The representative of the Supreme State Audit who chaired the Commission in 2004 and who had been appointed in the Prime Minister's Office continued to perform alone the missions of the Commission and even produced two reports in 2004 and 2005. Consequently, none of the above missions devolving to it was regularly executed during the period under review.

To the Audit Bench:

1°) These reports cannot be taken into account for lack of quality:

- the Chairperson of the Finance Committee must be the representative of the Supreme State Audit to which it renders account;
- a single personality cannot act on behalf of the Commission which is statutorily constituted to control an enterprise and audit its accounts.

2°) By abstaining from being represented, the Minister Delegate in charge of the Supreme State Audit, the Minister of Finance and that in charge of information avoided acting in violation of the law in force which does not provide for a Finance Commission in the organization of public enterprises.

3°) It was observed that the technical and financial supervisory ministries were not in a haste to amend the statutes to conform with the laws and enable an auditor to take over the relay of monitoring the management of SOPECAM, the Finance Commission having become non functional.

II.4- PROCESSING OF ACCOUNTING AND FINANCIAL INFORMATION

SOPECAM has a procedures manual, sub divided into twelve chapters which nevertheless has shortcomings on the procedures concerning the sale of products: failure to quantify the volumes of sales.

The manual only describes the moves of the buyer, from order to delivery of the article or stock ordered. No allusion is made on the quantity produced, their management and the follow-up of the accounting of sales.

Consequently, the Audit Bench could not assess the evolution of the turnover in relation to the production volume or the size of the potential customers or on the existence of control of the sales process of the newspaper, notably.

Some documents indicate payment of bonuses to a so-called Commission for “solutions to parallel sales” of *CAMEROON TRIBUNE* (see cash withdrawal No. 50969 of 06/05/04 of a sum of 300 000 CFA F). This confirms a procedural shortcoming which is a source of risks.

On the causes of the existence of such a commission and the scope of these established parallel sales, the management could not furnish an answer to the jurisdiction.

This lack of clarity on the accounting regarding the number of *CAMEROON TRIBUNE* produced and sold cannot in any way ensure traceability of sales, neither of the product nor any other such as advertisement whose commercial value is immense.

Response by management

“Sales procedures are very well in place. A Procedures Manual including those of sales were prepared in 2003 by an external consultant. By forwarding copies of the reference pages, we indicate that the procedures still need perfection. Moreover, the internal audit is undertaking a review in relation with the operational services concerned, of all management procedures in order to adapt them to the various standards as well as making them more convivial and effective.

Parallel sales of newspapers are a phenomenon known in SOPECAM as old as the printing press itself. Several complaints against X have been deposited both at the police and the gendarmerie to carry out investigations on this matter following reports of unannounced controls deposited by the internal commission or the external audits to help stem this phenomenon. Some have culminated in concrete results, others none. But it is clear that we cannot give up”.

The response by management does not calm the concerns of the Audit Bench relating to the traceability of ex-works products, their management and sale.

Parallel sales on which the response dwells was raised in the report of the jurisdiction only as a consequence of lack of accounting rigour in which case the response does not clarify the issue.

III – EXAMINATION OF ACCOUNTS

The accounts under examination are those of 2004 and 2005 financial years. Certain irregularities were raised concerning expenditure operations and reservations made on the reliability and the financial statements of this period.

III.1. IRREGULARITIES ON EXPENDITURE OPERATIONS

Some of the irregularities raised on the accounts of the 2004 and 2005 financial years concern:

- **Monthly fuel allowance paid to the supervisory ministry**

Resolution No. 129/CA/SPE of 21 January 2003 grants allowances and benefits to the Chairperson and members of the SOPECAM Board of Directors. This resolution also grants to the Minister of Communication (MINCOM) who is not a member of the said Board, a monthly allowance for fuel worth 500 000 CFA F (five hundred thousand francs). This allowance without legal basis earned the beneficiary the sum of 12 500 000 CFA F in cash during the period under review.

- **Generosity and unjustified mission allowances paid to various personalities**

Generosity was shown towards several personalities for a total amount of 17 925 000 CFA F including 16 125 000 CFA F granted to the Chairman of the Board for aid and inadequately justified mission allowances.

On this issue, la SOPECAM stated that *“the Chairman of the Board of Directors had benefitted from aid within the framework of evacuation to Europe for health reasons for his wife, following a request addressed to the General Manager and that in the*

absence of a legal framework of responsibility by the enterprise, this one-off aid was granted him by as humanitarian assistance”.

However, the Audit Bench considers that this expenditure without legal basis is irregular.

- **Undue payments to the supplier CAURIC**

During examination, it was noticed that payment, subject of cash receipts Nos. AC 1026 of 24/01/2004, of the commercial management (GESCOM) worth 4 108 415 CFA F in the name of the supplier CAURIC was repeated twice as indicated below, thus causing triple payment.

Tableau. Cost of software

Document number	Date	Amount	Subject	Observations	Beneficiary
AC 01026	January 04	4 108 415	GESCOM 500	Amount due	CAURIC
AC 01029	-//-	4 108 415	Management of Supplies	Undue payment	CAURIC
AC 01030	-//-	4 108 415	Management of sales	Undue payment	CAURIC
TOTAL		12 324 830			

It is technically known that the software in question called “commercial management software” (GESCOM) is single and ensures management of both supplies and sales. Paying in addition on the one hand for supplies and on the other hand for sales for an amount of 4 108 415 francs for each of the options means paying twice more, causing the enterprise a total undue payment of 8 316 830 francs.

Response by management

“The documents listed in the report are not cash disbursements but rather codes given to bills after their entry into the computer. The services provided by CAURIC, which became Upgrade Solutions were the subject of a jobbing order after request for quotations and the opinion of the SOPECAM Tenders Board”.

To the Audit Bench, Management did not produce the explanations and supporting documents to help understand why it placed orders that led to the establishment of several bills for a single order materialized by a jobbing order. Meanwhile, the said jobbing order was never communicated to the jurisdiction to enable it eliminate, if possible, the preoccupation on what seems as excessive billing of a software sold to the enterprise by sub-functions, namely sales, supplies, etc.

Consequently, the Bench has not lifted the reservation

- **Splitting of contracts**

Purchase of the under-mentioned equipment should have been the subject of a call for tender.

Tables: Several split contracts:

1°)- Purchase of paper by month

Month and year	Ref of document	No. Of Order Voucher	Amount	Beneficiary
Feb.. 2004	AC 02016	15138	2 600 000	APOSTROPHE
	AC02017	15137	2 604 680	
	AC02021	15138	2 618 480	
	TOTAL		7 823 160	
Mar 2004	AC03001		3 750 000	
	AC03002		3 750 000	
	AC03003		3 750 000	
	AC03007		3 750 000	
	AC03008		3 750 000	
	AC03025		3 750 000	
	TOTAL		22 500 000	
April 04	AC04001		2 700 000	APOSTROPHE
	AC04004		2 700 000	
	AC04005		2 700 000	

	AC04006		2 700 000	
	AC040011		2 700 000	
	AC040012		2 700 000	
	AC040013		2 700 000	
	AC040019		2 700 000	
	AC40020		2 700 000	
	AC04021		2 700 000	
	AC04022		2 700 000	
	CH402548		2 700 000	
	TOTAL		32 518 650	
May 04	AC05001		2 700 000	APOSTROPHE
	AC05002		2 700 000	
	AC05005		2 700 000	
	AC05006		2 700 000	
	AC05007		2 700 000	
	AC050012		2 700 000	
	TOTAL		16 200 000	
June 04	AC06001	1091	2 700 000	APOSTROPHE
	AC06002	1092	2 700 000	
	AC06003		2 700 000	
	AC060016		2 700 000	
	TOTAL		10 800 000	
July 04	CH719070	1094	2 700 000	
	CH719071	1095	2 700 000	
	CH719072		2 700 000	
	TOTAL		8 100 000	
August 2004	2707		4 319 970	MOONGA
	2708		4 319 970	
	2709		4 319 970	
	TOTAL		12 959 910	
Sept 04	719092		12 000 000	MONGA
	TOTAL		12 000 000	

2°)- *Maintenance*

	BC02654		2 885 157	K C sarl
	BC1447		4 553 332	
	BC02865		4 712 390	
	BC02724		4 712 390	
	BC01231		326 425	
	BC02651		2 885 157	
	BC02602		4 748 356	
	BC02752		4 445 493	
	BC01193		4 712 390	
	TOTAL		34 108 929	

3°)- *Purchase of computer equipment*

Jan. 2004	AC01026		4 108 415	CAURIC
	AC01027		4 287 943	CAURIC
	AC01028		1 187 000	CAURIC
	AC01029		4 018 415	CAURIC
	AC01030		4 018 415	CAURIC
	TOTAL		17 620 188	

4°)- *Purchase of paper by month*

Jan. 2005	1083834		2 651 250	MONGA
	1083835	0908	2 651 250	
	1083836	0909	2 651 250	
	TOTAL		7 953 750	
Feb. . 2005	1083851		2 777 500	
	1083852	0919	2 777 500	
	1083853	0918	2 777 500	
	1083842	0917	2 777 500	
	1083841	0916	2 777 500	
	1083840	0915	2 777 500	

	TOTAL		16 665 000	
Mar 2005	1083855	0920	2 777 500	
	TOTAL		2 777 500	
April 2005	1083868	1147	2 777 500	BRAINTREE
	1083860		2 777 500	
	1083861	0945	2 777 500	
	1083863	4652	2 777 500	
	TOTAL		8 332 500	
May 2005	1083873	14451	2 754 975	TRANSPAP
	901009	14452	2 754 975	
	901024	14453	2 754 975	
	TOTAL		8 264 925	
June 2005	1083884	14462	2 777 500	MEDIAPE
	1083879	14464	2 777 500	
	1083885	14465	2 777 500	
	901036	14466	2 777 500	
	TOTAL		11 110 000	
July 2005	1083904	14301	2 777 500	MEDIAPE
	1083905	14302	2 777 500	
	1083906	14303	2 777 500	
	1083892	04324	2 777 500	
	1083893	04669	2 777 500	
	1083894	04328	2 777 500	
	TOTAL		16 665 000	

By placing orders from the same service provider, at the same period, objects of the same nature but in several split bills whose total is above 5 000 000 CFA F, the management of SOPECAM withdrew it from the jurisdiction of the Tenders Board; this is a violation of regulations especially Decree No.95/101 of 09 June 1995 relating to regulations governing public contracts awarded before the 25/09/2004 and Decree No. 2004/275 of 24/09/04 to institute the Public Contracts Code.

In the response to the questionnaire relating to this point, management raised, on the one hand, the urgency of its printing works and especially the publication of the daily

CAMEROON TRIBUNE and on the other hand, the financial difficulties the enterprise faced constituting a considerable stock of inputs at the time of the said irregularities.

For these two reasons, SOPECAM could not, it holds, neither subject itself to long deadlines of call for tenders for its urgent needs nor award important contracts which it could not honour since no supplier accepted to sell on credit.

The Audit Bench holds that this response has no adequate legal basis. The circumstances under which management is said to have accomplished its missions amply justified, according to the Bench, the intervention of the authorities in charge of the regulation of public contracts in order to make them assume their responsibility by issuing a consequent waiver. In effect, management does not show that it exhausted the legal means to enable it obtain authorizations to help it withdraw the order of paper from competition.

The Bench concludes that contracts were split.

III.2. RESERVATIONS ON THE RELIABILITY OF FINANCIAL STATEMENTS

The Audit Bench issued reservations on the reliability of the financial statement for the 2004 and 2005 financial years based on the examination of the following accounts:

- **Personnel expenditure : disproportionate increase in personnel expenditure**

After retirement from the enterprise of a number of employees, higher than that of recruits and without there being proof that the new arrivals were more costly, the enterprise registered between 2004 and 2005, a net increase of personnel expenditure of more than two hundred million francs from 912 523 629 CFA F to 1 144 601 091 CFA F (income statement 2004 and 2005).

Management attributes this increase to a tax adjustment carried out by the taxation department following shortcomings observed in the management of remuneration and especially stoppages from salaries and employer's contributions during the 2004 financial year.

But it would have been more enlightening to the Bench if this response indicated in which heading the tax department sanctioned. Was it a fine or a penalty? This precision is likely to induce the consequent accounting. In effect, the salary account is different from that of “penalties and fines” in the processing of accounting information and concerning the ensuing implications in the result of the financial year. This fact raises the problem of the reliability of the financial statements.

Response by management

“The increase in the payroll between 2004 and 2005 stands at (1 144 091-912 523 629) = 232 077 462 CFA F. By way of response to the first questionnaire which you sent to us, by raising the adjustment of 2004, we wanted to let you know that it was the most significant increase in the payroll between 2004 and 2005. However, considering the accounting difference of 2005, the payroll increase of 2005 compared to 2004 can be broken down as follows:

<i>-Tax adjustment:</i>	<i>84 324 537 CFA F</i>
<i>-Provision for paid annual leave:</i>	<i>66 557 478 CFA F</i>
<i>-CNPS adjustment:</i>	<i>56 645 168 CFA F</i>
<i>-Retirements:</i>	<i>26 797 658 CFA F ».</i>

In answer to this response, the Audit Bench states that there was no clarification on the nature of adjustment as well as the subsequent penalties and fines. Moreover, the abandonment of the justification given to the questionnaire for another no more convincing leads the Bench to maintain that the information is not reliable. .

• Uncleared advances from customers

It was noticed that from one financial year to another during the period under review, advances received remained in the balance sheet in the same amount even though they are supposed to be wiped out as the enterprise fulfills its obligations towards the said advances.

Thus, the immutability from 2003 to 2005 of an important sum received from customers 702 589 780 CFA F (seven hundred and two million five hundred and eighty nine thousand seven hundred and eighty CFA francs) retained the attention of the Bench.

Management justifies this failure to clear the said advances because of *“the lack of staff and the absence of the appropriate billing software which did not enable SOPECAM to issue receipts against received payments on time”*.

As solution, it states, *“audit missions were committed in order to clear these unsolved issues”*.

In the opinion of the Audit Bench, this situation is hardly conceivable because of the application of double accounting in the enterprise. The movements in the accounts of products of credit in proportion to billing have in return the debit of the customer account “advances received from customers,” the latter must progressively reduce. Except to declare that over the years bills were not prepared and registered which will be tantamount to jeopardizing the financial situation of the enterprise.

Moreover, management does not give information on the follow-up of the audits that it is said to have commissioned.

It emerges from what precedes that the amount of 702 589 780 CFA F of advances received from customers and entered in the successive balance sheets of 2003, 2004 and 2005 is not genuine and the audit mentioned above is imperative.

Response by management

“These are payments made to SOPECAM for previous services which, even though effective, were not directly linked to bills. These payments which corresponded to very old bills were made up of both payments due by private customers and those by public institutions over several financial years.”

Management does not give any explanation on the reasons for their maintenance in the balance sheet in the same amount of advances that are supposed to vary in plus or minus at the end of the 2003, 2004 and 2005 financial years.

Moreso, the reasons given in response to the questionnaire were abandoned in favour of the new justifications above which confirms the doubt on the reliability of the information concerned.

- **Structure of debts**

Management structures the debts of the 2004 and 2005 as follows:

Table : Extract of customer accounts: 2004 and 2005 balance sheets

Elements	2004	2005
Private customers	1 227 126 466	951 541 417
Public customers	4 642 932 756	4 017 463 736
Doubtful customers	212 754 710	2 720 150 884
Customers whose bills are to be established	58 864 490	20 780 868
Total	6141 678 422	7007 347 125

- **Organization of the recovery activity: *Absence of measures.***

The net amounts of outstanding bills at the end of the financial year changed very little from one financial year to another: 4 248 067 138 CFA F in 2004 and 4 287 195 841 CFA F in 2005. It is to be believed that these new debts did not pile up while recovery of the old debts had not yielded fruits. This is improbable and casts doubts on the reliability of the amounts accounted for.

Moreover, justifying the size of the debts, management did not say anything on the debts of public customers, the latter, main customers, not honouring its commitments while benefitting from uninterrupted service.

If this is true, private debts are equally important as indicated in the table above on the structure of debts.

Moreso, the list of private debtors annexed to the balance sheet includes institutions of which SOPECAM could not provide proof of insolvency or refusal to pay. They include, among others, banks, insurance companies and other credit establishments; petroleum companies, diplomatic representations, etc, sometimes for paltry sums

whose recovery may be easy. The amount of debts owed by this category of customers stands at 715 551 898 CFA F in 2004 and 821 370 681 CFA F in 2005.

Generally, it can be noticed that the inexistence of a commercial department which could have specially handled the mission of sales and recovery in 2004 and 2005 was a hindrance to the growth of these activities.

Response by management

“With regard to the interrogation on the recovery strategies, it should be stated that the debts remain almost stable for two reasons:

- the incriminated debts were due in major part by the State which at the period under review faced major financial difficulties. Hence the strategy adopted by the enterprise in 2005 to go out and conquer private customers. And hence the clearance plan of its debt towards SOPECAM of 6.2 billion that was to be paid in 12 months which the State will apply from 2006;*
- these debts were equally made up of balances of years previous to the 2004 financial year”.*

In the Bench’s opinion, in the above response does not reveal anything new. It was not shown that the recovery procedures on credible bodies such as embassies, international organizations, financial institutions, petroleum companies, etc had been exhausted without result. The customer list indicating that this involves a whole set of high quality customers, the attitude of SOPECAM looks like an abandonment of public debts. .

• Proceeds from non-ordinary activities and result of the 2005 financial year: Inadequate justification of result.

Available information does not provide an exact idea about the said proceeds and reinforces the questioning of the 2005 result. As at 31 December 2005, management published a financial report of the corporation. The proceeds account indicates that “following an exchange of service formalized with CAMTEL, the column “Non-ordinary activities proceeds” increased by 7 834. 24%”.

To the question from the jurisdiction to know if this exchange understood as compensation was subject to the approval of the Board of Directors, management answered that it was not compensation but accounting adjustment.

Hence the question to know the link between “the formalization of exchange of service with CAMTEL”, accounting adjustment and an increase of non-ordinary activities proceeds of 222.872.635 CFA F in absolute value or 7.834, 24% in relative value.

These unclarified issues cast doubts on the genuineness of the financial statements, just like the result of the financial year closed at 30.847.016 CFA F.

Response by management

«On the 31 March 2005, SOPECAM and CAMTEL settled their debts and credits as follows:

<i>- SOPECAM debt towards CAMTEL:</i>	<i>276 557 925 CFA F</i>
<i>- CAMTEL debt towards SOPECAM:</i>	<i>167 787 985 CFA F</i>
<i>-compensated balance in favour of CAMTEL:</i>	<i>108 769 943 CFA F</i>

At the close of the meeting a protocol agreement was signed. This agreement stipulated that reciprocal debts will be crossed and that SOPECAM will pay 30% in cash and the remaining 70% through exchange of services. .

It is the accounting registration of this protocol agreement which resulted in major part in the obtention of the result of the non-ordinary activities of 148 320 239 CFA F as at 31 December 2005 (cf. attached documents) ».

The relevance of the accounting expression of this presentation in the books of SOPECAM was not furnished by management. Certainly, before explaining how the balance obtained above, that is 108 769 943 CFA F, could have contributed in «*major part in the obtention of the result non-ordinary activities of 148 320 239 CFA F*», the explanations in figures above by management should have helped to disclose first the amount of the non-ordinary activities of the 2005 financial year which the jurisdiction sought to understand, that is 225 717 493 CFA F appearing in the financial statements.

CHAPTER 2. OTHER EXTRA JUDICIAL ACTIVITIES OF THE AUDIT BENCH

SECTION 1. Report on State accounts 2010: tax revenues

The report on State accounts for 2010 produced by the Audit Bench in 2011 in compliance with the provisions of section 39(d) of Law No. 2006/016 of 29 December 2006 relating to the organization and functioning of the Supreme Court concerns tax revenues for the 2004 to 2009 financial years.

The Audit Bench having mentioned in its various reports the total absence of information on tax revenues, it initiated investigations at Central Treasuries and Regional Tax Centres to assess the management of State budgetary revenues and particularly tax revenues of the 2004 to 2009 period.

The final report of the work can be summarized in three points.

General aspects and importance of tax revenues in the State budgetary revenues

After presenting the regulatory framework based notably on Ordinance No. 62/OF/4 of 7 February 1962, the General Tax Code and Law No. 2003/005 of 21 April 2003, the Audit Bench states the importance of tax revenues (60%) in the budgetary revenues of the State whose evolution during the period under review is expressed by an annual average of 6.5%.

The Audit Bench also states the need to relieve the Tax Collector, secondary accountant, personally and pecuniary responsible for the collection, management operations of collection notices and extinction of taxes. The transfer of these operations to the Treasurer-Paymaster General, principal accountant will enable him to control collections carried out by secondary accountants.

1.1. Results of the enquiry on tax revenues

◇ On spontaneous collection

The dysfunction and absence of control of this category of taxes issued by the assessment inspector and collected spontaneously by the Tax Collector does not

help in establishing that all the issuances of revenue vouchers were entirely collected.

◊ **On the collection of taxes taken over**

For the network of Treasury accountants, this refers to computerized taxes and for the network of accountants of the taxation department they refer to collection notices.

The Audit Bench noticed that two central Treasuries out of the eleven preserved the bills collectibles of these two categories of tax revenues in their general balances which featured in their 2004 accounts. This does not in any way mean that the sums no longer appearing in general balances were entirely collected or admitted as valueless, they were simply expunged from the balances, thereby causing a loss to the public Treasury of more than 170 billion CFA francs.

◊ **On the management of inactive values**

From 2004 to 2008, the Audit Bench noted the following shortcomings:

- Absence of application accounts of inactive values in the management accounts submitted by accountants;
- Absence or inefficiency of controls at the end of a financial year during the reintegration of unsold values into the Treasury and taxation networks;
- Absence of specific statements of declaration of sales and possible differences;
- existence of two networks managing inactive values (Taxation and Treasury);
- lack of collaboration between central accountants and Tax Collectors with notably the transmission of the application account of inactive values by the Tax Revenue Collector to the Directorate General of Taxes rather than to the Treasurer-Paymaster General to whom he is the secondary accountant;
- lack of precise information on the management of stamping machines;
- default in the production of application account of inactive values and absence of statements of deficits of accountants expressing insufficient internal controls;
- existence of a large stock of unsold inactive values meaning either over optimistic forecasts or poor sales.

1.2. Opinion of the Audit Bench

Following the results of the enquiry in financial districts, in compliance with legislative and regulatory instruments as well as instructions relating to the execution of the State budget, the Audit Bench is of the opinion that the proceeds of collection of tax revenues of the State is inadequate.

The reasons are varied:

- Lack of collaboration between central accountants and tax Collectors;
- Automatic elimination of old debts from their general balance of accounts, decided deliberately by central accountants or
- Stoppage of collection of debts even before their admission as valueless by an ad hoc commission.

Moreover, the Audit Bench considers that the image of the financial situation of emanating from State accounts is somehow distorted because of:

- Insufficient internal controls;
- The non mastery of the stock of stamping machines;
- Lack of preparation of application accounts of inactive values;
- Default in the production of statement of sales, on reintegration and deficits in most accounting stations.

Considering all these shortcomings, the Audit Bench holds that State accounts are marked by the absence of information on revenues and that collection of tax revenues and the management of inactive values are not rigorous, causing considerable loss to the State.

SECTION 2. Opinions of the Audit Bench

Paragraph 1. Opinion No. 001/2011/CSC/CDC of 14 November 2011 on the Settlement Bill for the 2010 financial year.

IN THE NAME OF THE PEOPLE OF CAMEROON

The Audit Bench of the Supreme Court sitting on the fourteenth day of November two thousand and eleven in the ordinary audience hall in its Head Office Building situated at the Winston Churchill in Chambers composed of:

- Mr. ATEBA OMBALA Marc, President of the Audit Bench;
- Mr. MBENOUN Théodore, Madam SIMO BOBDA née SIMO TCHUINTE Lucienne, Division Presidents;
- Messrs MANGA MOUKOURI, HAKAPOKA Narcisse, KAMENI Pierre, DITOPE LINDOUME, FOU DA AMOMBO, NGAN Evaristus AZEH, FOU DA NKODO Achille, THEUMOUBE Philippe, NDONGO ETAME David, DJOKO André, MIKONE Martin Bienvenu, NDJOM NACK Elie, ALIMA Jean Claude, Madame MBARGA née MVOGO Jeanne d'Arc, Masters of the Supreme Court;

In the presence of Mr. TENGEN WEREGOH Pius, Advocate General;

Assisted by Mr. PAGUEM Michel, Registrar-in-Chief of the Bench taking the minutes.

On the basis of the work done by the Committee to prepare the opinion on the Settlement Bill for the 2010 financial year presided over by Mr. MBENOUN Théodore, President of the First Division with Mr. NDJOM NACK Elie as Rapporteur General and having as members Messrs KAMENI Pierre, FOU DA AMOMBO, FOU DA NKODO Achille, THEUMOUBE Philippe, MIKONE Martin Bienvenu, ALIMA Jean Claude, Masters of the Supreme Court, YEBGA MATIP, EZO'O BIZEME, Puisne Justices of the Supreme Court and Mr. BAWAK Benson Bonny, Advocate General, Has issued the opinion hereunder on the Settlement Bill of the 2010 financial year:

- Mindful of the Constitution;
- Mindful of Law No. 2003/005 of 21 April 2003 to lay down the jurisdiction, organization and functioning of the Audit Bench;
- Mindful of Law No. 2006/16 of 29 December 2006 relating to fix the organization and functioning of the Supreme Court;
- Mindful of Law No. 2007/006 of 26 December 2007 relating to the Financial Regime of the State;
- Mindful of Orders No. 24/CDC/CSC of 11 August 2010 by the President of the Audit Bench to set up a committee to prepare the opinion on the Settlement Bill for the 2009 financial year and 25/CDC/CSC of 11 August 2010 by the President of the Audit Bench to appoint members of this committee;
- Considering letter No. 35/088/CAB/P/CDC/CSC of 18 October 2011 signed by the President of the Audit Bench addressed to the Minister of Finance relating to the delay in transmitting the Settlement Bill for the 2010 financial year;
- Considering letter No. 11/383/L/MINFI/SG/DGTCFM/FT/ACCT/Conso of 21 October 2011 by the Minister of Finance to forward to the Audit Bench for its opinion the Settlement Bill of the 2010 financial year received at the Bench on 24 October 2011 and registered under No. 556;
- Considering letter No. 35/088/CAB/PCDC/CSC of 18 October 2011 signed by the President of the Audit Bench of the Supreme Court transmitting to the Minister of Finance the draft opinion prepared by the Committee to prepare the opinion on the Settlement Bill for his possible observations to be returned to the Bench before Wednesday 9 November 2011 at the latest;

Considering the observations of the Minister of Finance transmitted by mail No. 11/N/MINFI/SG/DGTCFM/DT/ACCT of 8 November 2011 received at the Bench on 9 November 2011 and registered under number 585;

Considering the final observations of the Committee to prepare the opinion of the opinion on the Budget Review Bill transmitted to the President of the Audit Bench by letter of the Coordinator under No. 055/CDC/CSC/S1 of 11 November 2011 accompanied by the preliminary draft of the opinion on the Budget Review Bill of the 2010 financial year;

Mindful of Order No. 2011/06/CAB/PCDC/CSC 088 of 14 November 2011 signed by the President of the Audit Bench to convene members of the Audit Bench to sit in Chambers on 14 November 2011 at 3 p.m. in order to examine the request for opinion on the Settlement Bill for the 2010 financial year;

The examination of the request for opinion file thus constituted and the Settlement Bill for the 2010 financial year calls for the following observations regarding the form and substance.

1. REGARDING THE FORM

1.1 Relating to the transmission of the Settlement Bill for the 2010 financial year to the Audit Bench

The Audit Bench of the Supreme Court is called upon to issue an opinion on the Settlement Bill of the previous financial year to be presented to Parliament. Law No. 2006/016 of 29 December 2006 to lay down the organization and functioning of the Supreme Court which states to this effect in its section 39(c) that “*the Audit Bench shall be competent to....give its opinion on settlement bills submitted to the National Assembly*” does not formally give a date for the transmission of the Settlement Bill to the Audit Bench. But according to section 21 of Law No. 2007/006 of 26 December 2007 to lay down the financial regime of the State “*the Settlement Bill and its appendices must be tabled not later than 30 September of the year following the financial year to which it is related*”.

The result is that the opinion of the Audit Bench must accompany the Settlement Bill presented to Parliament and deposited not later than 30 September.

It follows that the transmission of the Settlement Bill to the Audit Bench must take place before this date in a way as to give the financial jurisdiction enough time to fulfill its legal mission.

The Settlement Bill for 2009 was received at the Audit Bench on 17 September 2010 and it was recommended in opinion No. 001/2010 of 1 November 2010 related to it that the Minister of Finance integrate the tradition of gradual periodic communication of information on the execution of the finance law to the Audit Bench during the year. But the Settlement Bill for the 2010 financial year addressed on 21 October 2011 by the Minister of Finance was only received at the Bench on the 24th of October 2011. This transmission is therefore late.

The Audit Bench could therefore not fulfill its mission within set timelines, no information having been forwarded to it during the execution of the 2010 finance law as wished even though the Minister had subscribed to this principle.

Seeking the indulgence of the Audit Bench concerning this delay due, according to him, to constraints linked to the preparation of new elements contained in the Settlement Bill for the 2010 financial year, that is the situation of special accounts and the production of financial statements made up of the balance sheet, the income statement and the table of cashflow.

The Minister of Finance is committed to take all necessary measures for the future respect of the deadlines set by law and to take advantage of the MINFI/Audit Bench consultation framework to identify and formalize the documents that should be forwarded to the Audit Bench during the financial year.

Note is taken.

1.2 Regarding the form and content of the forwarded Settlement Bill for the 2010 financial year

Concerning the form and content of the Settlement Law, Law No. 2007/006 of 26 December 2007 to lay down the financial regime of the State, states in:

“Section 20:

- (1) The budget review law shall be the law that recognizes the last finance law executed.*
- (2) The budget review law shall:*
 - 1° ratify amendments made by decree to advance appropriations made available by the last financial law;*

- 2°) *fix the final amount of income and expenditure of the budget concerned as well as the ensuing result;*
- 3°) *fix the final amount of resources and cash expenses that contributed to the realization of the financial equilibrium of the corresponding year;*
- 4°) *record the disparities in the implementation of programmes on the basis of the targets of corresponding indicators;*
- 5°) *account for the profit and loss statement of the financial year based on the resources and expenditures mentioned in section 12 above;*
- 6°) *assign the accounting result of the financial year.*

(3) Where necessary, the budget review law shall:

- 1°) *include provisions relating to the information and control of public finance management to Parliament, to State accounting and the regime of financial regime of State employees;*
- 2°) *adopt the special account balances not carried forward to the next financial year”.*

“Section 22: *The Settlement Bill shall be accompanied by:*

- 1°) *the development of budgetary transactions presented by type, identifying forecasts, collections and outstanding collections, payments and outstanding payments;*
- 2°) *a statement of expenditure by programme, specifying the initial allocation, amendments made in the course of management, payment authorizations and payment arrears accompanied by explanatory appendices on the use of appropriations and the disparities between forecasts and actuals;*
- 3°) *annual performance reports of government services by principal authorizing officers;*
- 4°) *explanatory appendices by annex budget and by special account;*
- 5°) *a statement on the execution of all the investment projects to justify the disparities noted during the year under review between forecasts and actuals, by government services and by region;*
- 6°) *the income statement of the financial year based on the resources and expenditure mentioned in section 12 above”.*

The Settlement Bill of the 2010 financial year referred to above addressed to the Audit Bench is more complete than the one transmitted last year for the 2009 financial year. This is because it contains several new documents such as:

- 1°) the financial statement closing for the 2010 financial year “*the final amount of income and expenditure of the budget as well as the ensuing result*” as well as “*the final amount of the Treasury resources and expenditure that helped in the realization of the financial equilibrium*” in accordance with section 20 (2) (2° and 3°) of the law of Law of 26 December 2007 referred to above;
- 2°) the 2010 income statement;
- 3°) explanatory annexes by special account;
- 4°) documents on the execution of public investment projects;
- 5°) information and documents on treasury bonds.

Despite the shortcomings in the documents which were signaled by the Minister of Finance, it should be observed that laudable efforts were made to provide the information necessary for the control of execution of the finance law of the previous year.

On the other hand, no mention was made regarding outstanding collections in the development of budgetary operations in income. The Minister of Finance on the field raises the issue of difficulties faced in determining the outstanding collections because of the shortcomings in the management of revenue vouchers. In his defense, the fact remains that Section 63 (1) of the law of 26 December 2007 mentioned above according to which “*the general accounting of the State is based on the principle of the establishment of rights and obligations in accordance with the accounting standard of the State*” will only be applicable from the 2012 financial year.

Also, annex 3 of the 2010 Settlement Bill titled “situation of execution of public investment projects by structure and by region” like the annex titled “2010 PIB”: execution by region (internal resources)” does not include execution by investment projects but only executions by structure and region. As for PIB expenditure from external resources, the execution was not presented by administration or region.

I- IN SUBSTANCE, THE EXECUTION OF THE 2010 BUDGET

2.1. Macroeconomic context of the 2010 financial year

2.1.1. *International economic environment*

After the crisis that shook the world in 2008 and which abated in 2009, world economic recovery, fragile in the beginning, continued to strengthen with an annual growth rate that stabilized at 4.8% on 2010.

The drafting of the 2010 budget was therefore done in a rather calmer environment. Thus, the economic, financial, social and cultural programme presented by the Prime Minister in November 2009 retained the following hypotheses:

Table 1. Macroeconomic indicators

	Hypotheses made for 2009	Real data in 2009	Hypotheses made for 2010	Real data in 2010
Growth rate of real PIB (%)	4.0	2.0	3.9	3.0
Inflation rate (%)	3.0	3.2	3.0	1.4
Price of barrel (USD)	68	61.5	70	79.64
Exchange rate of USD/CFA F	477	471.4	446	495.28

- *Sources of forecasts: Economic, financial, social and cultural programme of the Government for the 2009 and 2010 financial years.*
- *Sources for real data: MINFI/DAE, World Economic Outlook March 2011 IMF, World Bank Global commodity-Price prospects, March 2011.*

2.1.2. Growth

In the major developed countries the growth rate remained moderate at 3%. In Sub-Saharan Africa, after the slow down observed during the crisis, production progressed to 5% in 2010.

Cameroon suffered the effects of this world economic and financial crisis in 2008 and 2009 which was expressed by a drop in price and demand for its export products (petroleum, wood, rubber, cotton and aluminum).

As a result of the world economic recovery and the measures taken by authorities to relaunch national production, the Gross Domestic Product (GDP) rose from 2% to 3% between 2009 and 2010. This growth can be explained by the reinvigorated non petroleum activities (cash crops, forest exploitation, construction, transport and telecommunications) whose growth reached about 4%.

Table 2. Macroeconomic indicators (continued)

	2007	2008	2009	2010
Growth rate of GDP in volume (%)	3.3	2.9	2.0	3.0
Inflation(%)	1.1	5.3	3.2	1.4
Exchange rate USD/CFA F	479.27	447.81	472.19	495.28

Source: MINFI/DAE, World Bank

Modest oil producer, Cameroon experienced a continuous decline of its production because of the drying up of its reserves and aging of its infrastructure. Oil production dropped by 16% in 2010 to 23 million barrels. Also, despite the increase in the price per barrel, the contribution of this sector to growth has been negative for some years now.

2.1.3. Inflation

Prices increased slightly such that average inflation during the first semester of 2010 was 0.4 % against 4.4 % during the same period in 2009. The measures taken in view of increasing food offer and stability of pump prices of petroleum products thus succeed in containing the inflation rate at 1.4%.

This rate of inflation even though high, induced by the increase in food prices, is nevertheless lower than the regional convergence criterion of 3%.

2.1.4. Situation of public finance

All the internal resources inscribed in the 2010 budget could not be entirely mobilized despite the efforts encouraged by tax reform. Thus, by July 2010, the total budgetary resources stood at 1,357 billion CFA F including 1,118.2 billion CFA F as internal revenues and 210.4 billion CFA F from foreign loans, that is, a realization rate of 53.9 %. During the same period, non petroleum revenues stood at 828.8 billion CFA F, that is, a realization rate of 55.1 %.

On 5 September 2010, a Presidential ordinance amended the initial budget downwards. For the first time, the State resorted to treasury bonds to finance development projects. The bonds were fully raised on the 28 December 2010 and mobilized 200 billion CFA F (that is, 1.8% of the GDP).

Concerning the domestic debt, a strategy was put in place to ensure its viability. By the end of June 2010, the outstanding domestic debt represented only 13.2 % of the GDP for a threshold of 70%. According to a joint IMF-World Bank analysis, the risk of over indebtedness of Cameroon remains low. The country can also borrow from the international community under moderate market conditions.

2.2. Execution proper of the 2010 budget

An analysis of execution of the 2010 budget calls for observations regarding the budget balance, revenues and expenditure, special appropriation accounts and financial statements.

2.2.1. Concerning the budget balance

2.2.1.1. The genuineness of budgetary entries

According to the provisions of section 3(1) of Law No. 2007/006 of 26 December 2007 relating to the financial regime of the State, *“the finance law presents in a genuine manner all the income and expenditure of the State”*

The genuineness of budgetary entries of the initial budget is assessed by taking account of the available information during the drafting of the finance bill and forecasts which could reasonably ensue.

2.2.1.1.1. Evolution of budget balance (2007-2010)

The budget balance, as entered in the Settlement Bill, represents the difference between the realized revenues (revenues collected) and authorized expenditure.

Table 3 – Recapitulation of the budget balance (2007 -2010)

Revenues				
Item	Initial revenues	Readjusted revenues	Realization	
2007 Settlement law	2 251 000 000 000	2 251 000 000 000	2 225 449 831 111	
2008 Settlement law	2 276 000 000 000	2 482 000 000 000	2 353 990 394 932	
2009 Settlement law	2 301 400 000 000	2 520 600 000 000	2 340 351 834 587	
2010 Settlement Bill	2 570 000 000 000	2 520 600 000 000	2 340 351 834 587	
Expenditure				
Item	Initial expenditure	Final expenditure	Payments	Budget balance
2007 Settlement law	2 251 000 000 000	2 141 011 081 300	1 631 298 865 001	594 150 966 110
2008 Settlement law	2 276 000 000 000	2 482 000 000 000	2 054 539 861 733	299 450 533 199
2009 Settlement law	2 301 400 000 000	2 301 400 000 000	2 041 591 207 044	52 334 681 470
2010 Settlement Bill	2 570 000 000 000	2 520 600 000 000	2 332 470 662 771	7 881 171 816

The 2010 Settlement Bill indicates a budget balance of **7 881 171 816 CFA F**.

The table above shows a constant reduction of the budget balance for the 2007 to 2010 financial years which dropped from 594 150 966 110 CFA F in 2007 to 7 881 171 816 CFA F in 2010.

2.2.1.1.2. Rate of total execution of income and expenditure of the 2010 financial year

At the end of the 2010 financial year, the total rate of realization of revenues in relation to the forecasts stood at 92.85 % and in expenditure the rate of payments in relation to final allocation was 92.54 %.

By way of comparison, the total rate of realization of revenues was 98.9% in 2007, 94.8% in 2008 and 91% in 2009. In expenditure, the rates of payments in relation to final allocations were 76.2 % in 2007, 82.8% in 2008 and 88.7 % in 2009.

The rate of realization of revenues over the 2007 to 2010 period remained higher than that of expenditure. However, over the same period, the rate of realization of revenues which dropped yearly, adjusted slightly in 2010 while that of expenditure clearly improved increasing from 76.2 % in 2007 to 92.54% in 2010. The rate of realization of revenues and expenditure expressed a reasonable execution of the 2010 finance law.

2.2.1.1.3. Amendments to budgetary allocations by the 15 September 2010 Ordinance

These comparisons between the initial realizations and realizations at the close of the 2010 financial year however, have a limited impact because the budget entries in the initial 2010 finance law were revised by Ordinance No. 2010/001 of 15 September 2010 to amend and supplement certain provisions of the law No. 2009/018 of 15 December 2009 on the finance law of the Republic of Cameroon for the 2010 financial year, ratified by Law No. 2010/018 of 21 December 2010.

- ***On the legality of the Ordinance of 15 September 2010***

Law No. 2007/006 of 26 December 2007 on the financial regime of the State fixes the conditions for the presentation, execution and control of execution of the finance law. It states in section 19 that:

“(1) Subject to exceptions provided for in this law, only amending finance laws may, during the year, amend the provision of the finance law of the year. It shall ratify the amendments made by decree to allocations made by the last finance law.

(2) They shall be presented in the same forms as the finance law. They must reflect the impact of the amendments made on the equilibrium of the current financial year and the balance of the finance law”.

Section 26 of Law No. 96/06 of 18 January 1996 to amend the Constitution of June 1972 lists the matters which are within the domain of law. Among the financial and patrimonial matters within the domain of law (section 26(1) (d) states that the budget is within the domain of the law.

Section 28 of the Constitution provides:

“However, with regard to the subjects listed in Article 26 (2) above, Parliament may empower the President of the Republic to legislate by way of ordinance for a limited period and for given purposes”

Such ordinances shall enter into force on the date of their publication.

They shall be tabled before the bureaux of the National Assembly and the Senate for purposes of ratification within the time-limit laid down by the enabling law.

They shall be of a statutory nature as long as they have not been ratified.”

Law No. 2009/018 of 15 December 2009 on the finance law of the Republic of Cameroon for the 2010 financial year lays down in its sections 28 to 30 the subjects on which Parliament shall authorize the President of the Republic to sign ordinances and fixes in section 31 the deadline for their ratification.

Section 28 : *“During the 2010 financial year, the President of the Republic of Cameroon shall, in order to address the needs of the country within the framework of its economic, social and cultural development, be authorized to amend, by ordinance, the ceilings fixed under Sections Twenty-five and Twenty-seven above.”*

Section 25 provides for negotiation and possible conclusion during the 2010 financial year of concessional loans of a total amount of 200 billion CFA francs.

Section 27 sets the ceiling of 40 billion CFA francs for the guarantee of State establishments and semi- public enterprises during the 2010 financial year.

“Section 29: 1 The President of the Republic shall be empowered to make amendments on the finance, fiscal and customs law as well as the Investment Charter by way of ordinance”.

“Section 30: The President of the Republic shall be empowered to take, by ordinance, all the necessary measures for the implementation of the structural reforms provided for within the framework of agreements concluded with the international community”.

“Section 31: The ordinances referred to in sections twenty eight, twenty nine and thirty above shall be presented to the Bureau of National Assembly for ratification during the next parliamentary session following their publication”.

A combined analysis of the provisions of section 28 of Law No. 96/06 of 18 January 1996 to amend the Constitution of 2 June 1972 and sections 28 to 30 of Law No. 2009/018 of 15 December 2009 on the finance law of the Republic of Cameroon for the 2010 financial year indicates that the budget put in place by ordinance was not the subject of authorization by Parliament.

It is wished that in future possible amendments of the budget in revenues and expenditure be done in compliance with the regulations in force.

2.2.1.1.3.1. Income adjustments brought about by the ordinance of 15 September 2010.

The reduction of forecasts of State resources contained in the initial finance law was motivated mainly by a drop in value added tax revenues and had to do with four items.

Two items of internal revenues of the ordinance were the subject of reduction: *“the value added tax and the turnover tax”* (item 730) whose projected amount reduced from 555 582 000 000 CFA F to 522 582 000 000 CFA F, that is a drop of 33 000 000 000 CFA F as well as the reimbursement of agreed advances (item 512) which reduces from 205 000 000 000 CFA F to 107 000 000 000 CFA F, that is a fall of 98 000 000 000 CFA F.

Two other amendments were on the revenue forecasts of loans and grants. Drawings from direct foreign multilateral loans (item 150) increased from 102 600 000 000 CFA F, from 104 129 000 000 000 CFA F to 206 729 000 000 CFA F, while exceptional

donations from international cooperation (item 769) dropped by 21 000 000 000 CFA F, from 111 000 000 000 CFA F to 90 000 000 000 CFA F.

The genuineness of the amendments and adjustments done on revenues in the initial finance law by the ordinance of 15 September 2010 is still not verified.

Transcription of the reduction of 33 000 000 000 CFA F provided for in the ordinance was not correctly carried out in the Settlement Bill. .

In section 1 of the Settlement Bill, the reduction of by 33 000 000 000 CFA F was not entered in item 730 – *value added tax and turnover tax* but in item 731 - *taxes on determined products and excise tax*.

In the Settlement Bill, the amount of revenues in item 730 – *value added tax and turnover tax* finally stands at 37 712 682 978 CFA F for a projected amount featuring in the initial finance law of 555 582 000 000 CFA F. The rate of realization is 96.78 %, slightly higher than average realization of revenues. Compared to the amount of 522 582 000 000 CFA F fixed in the ordinance of 15 September 2010, the rate of realization is 102.89 %.

For item 731 - *taxes on determined products and excise tax*, the realized amount of 164 944 265 487 CFA F is to be compared with the amount of 170 553 000 000 CFA F featuring in the initial finance law (that is a realization rate of 96.71 %) and not in relation with the amount of 137 553 000 000 CFA F mentioned in the Settlement Bill with a rate of execution of 119.91%.

Concerning item 512 – *reimbursement of agreed advances*, the Settlement Bill registers an amount of 73 505 349 CFA F in execution which, compared to amended amount of the ordinance of 15 September 2010 of 107 000 000 000 CFA F, gives a rate of execution of 0.72 %.

For the two items in the rubric – *loans and donations*, amended by the ordinance of 15 September 2010, the execution did not conform to the forecasts. Thus, item 150 – *withdrawals from direct foreign multilateral loans*, whose initial amount was increased slightly by the ordinance increasing from 104 129 000 000 CFA F to 206 729 000 000 CFA F, was executed only to the amount of 80 623 345 829 CFA F, that is an execution rate of 39 %. The lack of withdrawals from item 150 was at the same time

compensated by much higher withdrawals than provided in item 151 – *withdrawals from direct foreign multilateral loans* which thus registered a realization rate of 668.63 %.

Item 769 – *exceptional donations from international cooperation* which has seen its initial amount reduced by 111 000 000 000 CFA F to 90 000 000 000 CFA F was executed to the sum of 71 541 665 525 CFA F, that is an execution rate of 79.49%.

Thus, for three out of four budget items that were amended by the ordinance of 15 September 2010, the realizations were relatively far from the readjusted projections. For the fourth, item 730 – *value added tax and turnover tax*, the decrease of 33 000 000 000 F CFA of credits remained without impact on the expected drop in collection of revenues from value added tax since the rate of realization remained 102.89 %, (or 96.78 % if account is taken of the readjustment).

Under these conditions, while acknowledging the difficulty of establishing reliable forecasts, there is reason to question the merits of amendments in revenues which were done by the ordinance of 15 September 2010.

Certainly, the Minister of Finance mentions the economic situation to explain the drop of 49.4 billion CFA francs in item 150 taking it to 206 729 000 000 F CFA and the call by the International Monetary Fund (IMF) of a special allocation of SDR of 102 600 000 000 F CFA integrated into the State budget.

It must be observed that this SDR allocation integrated in the supplementary revenues in item 150 taking it to 206 729 000 000 CFA F was not executed since the total realization of item 150 stands only at 80 623 345 829 CFA F, that is a rate of 39 %.

For the rest, note should be taken of the corrections made in items 730 and 731 following observations concerning the transcriptions which were to be made on it, developed above.

2.2.1.1.3.2. Adjustments in expenditure introduced by ordinance of 15 September 2010

For credits open in expenditure, the ordinance of 15 September 2010 made several adjustments both with regard to functioning and to investment, thus slightly modifying the content of the initial finance law.

The functioning part reduced by 1181 724 000 000 CFA F to 1 081 724 000 000 CFA F, that is a drop of 100 000 000 000 CFA F (reduction of 8.46 %). Especially, expenditure credits allocated to public investment budgets were reduced by 140 123 000 000 CFA F, from 418 743 000 000 CFA F to 278 620 000 000 CFA F, that is a difference of 33.46 %.

Despite the assurances of the Minister of Finance, the final recapitulation in section 3 of the Settlement Bill does not disclose the amounts allocated to the public investment budget and consequently measure their level of execution.

With regard to domestic debt (item 57), it seems to have reversed the principal and the charges in the column of initial allocations.

2.2.1.2. On the genuineness of the Settlement Bill

With regard to the Settlement Bill itself, the principle of genuineness has to do with the exactness of the accounts. The public accountants responsible for keeping and establishing State accounts must ensure respect of the principles and rules of public accounting and notably the exactness of accounting registrations and respect of procedures.

2.2.1.2.1. Analysis of the balance and incidence of provisional allocation on expenditure

2.2.1.2.1.1. Poor brought forward of opening balance of the 2010 financial year of balances at close of the 2009 financial year of certain provisional budgetary allocations

The balances at the close of the 2009 financial year of provisional budgetary allocations of expenditure recapitulated in the table below, closed at 31 December, were not faithfully carried forward in the opening balance of the 2010 financial year.

That is how for some of these accounts, the balances were amended without changes in their meaning while others, not only were the balances modified but the meaning of these balances have changed from debit to credit as indicated in the table below:

Allocation account and nature of operations	Balance at the close of the 2009 financial year	Opening balance at the opening of 2010 financial year	Established difference plus or minus
481009 Expenditure to be regularized 2009	Dt 17 431 210 869	Dt. 22 513 842 090	+ 5 082 631 221
481109 Rejection of expenditure 2009	Dt 167 709 412	Dt. 108 793 542	- 58 915 870
48121309 Bonuses for sale of stamps 2009	Dt 235 286 124	Dt. 153 747 978	- 81 538 146
48121409 Exchange loss-PGT 2009	Dt 1 679 245 743	Ct. 12 133 642	
48121509 Reimbursement of telephone allowances for diplomats PGT 2009	Dt. 33 854 740	0	- 33 854 740

The result is that accounting standards and principles which require that balance of patrimonial accounts of classes 3, 4 and 5 closed on 31 December be repeated without change at the opening of the following financial year were not respected.

In addition to the balance of the account 48122209 «*expenditure to be budgeted – Programme to secure Forest Section 2009*» in debit on 31 December 2009 of 1 970 924 432 CFA F became credit on 31 December 2010 of an amount of 4 924 464 462 CFAF. This contravenes instruction No. 10/001/MINFI/SG/DGTCFM/DY/DER of 1 January 2010 on the nomenclature of Treasury accounts, which entered into force from 1 January 2010 which prescribes that this account must be in debit or nil.

The finance administration must return to the strict respect of the regulations in force.

2.2.1.2.1.2 Operations imputed in provisional accounts and not regularized before the close of the 2010 financial year.

Operations imputed on provisional expenditure accounts were not regularized before the end of the 2010 financial year and this is in violation of provisions of the general Instruction on State Accounting and Treasury Instruction No. 003/006I/MINFI/DT/DER of 31 December 2003 which states that operations imputed

on provisional accounts must be given final imputations before the close of the financial year.

In effect, Treasury Instruction No. 003/006I/MINFI/DT/DER of 31 December 2003 prescribes that: *“accounts with provisional charge must be assessed and give rise to regularization during the supplementary day. The supplementary period covers the period reserved for regularization of regular operations which do not affect the accounts of liquid assets (Cash, Bank, and CCP) notably:*

- *The management of revenues and expenditure of the closed financial year ;*
- *Reception of Statements of Operations to be Transferred (EDOT) ;*
- *Clearance of provisional charge accounts, third party accounts, correspondents, councils, rejection, etc.*

During this period, the operations mentioned above are antedated to 31 December and are imperatively closed on 31 January of the current financial year in the Ledger of Miscellaneous Operations (LJOD”.

These provisional imputation operations are divided as follows:

N°	Imputation account	Nature of operations	Debit balance
1	4810010	Expenditure to be budgeted 2010	27 975 052 641
2	4811110	Rejection of expenditure	34 212 791
3	48121310	Bonuses for sale of stamps 2010	610 871 482
4	48121410	Exchange loss-PGT 2010	114 285 454
5	48121810	Expenditure to be budgeted – Road Fund 2010	4 046 592 364
Total			32 781 014 732

For the 2010 financial year, the budget balance as described in the Settlement Bill transmitted to the Audit Bench has a surplus of 7 881 171 816 CFA F. This balance is obtained by the difference between encashment (2 340 351 834 587 CFA F) and payments (2 332 470 662 771 CFA F).

By taking into account expenditure to be budgeted established above and which must normally receive final imputation before the close of the financial year, the

amount of payments is supposed to be 2 332 470 662 771 CFA F plus 32 781 014 732 CFA F, that is 2 365 251 677 503 CFA F and the budget balance becomes a deficit of 24 899 842 916 CFA F.

Mention by the Minister of Finance of difficulties faced by his services to master expenditure done in anticipation of available finance and not balanced at the end of the financial year (court costs of 36 billion paid in 2010) and efforts made in this regard, leaves the established facts intact.

2.2.1.2.1.3 Irregular increase in 2010 of closing balances of the 2009 financial year of certain provisional imputation accounts

Balances of provisional imputation accounts numbers 48121209 and 48121309 titled “*Court charges to be budgeted in the 2009 financial year*” and “*Bonuses for sale of stamps 2009 financial year*”, established at the close of the 2009 financial year respectively increased from 4 301 154 036 CFA F and 235 286 124 CFA F to 18 113 112 410 CFA F and 843 917 826 CFA F at the end of the 2010 financial year, that is an irregular increase of 13 811 958 374 CFA F and 608 631 702 CFA F respectively.

The increase of balances of provisional imputation accounts of a financial year contravenes accounting principles and standards. These standards and principles provide that expenditure imputed in provisional accounts and which have not been given budgetary cover before the close of the financial year are carried over into the opening balance of the new financial year in Treasury accounts. This expenditure must be regularized during the next financial years.

In fact, budgetary coverage has as effect either the decrease of the balance established at the end of the previous financial year in case of partial regularization or the cancellation in case of total clearance.

It is therefore incomprehensible that balances of provisional imputation accounts of a closed financial year increase during the following financial years after their establishment.

2.2.1.2.1.4. Abnormal balances of certain expenditure provisional imputation accounts.

The provisional imputation expenditure account summarized in the table below shows a credit balance at the close of the 2010 financial year which is in violation of provisions of Instruction of the Treasury No. 10/001/MINFI/SG/DGTCFM/DT/DR of 1 January 2010 which specifies that balances of these accounts can only be in debit or nil.

N°	No. of imputation account	Nature of operations	Credit balance
1	481009	Expenditure to be regularized 2009	21 554 842 329
3	48121210	Cost fees to be budgeted 2010	18 700 000 000
4	48121409	Exchange loss -PGT 2009	12 133 642
5	48122209	Expenditure to be budgeted— Programme to secure Forests	4 924 464 462
Total			45 191 440 433

Certain expenditures of provisional imputation accounts show at the close of the 2010 financial year, abnormal balances which are incompatible with proper public accounting.

In all, the irregularities raised above and concerning erroneous accounting processing of operations imputed on provisional accounts distort the genuineness of the Settlement Bill presented, unduly transfer the expenditure of the financial year to the following financial years, artificially reducing the expenditure of the closed financial year and modify the budget balance of this financial year. The account balance shows that this is an ongoing phenomenon which has been observed since 2005. Except for abnormal balances, this expenditure to be regularized stands at 183 467 071 912 CFA F on 31 December 2010.

To the Minister of Finance, the finance administration must continue the purging of State accounts through good budgetary and accounting principles.

2.2.2. Execution of expenditure

Section 1 of the 2010 Settlement Bill transmitted to the Audit Bench stipulates: “Are recorded on the Budget of the State budget for 2010 revenues of an amount of 2 340 351 834 587 CFA F ...”.

2.2.2.1. Distribution of revenues of the 2010 Settlement Bill

Generally, revenues are distributed as indicated in the table 4 below:

Table 4. Distribution of revenues (2010 Settlement Bill)

Item	Budget voted	Adjustment	Amended Budget	Realizations	Rate of realization %
I-GENERATED REVENUES	2 149 000 000 000	-131 000 000 000	2 018 000 000 000	1 948 931 649 386	96,58
A-FISCAL REVENUES	1 440 030 000 000	-33 000 000 000	1 407 030 000 000	1 373 208 963 763	97,60
B-OTHER REVENUES	708 970 000 000	-98 000 000 000	610 970 000 000	575 722 685 623	94,23
II-LOANS AND DONATIONS	421 000 000 000	81 600 000 000	502 600 000 000	391 420 185 201	77,88
Grand total	2 570 000 000 000	-49 400 000 000	2 520 600 000 000	2 340 351 834 587	92,85

Source : Settlement Bill of the 2010 financial year

Generally, after deteriorating in 2009, the rate of execution of revenues increased slightly in 2010 to reach 92.85 %.

Notwithstanding this increase in the rate of implementation of revenue in 2010, it is observed that taxes on corporate profits on non-oil companies and the revenues of the petroleum sector, compared to the 2009 Settlement Bill, in 2010 they dropped in absolute value respectively by 964 949 568 CFA F and 2 813 954 971 CFA F as indicated in the table below:

Revenues	2009 Settlement Bill	2010 Settlement Bill	Difference
CORPORATE PROFIT ON NON PETROLEUM COMPANIES	173 504 397 287	172 639 447 329	964 949 958
REVENUES FROM PETROLEUM SECTOR	515 629 662 616	511 815 704 645	2 813 954 971

With regard to the differences between forecasts and encashment by types of revenue, they are presented as follows:

Item	Budget voted	Adjustment	Amended Budget	Implementations	Difference
I .GENERATED REVENUES	2 149 000 000 000	-131 000 000 000	2 018 000000 000	1 948 931 649 386	69 068 350 614
FISCAL REVENUES	1 440 030 000 000	-33 000 000 000	1 407 030 000 000	1 373 208 963 763	33 821 036 237
B-OTHER REVENUES	708 970 000 000	-98 000 000 000	610 970 000 000	575 722 685 623	35 247 314 377
II-LOANS AND DONATIONS	421 000 000 000	81 600 000 000	502 600 000 000	391 420 185 201	111 179 814 799
Grand total	2 570 000 000 000	-49 400 000 000	2 520 600 000 000	2 340 351 834 587	180 248 165 413

The difference between the forecasts and implementations of revenues which appears one moment in the table of annex 1 for 180 248 165 413 CFA F and in the next in commentary for 186 336 762 961 CFA F does not constitute outstanding amounts, according to the Minister of Finance.

According to the Minister, *“the information system and the present accounting framework do not ensure managing issuances and/or declarations of various taxpayers and debtors of the State. This therefore results in the inability to have an accounting management of issuances which alone is likely to ensure the production of outstanding amounts obtained by the difference between encashment and issuances”*.

This means that the accounting of rights acknowledged in matters of revenues is not applied, in accordance with Section 63 (1) of Law No. 2007/006 of 26 December 2007 relating to the financial regime of the State.

The analysis of forecasts and implementation helps in the classification of revenues in three major groups:

- Implementation above forecasts;
- Implementation below forecasts ;
- Nil implementations.

i. Implementation above forecasts;

<i>Items</i>	<i>Budget voted</i>	<i>Amended Budget</i>	<i>Implementation</i>	<i>Rate of implementation (%)</i>	
				<i>2009</i>	<i>2010</i>
<i>EXPORT DUTIES AND TAXES AND OTHE EXTERNAL TRADE TAXES</i>	<i>6 450 000 000</i>	<i>6 450 000 000</i>	<i>8 7982 516 938</i>	<i>106,1</i>	<i>136,32</i>
<i>STAMP DUTY</i>	<i>22 104 000 000</i>	<i>22 104 000 000</i>	<i>30 177 588 693</i>	<i>97,9</i>	<i>136,53</i>
<i>OTHER TAXES ND DUES NOT CLASIFIE ELSEWHERE</i>	<i>628 000 000</i>	<i>628 000 000</i>	<i>1 150 300 799</i>	<i>69,6</i>	<i>183,17</i>
<i>ACCESSORY SALE OF PROPERTY</i>	<i>79 000 000</i>	<i>79 000 000</i>	<i>117 111 686</i>	<i>144,8</i>	<i>148,24</i>
<i>RENTS FROM BUILDINGS AND OTHER LAND TAXES</i>	<i>3 300 000 000</i>	<i>3 300 000 000</i>	<i>3 342 227 762</i>	<i>143, 39</i>	<i>101,28</i>
<i>REVENUES FROM PETROLEUM SECTOR</i>	<i>417 000 000 000</i>	<i>417 000 000 000</i>	<i>511 815 704 645</i>	<i>96,1</i>	<i>122,74</i>
<i>FINES AND OTHER PECUNIARY PE NALTIES</i>	<i>772 000 000</i>	<i>772 000 000</i>	<i>801 485 604</i>	<i>122,2</i>	<i>103,82</i>
<i>WITHDRAWALS FROM DIRECT FOREIGN BILATERAL LOANS</i>	<i>5 871 000 000</i>	<i>5 871 000 000</i>	<i>39 255 173 847</i>	<i>32,0</i>	<i>668,63</i>

Compared to the implementation rates of the 2009 Settlement Bill, these implementations are in net increase apart from rents from buildings as well as fines and pecuniary penalties which respectively drop by 2.11 % and 18.38 %.

i. Implementation lower than forecasts

Item	Budget voted	Adjustments	Amended Budget	Implementation	Implementation rate	
					2009	2010
734	Taxes on authorization of use of property and exercise activities	4 806 000 000	0	4 806 000 000	660 819 375	94,5 13,75
172	Reimbursements to the State of ceded debt	3 295 000 000	0	3 295 000 000	189 517 748	588,8 5,75
512	Reimbursements of agreed advances	205 000 000 000	-98 000 000 000	107 000 000 000	773 505 349	0,72
745	Financial products to be received	19 967 000 000	0	19 967 000 000	27,4	27,38
150	Withdrawals from direct foreign multilateral loans	104 129 000 000	102 600 000 000	206 729 000 000	80 623 345 829	104,5 39,00

Compared to the rate of implementation of the 2009 Settlement Bill, this implementation is in net decline.

ii. Nil implementation

Item	Budget voted	Adjustment	Amended budget	Implementation	Implementation rate	
					2009	2010
171	REIMBURSEMENT TO THE STATE OF GUARANTEED DEBT	1 238 000 000	0	1 238 000 000	0 0,00	0,00

2.2.2.3. On the execution of expenditure

2.2.2.3.1. Evolution of expenditure from 2008 to 2010

Expenditure established in the 2010 Settlement Bill stands at 2 332 470 662 771 CFA F, that is an execution rate of 92.5 % in relation to forecasts of 2 520 600 000 000 CFA F.

Table 8: Evolution of expenditure from 2008 to 2010

Expenditure	2008	2009	2010
Forecasts	2 482 000 000 000	2 301 400 000 000	2 520 600 000 000
Execution	2 054 539 861 733	2 041 591 207 044	2 332 470 662 771
Rate of execution (%)	82,8	88,7	92,5

Source : Settlement Bill for 2009 and 2010 financial years

The rate of execution of budgetary expenditure is in net increase from 82.8 % in 2008, to 88.7 % in 2009 and to 92.5 % en 2010.

2.2.2.3.2. Treasury bonds

In accordance with Section 25 of law No. 2009/018 on the finance law, the State of Cameroon issued Treasury bonds “ECMR 5.6 % Net 2010-2015” worth 200 billion CFA F during the 2010 financial year. Subscription of this bond was to extend up till 28 December 2010.

By Decree of 22 March 2011, the President of the Republic approved the use of the 200 billion from these treasury bonds. It emerges from this decree that the proceeds from these treasury bonds are destined exclusively to finance 14 investment projects. According to annex IV (page 32 and 33) of the Settlement Bill of the 2010 financial year titled “*situation of treasury bonds*” the level of consumption of the budgetary credits of the treasury bonds by 31 December 2010 stand as follows:

Table 9. Consumption of budgetary credits of treasury bonds by 31/12/2010 (in billion CFA F)

Sector	Project	Budgetary provisions	Amount committed	Payments made	Outstanding payments
Energy and water (98.6 billion CFA F)	1- Memve'le dam	59	59	6,591	52,408
	2- Reservoir dam of Lom Pangar	24	24	5,927	18,072
	3 Kribi gaz-fired station	7	7	5,927	1,072
	4-Potable water in Douala	8,6	8,6	8,6	0
Seaport infrastructure and air transport (43 billion CFA F)	5- Kribi deep seaport	21	21	21	0
	6-Camair-Co	22	22	17,109	4,891
Mines (8 billion)	7- Nickel cobalt project	8	8	0	8
Telecommunications (4.5 billion CFA F)	8- Construction of 3200 km of fibre optic	4,5	4,5	2,6	1,9
Road infrastructure (37.6 billion)	9-Second bridge over the Wouri	10,6	10,6	0,6	10
	10- Ayos-Bonis Road	10	10	6,901	3,099
	11-Ring road	12	12	5,02	6,98
	12-Entrance to Kumba	5	5	0	5
Agriculture (8.3 billion CFA F)	Project to improve rice and maize production through the mechanization of agriculture	2	2	2	0
	14-Support to production sectors	6,3	6,3	4,501	1,798
Total		200	200	86,777	113,222

This table reveals that the budgetary provision of 200 billion was committed at the end of the 2010 financial year. Out of the commitments of 200 billion, payments of 86 777 972 289 CFA F that is 43.38 % were made before 31 December 2010. The outstanding payments stand at 113 222 027 713 CFA F, which does not agree with

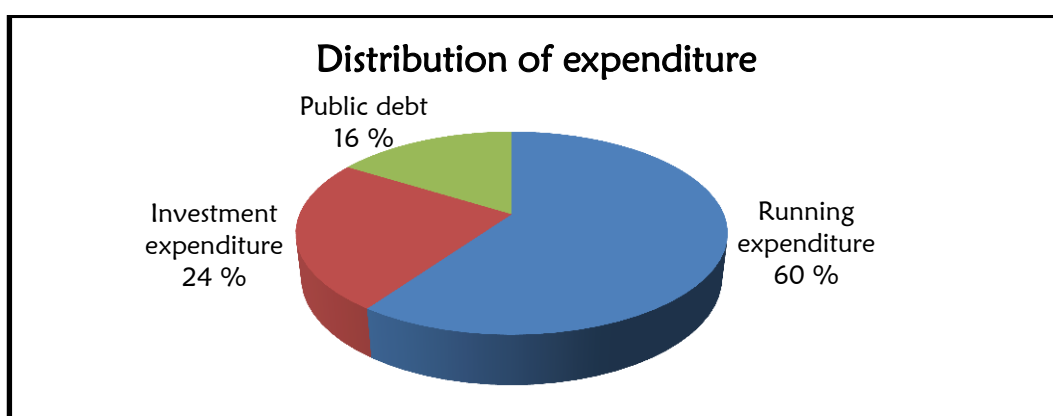
the date of implementation of the treasury bonds which was completed only on 28 December 2010.

2.2.2.3.3. Analysis of expenditure

The Settlement Bill of the 2010 financial year presented expenditure by heads and by economic nature, by heads divided into investment and running and lastly by sectors.

The following graph distributes expenditure of the 2010 financial year into running, investment and public debt:

- Running expenditure: 1 394 752 372 540, that is 60 %
- Investment expenditure: 560 994 789 685, that is 24 %
- Public debt: 376 723 500 546, that is 16 %



2.2.2.3.3.1. Comparison between expenditure in the Settlement Bill and the balance

The Settlement Bill of a financial year is supplied by information contained in the balance of accounts of the same financial year. The table below compares certain figures of the Settlement Bill with those of the accounts balance.

Table 10. Comparison in figures of the settlement bill and the accounts balance

Items	2010 Settlement Bill (1)	Balance of 2010 accounts (2)	Difference (3)=(1)-(2)
Running expenditure	1 394 752 372 540	1 696 579 315 797	- 301 826 943 257
Investment expenditure	560 994 789 685	584 568 858 379	- 23 574 068 694
Reimbursement of loans	376 723 500 546	73 310 523 808	+303 412 976 738
Immobilizations not entered in head 27	24 491 885 708	130 000 000	+ 24 369 885 708
Transfers in capital, chapter 28	89 621 471 852	104 621 471 254	14 899 699 402

Differences are noticed between the figures of the Settlement Bill and those of the balance of the 2010 accounts as the table above shows. These differences express the incoherence of the Settlement Bill with the accounts balance, main source of accounting information and this distorts the genuineness of the entries in the Settlement Bill of the 2010 financial year.

The Minister of Finance took note and announces the eminent putting in place of an integrated system of recovery of general budgetary and accounting information. Note should be taken.

2.2.2.3.3.2. Functioning expenditure

Functioning expenditure includes interventions in running, expenditure on materials, pensions and common expenditure. As a reminder, the authorized expenditure of the functioning budget stands at 1 394 732 372 540 CFA F, which represents an execution rate of 92.11 % compared to the final appropriations.

2.2.2.3.3.3. Investment expenditure

Investment expenditure for the financial year stands at 560 994 789 685 CFA F distributed as follows:

- Investment expenditure of ministries	:	398 820 975 237
- Investment interventions	:	112 890 662 119
- Shares	:	34 283 152 329
- Rehabilitations	:	15 000 000 000

Sections 2 and 3 of the Settlement Bill of the 2010 financial year show that the investment expenditure of the various budget heads, mostly have high execution rates most often between 98 % and 100 %. The lowest rates are observed in the Ministry of External relations (63.95 %) and in the Ministry of Small and Medium-sized Enterprises (78 %).

One wonders whether these rates express an effective amelioration of the consumption of investment credits or are a result of the diminution of investment credits observed through the ordinance of 15 September 2010.

Even though the Minister of Finance confirms that this amelioration results from both the minibudget subject of the presidential ordinance and the substantial consumption of investment credits, increasing the execution rate of the related expenditure from 74.3 % in 2009 to 93.69 % in 2010, that is a jump of close to twenty points, the issue remains with regard to expenditure linked to structural projects of a committed amount of 113 billion CFA francs.

2.2.2.3.3.4. Public debt

Such as it features in the Settlement Bill, the public debt is made up of two elements: the external public debt (chapter 56) and the internal public debt (chapter 57). It is both a budgetary and expenditure resource.

It is a balance sheet data by the stock which is managed by the Autonomous Sinking Fund (CAA). This stock is subject to depreciation through payment of interests and

the principal which is considered debt servicing. Debt servicing appears in chapter 56 for external debt and in chapter 57 for the internal debt.

It is executed as indicated in the table 11 below:

Table 11 Execution of the public debt

Item	Final appropriations	Payments	Execution rate (%)
External public debt chapter 56	87 400 000 000	83 641 421 981	95,70
Internal public debt chapter 57	320 100 000 000	293 082 078 565	91,56
Total servicing of section articles 2 and 3	407 500 000 000	376 723 500 546	92,45
Debt article 4	494 795 133 756	427 315 333 492	86,36
Difference	-87 295 133 756	-50 591 832 946	

Source : Settlement Bill, 2010 financial year

Article 4 of expenditure of the same amount distributed by sector gives the following amounts for the debt: 494 795 133 756 final appropriations; 427 315 333 492 payments, that is, an execution rate of 86.36 % against 92.45 % in article 3. The difference in absolute value is 87 295 133 756 CFA F for appropriations and 50 591 832 94 CFA F for payments.

Thus, figures of the debt are different in each section of the Settlement Bill (article 1; 2; 3) and in the financial statements.

In addition, the total payments of the principal amount of the external public debt stands at 59 801 000 000 CFA F, against 55 874 000 000 CFA F of initial appropriations, 45 678 000 000 CFA F of final appropriations and 45 678 000 000 CFA F of payments, that is an amount of 14 123 000 000 CFA F paid without authorization.

Moreover, the load of the internal public debt stood initially at 77 020 000 000 CFA F was increased to 255 567 509 594 CFA F in the final appropriations. Commitments rose to 250 487 681 866 CFA F and authorizations to 228 549 588 251 CFA F while payments were only 9 203 208 934 CFA F.

Lastly, debt servicing of internal debt does not include outstanding payments, all of which puts to question the reliability of the public debt.

2.2.2.4. Special Appropriation Accounts

According to the provisions of section 23 of law No. 2007/006 of 26 December 2007 relating to the financial regime of the State and by exception of the principle stated in section 5 of the same law, certain revenues may be directly devoted to certain expenditure. These special appropriations can take the form of annex budgets, special Treasury accounts and are authorized by the finance law.

Regarding special Treasury accounts, section 25 (1) of the law referred to above names five (5), including special appropriation accounts. And according to section 26 (1) of the law of 26 December 2007 relating to the financial regime of the State: *“Special Appropriation accounts shall show, under conditions laid down in a finance law, budgetary transactions financed by special revenues which are by nature directly related to the expenses concerned”*.

In the Cameroonian context, this definition helps in identifying special appropriation accounts of two types including:

- Those which look like administrative structures of the State not endowed with a moral and legal personality. This is the case with the Forest Development Fund;
- Those likely to be analyzed as financial assistance and which are attached to structures with a moral and legal personality. This is the case with the Special Appropriation Account for the Regulation of Public Contracts which is an administrative public establishment.

It is wished that in future, the presentation of documents and for reasons of clarity, the initial finance law as well as the Settlement Bill clearly identify by paragraphs, the Special Appropriation Accounts within the strict meaning of other structures benefitting from transferred revenues.

Law No. 2009/018 of 15 December 2009 on the Finance Law of the Republic of Cameroon for the 2010 financial year opened a Special Appropriation Account for the production of secure transport documents and put a ceiling of final appropriations of

Special Appropriation Accounts (sections 13 to 22) at an amount of 79 700 000 000 CFA F, according to the distribution featuring in the table below which presents the projected allocations by Special Appropriation Account in CFA F:

N°	Title of account	Ceiling of allocation	Effective allocation in revenues
1	Amount to be deducted on the product from special tax on petroleum products for road usage fees	55 000 000 000	-
2	Special Appropriation Account for the production of secure transport documents	3 500 000 000	-
3	Special Appropriation Account for financing sustainable development projects concerning water and sanitation	500 000 000	-
4	Taxes to be paid into the Special Forest Development Fund	2 000 000 000	1 999 999 998
5	Resources destined to furnish the Special Appropriation Account for support to tourism	1 000 000 000	-
6	Resources destined to furnish the Special Appropriation account for support to culture	1 000 000 000	-
7	Resources destined to furnish the Special Appropriation Account for the Regulation of Public Contracts	8 000 000 000	8 981 000 000
8	Resources destined to furnish the Special Appropriation Account for the Development of Telecommunications	2 000 000 000	10 000 000 000
9	Fees paid by autonomous ports to the National Ports Authority	1 500 000 000	-
10	Resources destined to furnish the Special Appropriation Account for the modernization of research in State Universities	4 200 000 000	-
11	Contribution of the State destined to furnish the Seed Fund	1 000 000 000	-
		79 700 000 000	///

In execution, revenues of the effective allocation of the Special Appropriation Account for the Regulation of Public Contracts and the Special Appropriation Account for the Development of Telecommunications stood respectively at 8 981 000 000 CFA F and 10 000 000 000 CFA F except for the other revenues and the respective ceilings of 2 000 000 000 CFA F et 10 000 000 000 CFA F fixed by the finance law of the 2010 financial year.

The surplus encashment in relation to the fixed ceiling should have been paid into the general budget as provided for in Section 26(3) of the law No. 2007/006 of 26 December 2007.

This situation indicates a weakness in the control of Special Appropriation Accounts which the Minister of Finance is committed to correct.

2.2.2.4.1. *Summary analysis relating to the execution of operations of Special Appropriation Accounts on the basis of the table on page 34 of the settlement bill*

The table on page 34 indicates that Special Appropriation Accounts in the 2010 financial year mentions ten (10) accounts. But on reading law No. 2009/018 of 15 December 2009 on the finance law of the Republic of Cameroon for the 2010 financial year, it seems section twelve which provides for deduction from proceeds of the special tax on petroleum products for the road use fee and which has a figure of 55.000.000.000 CFA F was not taken into account in the calculations. And there was no special explanation given.

The Audit Bench notes that the summary analysis presented in the Settlement Bill following the table on page 34 and relating to the functioning of Special Appropriation Account (*implementations in revenues and expenditure with different percentages*) excluded the case of the Special Appropriation Account relating to the “*Special Tax on Petroleum products for road use fee*” for an amount of 55 000 000 000 CFA F. This does not provide complete information on the execution of Special Appropriation Accounts.

The Minister of Finance agrees and takes the commitment to make the necessary effort during the presentation of the 2011 settlement Bill. There is need to take note.

2.2.2.4.2. Analysis of operations and results of various Special Appropriation Accounts as indicated in the forms concerning each account

Section 32(1) of Law No. 2007/006 of 26 December 2007 relating to the financial regime of the State provides: *“It shall be forbidden to charge directly to a special account any expenditure resulting from payment of wages, salaries, allowances and sundry entitlements”*.

The exploitation of forms attached to the Settlement Bill leads the Audit Bench to note that expenditure proscribed by the above law is carried out in application of decrees organizing the said accounts and this in violation of Section 32(1) of the law of 26 December 2007 as indicated by the table below:

Special Appropriation Account				Expenditure paid	Amount of expenditure paid
Special	Appropriation	Account	for	Allowance paid to the authorizing officer of C.A.S.S.P.C	3 000 000
support to cultural production					
Special Appropriation Account				Grants (specific services)	
for the modernization of research				paid research lecturers in	6 100 000 000
in State Universities				State Universities in 2010	

It is observed that several expenditure of certain Special Appropriation Accounts were paid in violation of the provisions of Section 32(1) of the law of 26 December 2007.

Mention by the Minister of Finance of decrees relating to the creation and organization of Special Appropriation Accounts in terms contrary to Section 32(1) of Law No. 2007/006 of 26 December 2007 referred to above stresses the urgency to make the related decrees in compliance with the provisions of the law.

2.2.2.5. Examination of financial statements

2.2.2.5.1. Legal grounds.

The Settlement Bill of the 2010 financial year includes, among other documents attached, the financial statements of the State *made up respectively of the provisional balance sheet at 31 December 2010, of the income statement and the table of cashflows which, according to the Minister of Finance, are produced for the very first time in our country.* .

The production of the financial statements in support of the Settlement Bill is a legal requirement. In fact, concerning the income statement, Section 22(6) of the 2007 Finance Law makes it one of the elements which accompany the Settlement Bill. And that is exactly why it is part and parcel of the Settlement Bill, once the bill is adopted as provided for by Section 20(2)(5) which stipulates that *“the Settlement Law shallaccount for the profit and loss statement of the financial year based on the resources and expenditure mentioned in section 12 above”*.

As for the other financial statements notably the balance sheet and the cashflow table, although not explicitly named among the documents that accompany the Settlement Bill, still find their place. In effect, according to Section 20(3) *“where necessary, the Settlement Bill shall include all provisions relating to information and control by Parliament of public finance management, State accounting...”* “

The balance sheet and cashflow table contribute to information of Parliament and furnish elements which ensure verification that State accounts are regular, genuine and give a faithful image of the financial situation, Section 60.

In conclusion, the financial statement (balance sheet, income statement and cashflow table) produced in support of the Settlement Bill of the 2010 financial year are, in the eyes of the law, constituent elements of the said bill.

2.2.2.5.2. Form of the financial statements accompanying the settlement bill of the 2010 financial year

The rules of general State accounting which govern financial statements are different from those applicable to enterprises only with regard to the specificities of its action.

The objective of these financial statements is to give a faithful picture of the patrimony and financial situation of the State.

According to directive No. 05/08/UEAC/95/CM-18 of 19 December 2008 relating to the Accounting Standards of the CEMAC zone, these financial statements, that is the treasury situation, income statement and balance sheet must be produced at the end of the financial year.

2.2.2.5.2.1. Context of the balance sheet at 31 December 2011

2.2.2.5.2.1.1. Absence of data of year N-1

It is obvious that the sections 63 to 65 of Law No. 2007/006 of 26 December 2007 entered into force in January 2013 and the decree on public accounting has not yet been signed. But the principle of the presentation of the balance sheet in year N, be it or not of the balance sheet of an enterprise, is to indicate the data of the preceding year in columns of assets and liabilities.

This principle was not respected in the case of the balance sheet at 31 December 2010. Meanwhile, an examination of the annexed financial statements shows that the data of the previous years were available. This is the case:

- with the table of immoveable assets which distinguishes from 2003 to 2009 from those of 2010;
- with the balance of State accounts of the 2010 financial year which indicates in the column of opening balance in debit and in credit as the case may be, balances of certain long-term resources accounts (accounts 15 and 16); accounts of stocks and special operations (class 3); third-party and regularization accounts (class 4) and financial accounts (class 5).

Even though these are “*the very first financial statements*”, the material presentation of the balance sheet should have been respected by considering the balance of accounts of 2009 (year N-1) in carry forward of the opening balance and the document being “*provisional*” to consider for example as reminder accounts whose balances are not known or determined.

The absence of a column describing depreciation remains justified by the wait for the inventory of State patrimony.

2.2.2.5.2.1.2. Absence of accounts relating to non-tax revenues.

The General Instruction on State Accounting gives a model balance sheet inspired by the General Accounting Standard of the State with a bloc constituted of long-term resources of non-tax funds especially those accounted for in account 12 as liability *Patrimonial results* (carried forward anew)

According to the Instruction mentioned above, the patrimonial result represents the result of calculated management and entered in account 875 of the balance of accounts. This result corresponds to the difference between the expenditure (class 6) and revenues (class 7).

Determination of this result which itself does not depend on the work of the inventory, is calculated each year and can logically be carried forward to the liabilities in the balance sheet, subject to the decision of its posting,

The patrimonial result for the 2010 financial year of 330 259 104 215 CFA F features at the bottom of the balance sheet under the designation “*net situation*”.

Even though in accounting, the balance of the income statement generally contributes in its non distributed fraction to consolidate the net situation, it is not the only element. In this case, the results of 2009 should have been joined to the net situation to give a reliable balance of this account. This net situation including only the patrimonial balances should be lodged at the top of the balance sheet.

2.2.2.5.2.1.3. Confusion created by period of indication of the period of the financial statements

The indication under the title “*provisional balance sheet of the State at 31 December 2011* (in CFA F) of the statement “*Period from 01/01/2010 to 31/12/2010*” is misleading.

In effect, some of the data in the balance sheet notably fixed assets concern the period from 2003 to 2009 as stated in the table of fixed assets of the State at 31 December 2010.

The same balance sheet cannot then refer to two distinct periods. If it means balances of these accounts at 31 December 2010, the said balances express a

reality at a given well defined instant contrary to the income statement whose balances are accounts of operations of a period in this case, the year.

The nature of these two documents and the established practice would mean one should talk of:

Balance sheet of the State at 31 December 2010, and the income statement of the State for the period from 01/01/2010 to 31/12/2010, instead of

Balance sheet of the State at 31 December 2010 (in CFA F) (Period from 01/01/2010 to 31/12/2010) and the income statement of the State at 31 December 2010 as that appears in the financial statements attached to the settlement bill for the 2010 financial year.

Concerning the income statement of the State, *the columns of net functioning expenditure, net intervention expenditure and net financial expenditure which indicate rather both the expenditure accounts and the revenue account should read as follows:*

Net functioning expenditure and income, net intervention expenditure and income, net financial expenditure and income.

2.2.2.5.3. Examination on the substance of the financial statement attached to the Settlement Bill for the 2010 financial year

2.2.2.5.3.1. Income statement

The income statement of the period from 01/01/2010 to 31/12/2010 is made up of net expenditure and does not include calculated expenses, that is depreciation of fixed assets without which it remains far from reality.

2.2.2.5.3.2. Balance sheet

2.2.2.5.3.2.1 Brought forward from previous financial years

This item features in the liabilities of the balance sheet of the State at 31 December 2010 for an amount of 677 668 964 345 CFA F. In the absence of an explanatory statement on this posting, it is difficult to establish the nature with exactitude.

But to the Audit Bench, this means the carry forward of the positive patrimonial balances of the previous financial years, that is to say, management balances calculated by the difference between the income and expenditure. The *previous financial years* concerned still have to be determined.

In this case, this balance is made up of account 12 Patrimonial income (carried forward anew) and must feature at the top of the balance sheet in generated income (Cf. obs. No.24).

Hence, the net situation as determined in the provisional balance sheet at 31 December 2010 would be erroneous given that the required liability would be reduced by the same amount. The readjusted net situation subject to the changes would therefore be:

$$330\,259\,104\,215 \text{ CFA F} + 677\,668\,964\,345 \text{ CFA F} = 1\,007\,928\,068\,560 \text{ CFA F}.$$

The net situation in the provisional balance sheet of the State at 31 December 2010 was determined in an inexact manner, from the moment when the carry forward from previous financial years was considered as required liability instead of being taken as an element of the generated income of the State constituted of patrimonial balances from previous financial years.

2.2.2.5.3.2.2. Shares and investments

Account 2601 Shares and investments in advertizing enterprises indicates for shares invested in 2010 an amount of 26 283 152 329 CFA F in the provisional balance at 31 December 2010. This amount is however different from the amount in the table of recorded expenditure in 2010 (section 2 of the Settlement Bill) which indicates a total amount of authorizations of 26 952 727 329 CFA F distributed as follows:

- 13 MINDEF
- 26 Long and medium-term securities, shares and allocations:
2 000 000 000 CFA F ;
- 92 various holdings;
- 26 Long and medium-term securities, holdings and allocations:
24 283 152 239 CFA F ;

The difference between the two amounts is: 669 575 000 CFA F.

In the absence of an explanation on the difference of 669 575 000 CFA F between the amount of State shares in 2010 entered in the balance sheet and the account balance on the one hand and that indicated in section 2 of the Settlement Bill of the 2010 financial year on the other hand, there are reservations on the reliability of the balance of this account.

Moreover, when the Minister of Finance specifies in his explanatory statements of the financial statements that *“fixed financial assets are only made up of securities and shares which, in reality, are the shares held by the State in organs endowed with a distinct legal personality”*, one wonders the type of shares granted MINDEF.

The reliability of account 2601 Shares in 2010 being uncertain, there is need to agree with the Minister of Finance that the amount of 96 746 620 758 CFA F entered in the provisional balance and which includes investments made between 2003 and 2009 (37 057 700 977 CFA F) on the one hand and those of 2010 on the other hand, is far from reflecting the complete situation of State investments.

Hence, the corresponding remunerations of the income statement lodged in account 7456 *Dividends from shares* of 3 514 248 696 CFA F can neither reflect reality.

2.2.2.5.3.2.3. Cashflow table at 31 December 2010

The cashflow table at 31 December 2010 indicates in the part on *“net cashflow linked to investment operations (II)”* a nil amount for acquisition and cession of fixed assets.

This situation is in contradiction with the information furnished both by the table of depreciation, the accounts balance and section 2 of the Settlement Bill of the 2010 financial year.

These documents indicate the acquisition of fixed assets during 2010. For example, a combined reading of the provisional balance and the table of fixed assets shows between 2009 and 2010 for only corporeal and fixed financial assets, an increase of

377 160 534 479 CFA F and 26 283 152 329 CFA F respectively, that is acquisitions of these categories of fixed assets for a total amount of 403 443 686 808 CFA F.

It is observed that the cashflow table does not include all the elements such as acquisition of fixed assets which had an incidence on the treasury of the State during the 2010 financial year. It therefore does not faithfully translate the cashflow at 31 December 2010.

2.2.2.5.4. Consistency of financial statements

2.2.2.5.4.1. Balance sheet and account balance

An examination of the balance of accounts on the one hand and the balance sheet and table of fixed assets presented as explanatory of the financial statements on the other hand, highlights certain inconsistencies, notably the following:

- on financial debts, the balance of accounts indicates an amount of 1 741 103 891 700 CFA F against 1 746 602 000 000 CFA F accounted for in the balance sheet at 31 December 2010, that is a difference of 5 498 108 300 CFA F ;
- on fixed assets, the balance of accounts at 31 December 2010 does not indicate in balance any brought forward from the 2009 financial year while the balance sheet at 31 December 2010 records fixed assets of the 2003-2009 period as spread out in the fixed assets table.

Considering the evident links between the balance of accounts and the balance sheet and with regard to the inconsistencies mentioned above, the reliability of the balances of the same accounts featuring in the balance sheet and in the balance for the different amounts is questionable.

2.2.2.5.4.2. Examination of equilibriums

Subject to the provisional or experimental nature of the financial statements of the State for the 2010 financial year, the following observations can be made on the equilibriums of the balance.

2.2.2.5.4.2.1. Concerning functioning

Cleared debts of an amount of 448 328 209 888 CFA F, whose risk of collection is not very high (30% represents the debts brought over from previous years), alone cover more than one and half short-term non financial debts.

2.2.2.5.4.2.2. Concerning the treasury

The active treasury is 479 991 006 328 CFA F and the passive treasury is 444 974 101 487 CFA F. This is equivalent to a ratio of 1.08 indicating a quasi equilibrium between immediate cash needs and available cash.

Meanwhile, a careful examination of cash in banks at 31 December 2010 reveals that 41% of the active treasury represents the proceeds from Treasury Bonds, that is 197 500 000 000 CFA F raised by end of December 2010.

This element which comes in timely to reinforce the treasury situation of the State at the end of the year was posted to a specific head. It has an artificial impact on the said situation which tends to alter the equilibrium mentioned above.

Concerning the main equilibriums in the balance sheet, only that of the functioning cycle seems to be durably guaranteed.

Long-term resources cannot cover all the financing needs of immovable assets while the explicit assignment of the proceeds from the treasury bonds to well defined projects in a way reduces the capacity of the State to easily honour its commitments towards correspondents of the Treasury (Administrative Public Establishments, Regional and Local Authorities...).

The Minister of Finance does not contest the validity of the observations on the financial statements which he rightly considers as having a purely didactic nature with the prospect of the full entry into force of the financial regime of the State on 1 January 2013.

There is need to take note.

CONCLUSION

The examination of the Settlement Bill for the 2010 financial year enabled the financial jurisdiction to bring out improvements and inadequacies on the form and substance.

ON THE FORM

Basically, the documents that were supposed to accompany the Settlement Bill in accordance with the prescription of the law were forwarded this time. Note should be taken concerning the transmission for the first time of financial statements which, even if it is still experimental at this stage, is a significant step towards patrimonial accounting.

A decline in the respect of the deadline conditions for the transmission of the settlement bill of the 2010 financial year is condemned.

ON THE SUBSTANCE

The non respect of certain principles and procedures led to the establishment of questionable budgetary and accounting situation. Thus, the closed budgetary balance has a surplus of 7 881 171 816 CFA francs, turned out to be in deficit of 899 842 916 CFA francs considering the expenditure effected on cash advance and not regularized before the close of the financial year..

Improvements were observed in the drafting of the Settlement Bill of the 2010 financial year and even corrections carried out on certain items through the adversarial method, all things which are likely to help the reliability of financial information of the State.

Without prejudice to the shortcomings on the form and substance, the Audit Bench is of the opinion that the Settlement Bill of the 2010 financial year could be adopted in this state.

Thus issued, the same day, month and year as above.

The following signed the minutes of this opinion...

Paragraph 2. Opinion No. 002/2011/CSC/CDC of 14 December 2011 on the production of supporting documents by public and semi-public enterprises

IN THE NAME OF THE PEOPLE OF CAMEROON

The Audit Bench of the Supreme Court sitting on the fourteenth day of December two thousand and twelve in the ordinary session hall in its Seat at Winston Churchill venue, YAOUNDE, Cameroon sitting in chambers composed of:

- Mr. ATEBA OMBALA Marc, President of the Audit Bench;
- Messrs MOUTCHIA AMBE George and MBENOUN Théodore and Madam WACKA née FOFUNG Justine NABUM, Division Presidents;
- Messrs MANGA MOUKOURI, HAKAPOKA Narcisse, FOUDA AMOMBO, NGAN Evaristus AZEH, THEUMOUBE Philippe, NDONGO ETAME David, DJOKO André, MIKONE Martin Bienvenu, NDJOM NACK Elie, Madame MBARGA née MVOGO Jeanne d'Arc, ALIMBA Jean Claude, Masters of Supreme Court,

in the presence of Mr. TENGEN WEREGOH Pius, Advocate General ;
assisted by Mr. PAGUEM Michel, Registrar-in-Chief taking the minutes.
rendered the opinion hereunder:

Mindful of the Constitution;

Mindful of the Uniform Acts of 17 April 1997 relating to commercial companies and economic interest groups and of 24 March 2000 on the organization and harmonization of business accounting;

Mindful of Law No. LAW No. 2003/005 of 21 April 2003 relating to the jurisdiction, organization and functioning of the Audit Bench of the Supreme Court, especially its sections 10, 25 and 26;

Mindful of Law No. 2007/006 of 26 December 2007 on the financial regime of the State;

Mindful of Order No. 26/CDC/CSC of 19 October 2010 by the President of the Audit Bench of the Supreme Court laying down the matters which the various sessions of the Audit Bench can examine;

Considering the request for opinion forming the subject of correspondence No. DG/DAF/SF/SL No. 000011 of 10 January 2011 by the General Manager of the Mission for the Development and Equipment of Urban and Rural Lands (MAETUR), relating to the requirement to produce originals of supporting income and expenditure documents to the Audit Bench;

Considering the file constituted following the request for opinion;

Mindful of Order No. 2011/01/CDC/CSC/082 of 21 July 2011 by the President of the Audit Bench to appoint Madam WACKA née FOFUNG Justine NABUM, President of the Fourth Division, Judge Rapporteur in the file for request for opinion referred to above;

Considering the report on the request for advisory opinion on the requirement for presentation of supporting documents, subject of the transmission letter No. 12/CSC/CDC/S4 of 6 September 2011 by Madam the Judge Rapporteur, as well as the preliminary opinion by letter No.15/CSC/CDC/PS4 of 9 November 2011;

Considering the submissions of the Legal Department dated 13 December 2011;

Mindful of Order No. 2011/07/CAB/PCDC/CSC/010 of 05 December 2011 to convene members of the Audit Bench to meet in chambers to examine the file for request for opinion mentioned above;

The examination of the opinion of file for request for opinion as constituted calls for the following observations on the form and substance:

ON THE FORM

According to section 10 of law No. 2003/005 of 21 April 2003 referred to above, “*The Audit Bench shall give its opinion on any matter referred to it in connection with the control and verification of accounts*”.

The request for opinion by the General Manager of MAETUR on the requirement for the production of supporting documents necessary for the control and judgment of the accounts of this structure is therefore admissible in its form.

ON THE SUBSTANCE

Concerning the justifications of financial statements, the General Manager of MAETUR takes off from precedence of accounts of the 2006 accounts and recalls to this effect: MAETUR prepared and was disposed to deposit the supporting documents of its accounting entries but was faced with the difficulty of satisfying several legal or contractual obligations simultaneously:

- on the one hand, the law requires the submission of supporting documents with the other documents required at the Audit Bench;
- on the other hand, the OHADA Uniform Act on the organization and harmonization of business accounting requires MAETUR to preserve for ten (10) years the accounting records or documents in lieu thereof, as well as supporting documents;
- lastly, the commitments signed with both international and local donors (Housing Loans Fund, Commercial Banks) (Shelter Africa, BDEAC) imply the availability of documents during the regular or unannounced audits of their actions..

To this question the Audit Bench had responded that:

- 1°) in compliance with article 24 OHADA Uniform Act, MAETUR is exempted from the production of supporting documents of the income and expenditure to the Audit Bench;
- 2°) on the other hand, in application of the provisions of Law No. 2003/005 of 21 April 2003 MAETUR is bound to produce:

1) General documents including :

- the articles of association of the enterprise,
- the internal rules and regulation,
- decrees, order or instruments appointing managers of the enterprise,
- minutes of handing over of services accompanied possibly by the reservations of the in-coming officials,

- minutes of cash in hand at the end of the year,
- the budget,
- situation of credits and debts,
- bank statements and statements of reconciliation or concordance,
- plans of action of the enterprise,
- activity reports,
- minutes and resolutions of Board of Directors and General Assembly meetings,
- audit reports,
- the list of regulated conventions,
- the procedural manual and accounting organization;

2) Financial statements including:

- balance sheet,
- income statement,
- financial table of resources and applications (TAFIRE),
- annexed statement;

3) Accounting registers and obligatory supporting documents namely:

- the ledger,
- the general ledger,
- the general balance of accounts,
- the inventory ledger.

The question posed by MAETUR through its correspondence No. DG/DAF/SF/SL/N°000011 of 10 January 2011 is to know if the prescriptions of the Audit Bench referred to above are still valid and precisely if it is exonerated from the production of the supporting documents to the Audit Bench during the submission of the account.

Section 41 of the Constitution stipulates that “*The Audit Bench shall be competent to control and rule on public accounts, as well as on those of public and semi-public enterprises.*”

Law No. 2003/005 of 21 April 2003 relating to the jurisdiction, organization and functioning of the Audit Bench of the Supreme Court states:

Section 2 : 1 *The Audit Bench shall be competent to control and rule on accounts or documents in lieu thereof produced by certified or de facto public accountants of:*

- *the State and its public establishments*
- *the regional and local authorities and their public establishments*
- *public and semi-public enterprises.*

Section 5: (1) *Under this law, a certified public accountant shall be any accounting official who is responsible for the regular handling of funds or securities or stores accounting.*

(2) *The following shall be public accountants:*

- *Treasury accountants;*
- *Property accountants;*
- *Council revenue collectors, where the revenue of the councils is managed by staff other than treasury accountants;*
- *Stores accountants, and all those referred to as such by special laws or regulations.*

Section 26: (2) *Accounts produced by certified accountants, finalized and examined in accordance with the instruments in force, shall be submitted to adjudication to the Audit Bench within 3 (three) months following the closing of the financial year.*

(3) *The accounts shall be submitted against receipt or sent by registered mail with acknowledgement of receipt thereof to the registry of the Audit Bench, then registered and dated upon arrival.*

- (4) *The accounts shall be forwarded to the registry of the Audit Bench by the minister in charge of finance or by any other duly empowered authority.*

Section 54: *Any accountant who fails to submit his accounts in the form and within the time-limit stipulated by the regulations may be ordered by the Audit Bench to pay a fine not exceeding half of the accountant's monthly duty allowance at the time the acts were committed and for each month of lateness.*

From the instruments cited above, it emerges that the accounts of the State and public structures and bodies governed by public accounting must, in view of their control and judgment, be presented and deposited at the Audit Bench within the deadline of three (3) months following the close of the financial year; that the certified

or de facto public accountant who does not keep this obligation is liable to a fine for delay in production or failure to produce accounts.

The Uniform Acts of 17 April 1997 relating to commercial companies and economic interest groups and that of 24 March 2000 on the organization and harmonization of corporate accounting applicable to any economic interest group or any commercial company concern including that in which the State or a corporate person governed by public law is associated, notably public and semi-public enterprises subject to general accounting stipulate that annual financial statements and management reports are transmitted to the auditors, forty-five days at least before the date of the ordinary general assembly (article 140 of the Uniform Act of 17 April 1997) and that “accounting ledgers or any documents in lieu thereof, as well the supporting documents are preserved for ten years” (article 24 of the Uniform Act of 24 March 2000).

It follows *mutatis mutandis* that compared to the control of accounts carried out by the Audit Bench, public and semi-public enterprises subject to general accounting, produce their financial statements or any documents in lieu thereof to the Audit Bench and on the other hand preserve the ledgers and other supporting documents at their head office at the disposal of control bodies.

CONCLUSION

In its form, the request of the General Manager of the Mission for the Development and Equipment of Urban and Rural Lands (MAETUR) is admissible.

In substance, the Audit Bench is of the opinion that public and semi-public enterprises such as MAETUR, subject to general accounting, produce their annual financial statements to the Audit Bench and be exempted from the production of supporting documents during the deposit of financial statements.

Thus, it was issued the same day, month and year as above.

The opinion was signed by members of the Bench.

PART FOUR

RECOMMENDATIONS OF THE AUDIT BENCH AFTER THE 2011 CONTROLS

The Annual Report provided for in section 3 of Law No. 005/2003 of 21 April 2003 to lay down the jurisdiction, organization and functioning of the Audit Bench of the Supreme Court of Cameroon states “*The Audit Bench shall submit.... an annual report setting out the general results of its deliberations and pertinent observations with a view to reforming and improving upon the keeping of accounts and the discipline of accountants*”.

These observations drawn from the judgments of accounts and other extra-judicial activities of the Bench during a year, gave rise, for the most important, to recommendations repeated in several annual reports.

The 2011 report which is still in compliance with this process devotes two chapters to recommendations.

CHAPTER 1. RECOMMENDATIONS PREVIOUS TO THE 2011 FINANCIAL YEAR AND WHOSE IMPLEMENTATION IS STILL AWAITED

For recommendations put together in this chapter, the Minister of Finance had already indicated in letters No. 04691/MINIF/SG of 02 November 2009 with regard to the keeping and production of management accounts of the State and No. 0847/N/MINFI/SG/CS7 of 20 March 2009 on the necessity of review of Law No. 99/016 of 22 December 1999 notably the measures to be taken at the level of his Ministry. While waiting for the concretization of these measures, the related recommendations are renewed.

SECTION 1- On the keeping and production of management accounts of the State

Recommendation No. 07-11: keeping of accounts by principal accountants of the Treasury (5th aspect of this recommendation)

The necessity to commence reflection at the Ministry of Finance aimed at significantly reducing the number of constituent documents of a bundle of supporting documents

in order to facilitate and render more effective controls of the public accountant without jeopardizing the principles of regularity and genuineness of public expenditure.

Recommendation No. 07-13: oath and guarantee by public accountants

The Audit Bench recommends that the Minister of Finance takes all the measures necessary for accountants in office take the oath and deposit a guarantee within a reasonable deadline.

Recommendation No. 08-01: Management of inactive values

The Audit Bench noticed that during various audits carried out on the nature of accounts, a majority of management accounts of principal Treasury accountants did not contain all the information on the management of the portfolio of the State.

The financial jurisdiction recommends that the stock of fiscal stamps, windscreen licenses and toll gate tickets ordered and accepted by the Directorate General of Taxes be taken into account in the accounting of the assets of the State (Directorate General of the Treasury, Financial and Monetary Cooperation) for proper monitoring and an application account of these assets in the portfolio be prepared at the close of the financial year and attached to the management account of the competent principal accountant.

Recommendation No. 09-3: recovery of revenues from Tax Revenue and Customs Collectors

The 2009 controls as well as those of previous years revealed the absence of supporting documents in the management of revenues of tax and customs revenue collectors in the management accounts of their attached principal accountants.

The Audit Bench recommends that Treasurers-Paymasters General request of tax and customs revenue collectors, the production of statements of bills receivable which will be attached to their management account.

Recommendation No. 09-06: Justification of expenditure relating to the disbursement of funds

The Bench noticed that the making available of funds effected in the form of disbursement to a cashier or a direct beneficiary which is an exceptional budget execution procedure tends to be generalized. It can encourage irregular expenditure and embezzlement of public funds.

The Audit Bench also recommends that the making available of funds should really remain an exceptional measure and that cashiers forward to the attached accountant within the timelines set by the decision of making available, an application account with attached expenditure supporting documents.

Recommendation No. 09-7: Clearing accounting deficits

Controls by the Audit Bench have revealed that general account balances have deficits which persist in the initial accounting entries after administrative debit decisions have been taken against the authors of the said deficits and settlement vouchers issued by the Directorate General of the Budget to ensure their settling.

The Audit Bench recommends that measures be taken at the level of the Ministry of Finance to put at the disposal of accountants payment vouchers of debit decisions in view of settling the deficits in the entries once the authors of the said deficits have been given an administrative debit on the one hand and effectively executing deductions on the salaries of those concerned on the other hand.

SECTION 2. Respect of legal and statutory provisions governing the functioning of public and semi-public enterprises

Recommendation No. 07-3: Conforming the articles of association of public and semi-public enterprises

The Audit Bench recommends the application of the provisions of Section 112(1) and (2) of Law No. 99/016 of 22 December 1999 referred to above according to which:

- (1) Public establishments, enterprises in the public and semi-public sector must comply with the provisions of this law within 1 (one) year starting from the date of its enactment.*

(2) At the expiry of this time-limit, ad hoc representatives shall be appointed by decision of the minister in charge of finance to enterprises which have not complied with the provisions of this law for a period of not more than 6 (six) months for the specific purposes of updating their articles of association, producing financial statements and setting up the appropriate governing bodies.

Recommendation No. 07-4: respect of the duration of the mandate and incompatibilities of the various management organs of public establishments and public and semi-public enterprises provided for by the law referred to above.

Recommendation n°07-10: preparation of instruments of application of Law No. 99/016 of 22 December 1999.

The Audit Bench recommends, where necessary, the enactment of enabling instruments of the law referred to above which lays down the benefits to be granted to management and control organs of public establishments and public and semi-public enterprises.

SECTION 3 : Aspects linked to the new financial regime

Recommendation 10-01: Inventory and evaluation of assets of the State, Regional and Local Authorities

Even though the provisions relating to the regularity and genuineness of public accounts will only be applicable from 1st January 2013, it is important that on the approach of this timeline, to immediately commence an inventory and an evaluation of the patrimony of the State, Regional and Local Authorities and public establishments, especially as this work will necessarily extend to the training and updating of personnel in the preparation of accounts.

Recommendation 10-02: publication of the decree to govern public accounting

All the enabling instruments of Law No. 2007/006 of 26 December 2007 are not conditioned by the 1st January 2013 deadline. This refers especially to the decree to govern public accounting provided for by Section 65, which is still awaited up till today.

The absence of a decree to govern public accounting, in conformity with the standards of the new financial regime, may jeopardize the harmonization of the preparation and presentation framework of public accounts.

The Audit Bench recommends the implementation of the provisions of section 65 of Law No. 2007/06 of 26 December 2007 relating to the financial regime of the State concerning the publication of the decree governing public accounting in order to provide public accountants with a harmonized framework for the rendition of accounts.

Recommendation 10-04: Content of the Settlement Bill

The Audit Bench recommends that the Settlement Bill which is forwarded to it for its opinion should contain all the elements of the bill as it is addressed to Parliament to enable the Bench have all the elements of appreciation of the execution of the corresponding finance law.

Recommendation 10-05: Permanent information of the Audit Bench on the execution of the finance law.

To better apprehend the work of drafting the Settlement Bill, the Audit Bench recommends that periodic information (quarterly) be given to the Audit Bench on the execution of the finance law all through the year, as is the tradition in the relations between ministries in charge of finance and financial jurisdictions.

CHAPTER 2. NEW RECOMMENDATIONS

SECTION 1- Keeping of accounts

Paragraph 1. “Miscellaneous Deposit and Consignment Accounts” in Treasuries

From year to year, Treasuries carry over balances of “Miscellaneous Deposits and Consignment” Accounts some of which have no justification. These balances are transferred to the Deposit and Consignment Fund.

Recommendation 11-01: transfer of justified balances of “Miscellaneous Deposit and Consignment” Account.

The Audit Bench recommends that prior to the transfer of balances of the “Deposit and Consignment” accounts to the Deposit and Consignment Fund, they should be purged so as to leave only justified amounts in the balance of transferred accounts.

Paragraph 2. Bills collectible on computerized taxes

The Audit Bench observed in the management accounts of the 2004-2009 period that the bills collectible on computerized taxes were expunged from general balances; This, which is not as a result of their collection or admission as valueless reveals that the majority of accountants have given up collecting computerized taxes, stating their age and the inherent difficulties involved in their collection.

The Audit Bench holds that the wait for these irrecoverable taxes to be declared valueless should not prevent the accountant from carrying out all the measures prescribed for their collection, under pain of committing his personal responsibility in compliance with article 70 of Ordinance No. 62/OF/4 of 7 February 1962 which provides that *“in matters of revenues, the personal and pecuniary responsibility of the Treasury accountant could be engaged or in the case where proof is provided that the accountant did not execute all the measures provided for the law and regulations in view of collecting the revenue, procure a guarantee or preserve it”*.

Recommendation 11 – 02 : Bills collectible expunged from general balances

The Audit Bench recommends that the bills collectible on computerized taxes standing at more than 170 billion CFA F, irregularly expunged from balances be reinstated and that definitive expungement be done by means of admission as valueless or by relief in accordance with the law.

SECTION 2. Budget balance of Settlement Bills

The Audit Bench observes that Settlement Bills which are submitted to it for opinion are voted without consideration of the reservations often raised on the respect of certain accounting and budgetary recording rules. There is the notable case of the non regularization of operations allocated provisional heads. These operations which must receive permanent budget heads before the closure of the financial year represent expenditure not taken into account in determining the budget balance which is increased by the same amount.

Recommendation 11-03: Genuineness of budget balances

Within the framework of the execution of the budget and particularly the drafting of the Settlement Bill, the Audit Bench recommends the respect of the principles and procedures of the processing and registration of accounting and budgetary operations in order to improve on the determination of budget balances and give genuine results of execution of the budget.

SECTION 3. Concessionary enterprises

Concessionary enterprises refuse the Audit Bench the jurisdiction to control their accounts. The arguments generally advanced are:

- That they are not public or semi-public enterprises because of the absence of State participation in the share capital or the percentage of the said capital not giving her the minority blocking power or decision making power;
- That they do not have public accountants within the meaning of the law of 21 April 2003;
- That the said law does not create a division within the Audit Bench responsible for the control of accounts of exclusively private capital enterprises.

To the Audit Bench, a combination of several criteria contributes to classify concessionary enterprises among public or semi-public enterprises falling under its jurisdiction.

Recommendation 11-04: Control of concessionary enterprises

To remove any doubts as to the extent of the jurisdiction of the Audit Bench, especially with regard to concessionary enterprises, the Audit Bench recommends:

- a review of Law No. 2003/005 of 21 April 2003;
- introduction in the concession convention clauses relating to both control of their accounts or annual financial statements and the execution of the convention itself;
- reinforcing the legal framework of concessions;
- regular audit of the patrimony of the State put in concession.

SECTION 4. Opinion of the Bench on the production of supporting documents of operations of public and semi-public enterprises

The Audit Bench made a pronouncement on the production of originals of their supporting income and expenditure documents in support to their annual financial statements to the financial jurisdiction by public and semi-public enterprises whose management is not governed by public accounting.

On this occasion, based on section 10 of Law No. 2003/005 of 21 April 2003 to lay down the jurisdiction, organization and functioning of the Audit Bench of the Supreme Court of Cameroon gave an opinion which establishes a rule of principle.

Recommendation No. 11-05: Production of supporting documents by public and semi-public enterprises

Public and semi-public enterprises whose management is not governed by public accounting are not bound to present the originals of their supporting documents of income and expenditure in support of their annual financial statements to the Audit Bench. These documents are put at the disposal of the Bench at the Head Office of each enterprise within the framework of its programmed controls.

SECTION 5. Appropriation of CEMAC directives

In December 2011, CEMAC rendered public a series of directives to regulate public finance in the sub-region. This refers especially to Directives No. 06/11-UEAC-190-CM-22 and No. 01/11-UEAC-190-CM-22 of 19 December 2011 which prescribe the obligatory creation in each Member-State of an Accounts Court, a jurisdiction whose

members have the status of judges and which is the supreme institution to audit public finance.

Recommendation 11-06: transposition of CEMAC directives at the national level

The Audit Bench recommends that the CEMAC Directives be transposed at the national level within the set deadlines.

It also recommends the extension of the competence of the financial jurisdiction to the control of management and evaluation of public policies in accordance with article 73 of the Directive No. 01/11-UEAC-190-CM-22 referred to above.

The recommendations of the financial jurisdiction have as objective to help public authorities to correct noticed irregularities and dysfunctions. In the chain of the rendering of public accounts, they also aim at promoting a favourable environment for the production of quality financial information and the discipline of accountants.

Consequently, the recommendations of the high financial jurisdiction should inspire the updating of financial and accounting regulations.

CONCLUSION

The Annual Report of 2011 of the Audit Bench has maintained the same profile as the preceding ones.

Thus, the presentation of activities carried out during the 2011 financial year is not limited to simple description. It furnishes statistics whose analysis reveals results of the said activities in an upward trend:

- 15 Rulings against 11 in 2010, not including the 66 rulings of condemnation to pay fine;
- 3 final observation reports, that is one more than the year before and,
- Two opinions against one in issued in 2010.

This densification of the activities of the Audit Bench takes place in a context still marked by a low rendition of accounts, especially those of Regional and Local Authorities, despite training of Council Revenue Collectors and Mayors during the past two years.

Moreover, the decisions taken by the Audit Bench in 2012, some of which are included in this report are available in judgments and extra-judicial decisions. The rulings taken in Divisions of the Bench translate the exercise by the jurisdiction in a double dimension:

- a repressive dimension with sixty-six (66) judgments of conviction to pay fine;
- a contentious dimension with four (4) judgments included in this report, including two (2) of discharge and two (2) of debit resulting from the control of management accounts of public accountants of the State, of accounting officers and Council Revenue Collectors.

Concerning decisions of an advisory nature, their publication that started in the preceding report continued. In effect, besides the opinion on the Settlement Bill of the 2010 financial year, second of its type issued by the Audit Bench, there is the matter of *the opinion on the submission to the Audit Bench of originals of income and*

expenditure supporting documents of public and semi-public enterprises whose management is not governed by public accounting.

The report ends with a series of recommendations grouped in two categories: recommendations from previous reports whose implementation is still awaited and those resulting from the activities of 2011.

These recommendations contribute in the exercise by the financial jurisdiction of its prerogatives to control and rule on public accounts and those of public and semi-public enterprises and to give its opinion on any matter relating to the control and judgment of accounts.

Translation into reality by the competent bodies of the State of the recommendations and opinions of the Audit Bench just like the execution of the decisions taken remains a major concern of the high financial jurisdiction.

ANNEXURES

Files received at the joint sessions of Divisions at 31 12 2010

N°	Files concerned	Structures/Account concerned
<i>Files transmitted by the Budget and Accounts Disciplinary Board</i>		
1	Matter V/ AMOUGOU Daniel	Revenue office of the South Regional Service of Road Transport in Ebolowa
	Matter V/ ELLA Benjamin	Kribi Maritime, River and Lakeside Revenue office
	Matter V /TCHAGOU Etienne	Revenue office of the East Regional Delegation of Transport
2	Matter V/ Mme GOUSSI KINDEY	
3	Matter V/ATTA OKALA Jules	Revenue office of Mbalmayo District Hospital
4	Matter V/EFFALA ESSOMBA	
5	Matter V/MESSIENG Emmanuel & EDOU Marie Chantal	Revenue Collection Office of Mbalmayo
6	Matter V/MBALLA ESSAMA & 7 others	Bursaries of : <ul style="list-style-type: none"> - Government High Schools of Mbang, Messondo, Ndelele ; - Gov't Bilingual High School, Muyuka ; - GTHS Dschang, Yaounde ; Bursaries of GTC Sa'a and GSS Muyuka
7	Matter V/ROULY MBILA Jean	Department of Examinations and Certifications
8	Matter V/FOUDA François	Department of Financial and Material Resources in MINEDUB
9	Matter V/MINKONGO Thomas Louis	Department of Financial and Material Resources in MINEDUB MINESEC
10	Matter V/ AKERE Jacob & ALIMA	Sub-Treasury of the Cameroon Embassy in the Central African Republic
11	Matter V/AKU AKO David	Sub-Treasury and Revenue Office of Njinikom
12	Matter V/ Mme MALONGA Annick Noëlle,	Finance Office
13	Matter V/LEBONGO Blaise	Imprest office in MINEDUB
File for appeal for review transmitted to the Audit Bench by MINFI		
	Request for review of Judgment No. 16/AD/S3.ANIF	ANIF Management Account 2006 financial year

Files received at the Joint Divisions in 2011

N°	Files concerned	Structures/Accounts concerned
<i>Files transmitted by the Budget and Accounts Disciplinary Board</i>		
1	Matter V/BOMBA EFFA Martin & AVODO Maurice	Tax Revenue of Littoral IV in Douala
2	Matter V/ASSAWOGA DOMINIQUE	
3	Matter V/ONGODO Leopold & NGASSAM Marc Justin	
4	Matter V/ESSAMA OTABELA	
5	Matter V/ TAIBE née ENGOLO, NDAM DJIBO and HAMBOA Benjamin	
<i>Files for appeal for review transmitted to the Audit Bench by MINFI</i>		
6	Request for review of Judgment No. 19/AP/CSC/CDC/S3 of 07/07/2010 CAMEE	CAMEE
7	Request for review of Judgment No. 202/D/S2 of 24/12/2010 Batibo Rural Council	Batibo Rural Council
8	Request for review of Judgment No.10/CSC /CDC/S3 of 16/06/2010 (CTS)	CTS
<i>Files transmitted by CONAC</i>		
9	Matter V/AGOGHO Johnny and 9 others	Sub-Treasury of Andeck (North West Region)

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