

THE ACCOUNTING SYSTEM FOR NOT-FOR-PROFIT ENTITIES “SYCEBNL ACCOUNTING STANDARDS AND TECHNIQUES APPLICABLE TO DEVELOPMENT PROJECTS

Summary

The “Accounting System for Non-Profit Entities”, abbreviated to SYCEBNL, is a single accounting and normative framework common to all OHADA member states, adopted by the Uniform Act on 15/03/2023. It sets the rules and standards for the organization of accounting and the presentation of financial information for Not-for-Profit Entities, in particular:

- Professional associations and orders;
- Entities whose purpose is the management or administration of development projects.

The SYCEBNL has been in force in the Democratic Republic of Congo since January 01, 2024, and shortly before in most African countries that are members of OAHADA. The obligation to apply it immediately after it came into force has highlighted the challenges of inevitably understanding its various methodologies and mastering its techniques in order to reduce the risk of compromise with state compliance services. Its normative content, which also includes accounting postulates and conventions, defines its scope of application.

Before turning to the practical aspects of this presentation, we have chosen to shed some light on the conceptual innovations, the financial statement presentation models, the configuration of the SYCEBNL chart of accounts, and the approach recommended for the transition from the old system to the new one. This framework provides the producers of financial statements of these entities with a line of conduct to follow in order to provide users and designated recipients with reliable financial information, reflecting a true and fair view of the management and asset situation likely to guarantee easy operation, in particular: effective decision-making, quality auditing and objective tax reassessment.

Indeed, the SYCEBNL provides for the accounting treatment of specific operations, on the one hand for professional associations and orders, and on the other hand for entities whose purpose is the management of development projects. In this session, we'll look at the accounting techniques involved in the treatment of specific transactions by entities whose purpose is to manage development projects. To do this, we'll be using practical case studies to illustrate accounting schemes, and we'll be summarizing corrected exercises to provide a professional setting. Subsequent sessions will be devoted to the specific operations of professional associations and orders. They will deal on a case-by-case basis, according to the timing and nature of the organizations targeted by SYCEBNL, notably: political parties, foundations, professional orders, religious organizations, sports clubs.

At the end of this session, a perspective will be opened up. This will involve answering the question as to which of SYSCOHADA and SYCEBNL is best suited to apply to Public Establishments in DR Congo, given the delay in implementing IPSAS in the country. In fact, the Public Establishments referred to are entities operating under the supervision of National Ministries in the sense that, with regard to their traditional missions, they are an extension of the public administration. They aim to improve the quality of public services, and to meet needs not covered by traditional public administration in various fields of general interest.

Signed in Kinshasa, November 17, 2024

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