Kingdom of Cambodia
Nation Religion King

Accounting and Auditing Regulator

No. 010 ACAR

Phnom Penh, 15 March 2022

Instruction
on
the Implementation of Accounting and Auditing Obligations for Not-for-Profit Entities

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 in order to enhance transparency, accountability, and reliability of financial statements to all relevant stakeholders, the **Accounting and Auditing Regulator (ACAR)** of the **Non-Bank Financial Services Authority** has the honor to inform all directors of not-for-profit entities that the Royal Government has decided to implement the accounting and auditing obligations as stipulated in the Law on Accounting and Auditing and applicable regulations for not-for-profit entities starting from 2022 onwards. To effectively and efficiently implement the accounting and auditing obligations, ACAR hereby instructs not-for-profit entities, referred to as "Entities", as follows:

1. Entities must maintain ***accounting records*** and ***prepare financial statements properly*** in accordance with the Cambodian Financial Reporting Standards for Not-for-Profit Entities. In case the Entities apply the Cambodian International Financial Reporting Standards or the Cambodian International Financial Reporting Standards for Small and Medium-sized Entities, the Entities must notify ACAR in advance in writing.
2. Entities must ***submit annual financial statements to ACAR within the following deadlines***:
   2.1. Entities subject to independent audit must submit audited financial statements to ACAR within **6 months and 15 days** after the closing entries.
   2.2. Entities not subject to independent audit must submit annual financial statements within **3 months and 15 days** after the closing entries.

However, for the submission of financial statements to ACAR for the accounting period of 2021, which is to be implemented in 2022, an additional period of 60 (sixty) days is granted.

3. Entities must ***request permission from ACAR for setting an accounting closing date other than December 31*** as specified by the Law on Accounting and Auditing. Entities must request this permission before June 30, 2022 for Entities established prior to the date of this notification. For newly established Entities after this Instruction, the request must be submitted to ACAR within 3 (three) months from the date of official registration with the competent ministry or institution.

4. Entities must ***notify ACAR about the language used in the computerized accounting system or related computer systems*** if the Entities meet the conditions specified in Circular No. 009 MEF dated September 1, 2021 on "**The Use of Language and Currency in Accounting Records and Financial Statements"** of the Ministry of Economy and Finance. Entities that have already officially registered must notify ACAR about the use of English language in the computerized accounting system and/or other related computer systems from the date of issuance of this Instruction until April 30, 2022 at the latest. For newly established Entities, they must notify ACAR about the use of English language in the computerized accounting system and/or other related computer systems no later than 60 (sixty) days from the date the Entity has officially registered with the competent ministry or institution. The notification to ACAR must be implemented in accordance with a separate Instruction.
5. Entities must ***use the online system (E-Filing System) of ACAR to submit their annual financial statements to ACAR*** and must ***pay the public service fee for the storage of financial statements*** in accordance with Prakas No. 001 ACAR Prakas dated January 12, 2022 on Public Services of the Accounting and Auditing Regulator.

"Failure or delay in fulfilling the obligations as specified above will subject the Entities to penalties as stated in Sub-Decree No. 79 ANKr.BK dated June 1, 2020 on Provisional Fines for Violations of the Law on Accounting and Auditing."

ACAR will conduct on-site inspections at the Entity's offices or premises when necessary.

For additional information, please contact ACAR officials via phone numbers and Telegram: 081 644 663 / 085 444 488 / 077 968 396 / 089 508 567.

The Accounting and Auditing Regulator firmly believes that **all Heads of Entities** will implement the contents of this Instruction effectively and with high responsibility from the date of signature onwards.

Director General

Bou Tharin

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