Kingdom of Cambodia
Nation Religion King

Accounting and Auditing Regulator

No. 065 ACAR.SNN

Phnom Penh, 5 September 2022

Circular
on
Annual Financial Statement for Not-for-Profit Entities Not Subject to Independent Audit

In accordance with Royal Kram No. NS/RKM/0416/006 dated April 11, 2016 promulgating the Law on Accounting and Auditing, Sub-Decree No. 79 ANKr.BK dated June 1, 2020 on Provisional Fines for Violations of the Law on Accounting and Auditing, Prakas No. 563 MEF.BrK dated July 10, 2020 on the Obligation to Submit Financial Statements for Independent Audit, and Instruction No. 010 ACAR dated March 15, 2022 on the Implementation of Accounting and Auditing Obligations for Not-for-Profit Entities, abbreviated as "Entities", the Accounting and Auditing Regulator (ACAR) hereby instructs on the annual financial statement package that Entities are required to submit via the online system (E-Filing for NFPEs) to ACAR as follows:

1. Report of the Governing Board or Report of the Head of the Entity
2. Complete set of financial statements in accordance with applicable accounting standards

To facilitate Entities in preparing the annual financial statements, ACAR provides the template of the Report of the Governing Board or Report of the Head of the Entity as stated in the Annex to this Instruction.

The Accounting and Auditing Regulator strongly expects that all Entities will pay attention to effectively implement the contents of this Instruction with high responsibility from the date of signature onwards.

Director General

Bou Tharin

To receive updated information about the accounting and auditing sector and profession, please join the Telegram Channel of
the Accounting and Auditing Regulator

Name and Logo of the Entity	For Entities with a Governing Board

Report of the Governing Board

The Governing Board presents its report together with the financial statements of [Name of Not-for-Profit Entity], referred to as the **"Entity",** for the period ended December 31, 2021.

The Entity

The [Name of Entity] was established in Cambodia as an [Organization - Association] registered under number [111111111] on [Day Month Year] issued by the [Ministry - Institution] of the Kingdom of Cambodia.

Principal Activities of the Entity

The principal activities of the [Entity] are [.....]. There have been no significant changes to the principal activities during this period.

Results of Financial Operations

The financial results for the period ended on December 31, 2021 are set out in the financial statements presented below.

Governing Board

The members of the Governing Board who served during the period of this report include:

Name	Position
1. Mr.	Chairman of the Governing Board
2. Mrs.	Member of the Governing Board

Responsibilities of the Governing Board in the Preparation of Financial Statements

The Governing Board is responsible for ensuring that the financial statements are properly drawn up so as to present a true and fair view of the financial status of the Entity as of December 31, 2021, and of its financial performance and its cash flows for the period. In preparing these financial statements, the Governing Board is required to:

a. Adopt accounting policies in accordance with the Cambodian Financial Reporting Standards for Not-for-Profit Entities (CFRS for NFPEs) [Cambodian International Financial Reporting Standards for Small and Medium-sized Entities (CIFRS for SMEs)] [Cambodian International Financial Reporting Standards "CIFRS"] which are supported by reasonable and prudent judgments and estimates and then apply them consistently;
b. Comply with the disclosure requirements of Cambodian International Financial Reporting Standard [Cambodian International Financial Reporting Standard "CIFRS"] or, if there have been any departures in the interest of presenting a true and fair view, ensure that these have been properly disclosed, explained and quantified in the financial statements;
c. Maintain adequate accounting records and an effective internal management system;

d. Prepare the financial statements based on the sustainability principles of operations unless it cannot be appropriately assumed that the Entity will continue its operations in the foreseeable future; and
e. Effectively monitor and direct the Entity in all decisions affecting its operations and performance and ensure that such have been properly reflected in the financial statements.

The Governing Board affirms that the Entity has complied with the above requirements in preparing the financial statements.

Statement by the Governing Board

On behalf of the Governing Board, we hereby certify that the financial statements present a factual and accurate view of the financial status of the entity for the accounting period as of 31 December 2021, as well as the results of its operations and cash flows for this period in accordance with the Cambodian Financial Reporting Standards for Non-Profit Entities (CNPEs), Cambodia International Financial Reporting Standards for Small and Medium Enterprises (CIFRS for SMEs), [Cambodian International Financial Reporting Standard "CIFRS"].

Phnom Penh, [Day Month Year] 2022

On behalf of the Governing Board

[Name .....]

Position

Name and Logo of the Entity	For Entities without a Governing Board

Report of the Head of the Entity

I present the report of the Entity together with the financial statements of [Name of Not-for-Profit Entity], referred to as the "Entity", for the period ended December 31, 2021.

The Entity

The [Name of Entity] was established in Cambodia as an [Organization - Association] registered under number [111111111] on [Day Month Year] issued by the [Ministry - Institution] of the Kingdom of Cambodia.

Principal Activities

The principal activities of the Entity are [.....]. There have been no significant changes to the principal activities during this period.

Results of Financial Operations

The financial results for the period ended December 31, 2021 are set out in the financial statements presented below.

Head of the Entity

Name	Position
Mr.	Director and General Manager

Responsibilities of the Head of the Entity in the Preparation of Financial Statements

The Head of the Entity is responsible for ensuring that the financial statements are properly drawn up so as to present a true and fair view of the financial performance of the Entity as of December 31, 2021, and of its outcome of operation and its cash flows for the period. In preparing these financial statements, the Head of the Entity is required to:

a. Adopt accounting policies in accordance with Cambodian International Financial Reporting Standard for Not-For-Profit Entities "CFRS for NFPEs", Cambodian International Financial Reporting Standard for Small and Medium Enterprises "CIFRS for SMEs"/ [Cambodian International Financial Reporting Standard "CIFRS"] which are supported by reasonable and prudent judgments and estimates and then apply them consistently;
b. Comply with the disclosure requirements of Cambodian International Financial Reporting Standard [Cambodian International Financial Reporting Standard "CIFRS"] or, if there have been any departures in the interest of presenting a true and fair view, ensure that these have been properly disclosed, explained and quantified in the financial statements;
c. Maintain adequate accounting records and an effective internal management system;
d. Prepare the financial statements based on principles of sustainability of operation unless it cannot be appropriately assumed that the Entity will continue its operations in the foreseeable future; and
e. Effectively monitor and direct the Entity in all decisions affecting its operations and performance and ensure that such have been properly reflected in the financial statements.

I affirm that the Entity has complied with the above requirements in preparing the financial statements.

Statement by the Head of the Entity

On the behalf of the head of entity, we hereby certify that the financial statements presents a factual and accurate view of the financial performance of the entity for the accounting period as of 31 December 2021, as well as the results of its operations and cash flows for this period in accordance with the Cambodian Financial Reporting Standards for Non-Profit Entities (CNPEs), Cambodia International Financial Reporting Standards for Small and Medium Enterprises (CIFRS for SMEs), Cambodian International Financial Reporting Standard "CIFRS"].

Phnom Penh, [Day Month Year] 2022

Head of the Entity

_____

[Name .....]