



NATIONAL HYDROCARBONS COMPANY

NHC

MANDATE OF THE STATE

AUDITOR'S REPORT ON FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31ST, 2016

In our capacity as auditor, we hereby present our report on the financial statement for year ended 31st December, 2016 which contains:

- The examination of the accompanying financial statements of NHC, Mandate of the State, presented in CFA Francs,
- Our conclusions and our opinion on the related financial statements for the year ended December 31st, 2016.

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

I. ANNUAL FINANCIAL STATEMENTS

Our audit engagement was carried out on the financial statements having the following significant figures (in million FCFA) as at December 31st, 2016:

- Total balance sheet	:	1 093 186
- Turnover	:	501 120
- Net profit (before transfers to states accounts)	:	150 920
- Bank and cash in hand	:	407 131

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N° RC/DLA/1983/8/9041
Agrément UDEAC N° SEC 02
N° Contribuable : M 108200000403 R
CNPS N° 010-2295601-A

● Tour CNPS
Rue de l'Hôpital, 1043
Quartier Bonanjo
B.P. 443 Douala
Tél: 233 43 01 71 / 233 06 23 01 / 233 06 23 02
Gsm: 699 80 01 51 / 699 80 00 46
Fax: 233 43 01 06
E-mail: cacinternational@cac-international.com
Web: www.cac-international.com



2. OUR AUDIT APPROACH

We conducted our audit in accordance with professional standards applicable in Cameroon. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements.

The performance of our diligences led us to:

- Assess the procedures and internal controls at the company's level in order to identify potential risk areas in the accounts and to define the schedule and scope of the samples to be tested substantively in the accounts;
- Make a direct confirmation request for the balances and information with third parties that conducted businesses with the company, including banks, customers, suppliers, lawyers, insurers and affiliated companies;
- Implement our audit procedures after defining the risk of material misstatements for each account or group of accounts.

3. CONCLUSION OF OUR ENGAGEMENT

3.1 REVIEW OF INTERNAL CONTROL PROCEDURES

As far as the significant processes are concerned, we have no significant internal control weaknesses to bring to your attention.



3.2 ASSESSMENT OF ACCOUNTS

We are not aware of any significant matters that need to be brought to your attention.

4. OPINION ON THE ANNUAL FINANCIAL STATEMENTS

We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements of the National Hydrocarbons Company, Mandate of the State, give, in conformity with generally accepted accounting principles applicable in Cameroon, a true and fair view of the assets and liabilities and of the financial position of the State's equity as at December 31st, 2016 and the results of its operations for the year then ended.

5. SPECIFIC AUDIT PROCEDURES AND INFORMATION

We have also carried out, in accordance with professional standards applicable in Cameroon, the specific verifications and procedures prescribed by law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given to the State with respect to the financial position and the financial statements.

CAMEROUN AUDIT CONSEIL

Jérôme MINLEND
Partner

July 6th, 2017