Kingdom of Cambodia
Nation Religion King

The Royal Government of Cambodia
No. 185 ANKr. BK

Sub-Decree on
The Organization and Functioning of the National Accounting Council

The Royal Government

- Having seen the Constitution of the Kingdom of Cambodia;
- Having seen the Royal Decree No. NS/RKT/0913/903 dated 24 September 2013 on the Appointment of the Royal Government of the Kingdom of Cambodia;
- Having seen the Royal Decree No. NS/RKT/1213/1392 dated 21 December 2013 on the Revision and Additions to the Composition of the Royal Government of the Kingdom of Cambodia;
- Having seen the Royal Decree No. NS/RKT/0416/368 dated 04 April 2016 on the Revision and Additions to the Composition of the Royal Government of the Kingdom of Cambodia;
- Having seen the Royal Kram No. 02/NS/94 dated 20 July 1994 promulgating the Law on the Organization and Functioning of the Council of Ministers;
- Having seen the Royal Kram No. NS/RKM/0196/18 dated 24 January 1996 promulgating the Law on the Establishment of the Ministry of Economy and Finance;
- Having seen the Royal Kram No. NS/RKM/0416/006 dated 11 April 2016 promulgating the Law on Accounting and Auditing;
- Having seen the Sub-Decree No. 20 ANKr.BK dated 30 April 1996 on the Organization and Functioning of Ministries and State Secretariats;
- Having seen Sub-Decree No. 488 ANKr.BK dated 16 October 2013 on the Organization and Functioning of the Ministry of Economy and Finance;
- Having seen Sub-Decree No. 19 ANKr.BK dated 03 March 2015 on Amendments to Articles 44, 45, 46, and 47 of Sub-Decree No. 488 ANKr.BK dated 16 October 2013 on the Organization and Functioning of the Ministry of Economy and Finance;
- Having seen Sub-Decree No. 114 ANKr.BK dated 07 September 2015 on the Determination of Management Structure and Positions in the Management Structure of National and Sub-National Institutions;
- Having seen Sub-Decree No. 115 ANKr.BK dated 26 May 2016 on the Promotion of the Department of Resettlement of Development Project Affected Persons to the General Department of Resettlement of Development Project Affected Persons, Promotion of the Department of International Cooperation and Debt Management to the General Department of International Cooperation and Debt Management, and Establishment of the Department of Information Technology Audit under the Management of the Ministry of Economy and Finance;
- Having seen Sub-Decree No. 75 ANKr.BK dated 25 May 2017 on the Amendment of Sub-Decree No. 488 ANKr.BK dated 16 October 2013 on the Organization and Functioning of the Ministry of Economy and Finance;

- Pursuant to the request of the Minister of Economy and Finance;

Hereby Decides

Chapter 1
General Provisions

Article 1.-

The purpose of this Sub-Decree is to determine the organization and functioning of the National Accounting Council, hereinafter referred to as "NAC," which shall be under the leadership of the Minister of Economy and Finance.

Article 2.-

This Sub-Decree has the following purposes:

- Arrange the mission, composition, and functioning of NAC;
- Manage the functions and duties of the entities under NAC;
- Ensure the quality and effectiveness of the results of management performance of the accounting and auditing sector in the Kingdom of Cambodia.

Article 3.-

This Sub-Decree shall apply to NAC, the General Secretariat, and all entities under the supervision of NAC.

Chapter 2
Mission, Composition and Functioning of NAC

Article 4.-

NAC shall perform the function as an assisting body of the Ministry of Economy and Finance on the mission of managing and developing the accounting and auditing sector through the development, implementation, monitoring, and evaluation of relevant policies, legal frameworks, and regulations.

Article 5.-

NAC shall have the following composition:

1- Minister or high-ranking representative of the Ministry of Economy and Finance	Chairperson
2- One representative of the Ministry of Economy and Finance	Vice-Chairperson
3- One representative of the Ministry of Economy and Finance	Member
4- One representative of the General Department of Taxation of the Ministry of Economy and Finance	Member

5- One representative of the General Department of Financial Industry of the Ministry of Economy and Finance	Member
6- One representative of the National Bank of Cambodia	Member
7- One representative of the Securities and Exchange Commission of Cambodia	Member
8- One representative of the Ministry of Education, Youth and Sports	Member
9- One representative of the Ministry of Commerce	Member
10- One representative of Kampuchea Institute of Certified Public Accountants and Auditors	Member
11- Secretary General of NAC	Member
12- At least one representative of the Chamber of Commerce	Advisory Members
13- At least one representative of the Federation of Associations for Small and Medium Enterprises of Cambodia	Advisory Members
14- At least one representative of the Banks Association	Advisory Members
15- At least one representative of the Microfinance Association	Advisory Members
16- At least one representative of the Insurance Association	Advisory Members
17- At least four accounting and auditing experts	Advisory Members

The composition of the ministries and institutions that shall be appointed to represent in NAC may be modified by Sub-Decree as necessary.

The actual composition of NAC shall be appointed by Sub-Decree upon the request of the Minister of Economy and Finance.

Advisory members shall be appointed to the composition of NAC as necessary to provide advice but shall not have the right to vote in decision-making.

Representatives of ministries and institutions that are members of NAC must hold a higher education degree and have at least 5 (five) years of relevant experience and expertise in accounting, auditing, or finance.

The roles, duties, and rights of advisory members shall be determined by a Prakas of the Minister of Economy and Finance.

Article 6.-

The Vice-Chairperson and members of NAC shall have a term of 5 (five) years and may be reappointed for one additional term.

Article 7.-

The Chairperson, Vice-Chairperson, members, or advisory members of NAC may be removed or have their duties changed before the end of their term for any of the following reasons:

- Loss of employment from the institutions they represent;
- Resignation from membership by self-request;
- Loss of working capacity;
- Absence from 3 (three) consecutive meetings without reasonable justification;
- Death.

In any of the above cases, the Minister of Economy and Finance shall request the respective ministry or institution to assign a replacement representative and then propose the reappointment to the Royal Government.

Article 8.-

The Chairperson, Vice-Chairperson, members, and advisory members of NAC, as well as the minute-taker of the meetings, shall receive an remuneration determined by a Prakas of the Minister of Economy and Finance.

Article 9.-

Meetings of NAC shall consist of ordinary meetings and extraordinary meetings.

Article 10.-

NAC shall hold an ordinary meeting at least once every quarter upon the invitation of the Chairperson of NAC. When necessary and urgent, NAC may convene an extraordinary meeting at any time for the benefit of the accounting and auditing sector in the Kingdom of Cambodia, upon the request of the Chairperson of NAC or upon the written request of the Secretary General of NAC or upon the request of at least one-third of the members of NAC, excluding advisory members. In the absence of the Chairperson of NAC, the Vice-Chairperson of NAC shall chair the meeting by delegation of authority from the Chairperson.

Article 11.-

Meetings of NAC may be conducted only if more than 50 (fifty) percent of all members, excluding advisory members, are present. Absent members shall not have the right to send a representative to attend the meeting on their behalf. In the event that the first meeting cannot be conducted due to lack of quorum, the Chairperson may convene a second meeting within at least 10 (ten) days after the date of the first meeting. This second meeting shall not require the presence of the full quorum and shall only discuss the agenda items that could not be discussed at the first meeting due to lack of attendance.

Decisions of NAC shall be valid only if approved by a majority vote of the members present. In the event of equal vote, the vote of the meeting chairperson shall supersede.

Article 12.-

Every meeting of NAC shall have minutes.

The decisions of NAC shall be recorded in the minutes, which shall be signed by the meeting chairperson and the minute-taker. These minutes shall be sent to the Chairperson, Vice-Chairperson, and all members of NAC within 10 (ten) days after the meeting.

Article 13.-

In the event that a meeting of NAC decides on draft laws, Sub-Decrees, regulations, accounting standards, or auditing standards related to any specific sector of activity, NAC may request the minister or head of the relevant public or private institution to assign a technical representative who is not a member of NAC to participate in the NAC meeting.

Article 14.-

The Chairperson of NAC shall regularly report to the Minister of Economy and Finance on the development, policies, and strategies, as well as challenges in the accounting and auditing sector.

Article 15.-

NAC shall have internal rules determined by a Prakas of the Minister of Economy and Finance upon the request of the Chairperson of NAC.

Article 16.-

NAC shall have its own logo and seal in performing its duties.

Chapter 3
General Secretariat of NAC

Article 17.-

NAC shall have a General Secretariat as its permanent administrative and technical assisting body. The General Secretariat shall be led by one Secretary General, who shall be appointed by Royal Kret, accompanied by Deputy Secretaries General in accordance with the provisions in force, who shall be appointed by Sub-Decree.

Article 18.-

The General Secretariat of NAC shall have the following functions and duties:

- Be responsible for the administration, personnel, and finance of NAC;
- Organize meetings of NAC;
- Develop strategies and plans to improve the accounting and auditing sector;
- Prepare the budget plan and manage the revenue and expenditure of NAC;
- Organize and manage the licensing of accountants and auditors for submission to NAC for review and decision;
- Act as a representative of NAC before the court;
- Serve as the technical secretariat of NAC;
- Carry out monitoring and evaluation of the implementation of relevant laws and legal instruments;
- Propose measures against any violations of the Law on Accounting and Auditing, regulations related to accounting and auditing, and accounting and auditing standards, as well as prepare decisions on administrative sanctions and transactional fines for NAC to review and decide;
- Act as a representative of NAC in relations with third parties, such as national and international organizations and the private sector, with the aim of strengthening the enforcement of laws, legal instruments related to standards, and promoting the development of the accounting and auditing sector;

- Receive various complaints and study and provide opinions to NAC to decide on appropriate measures;
- Encourage the establishment of a database of enterprises and non-profit organizations as a basis for monitoring and evaluating compliance with relevant laws and standards;
- Prepare the annual financial report of NAC for submission to NAC for review and decision;
- Prepare the content of consultations between NAC and various national and international institutions or organizations as partners;
- Propose to NAC for review, discussion, and decision on draft laws, Sub-Decrees, accounting standards, auditing standards, as well as updating those standards and other legal instruments within the jurisdiction of NAC;
- Perform other tasks assigned by the Chairperson of NAC.

Article 19.-

The General Secretariat of NAC shall have the following subordinate departments:

- Department of Administration, Personnel, and Finance;
- Department of Compliance and Inspection;
- Department of Legal Affairs;
- Department of Technical Affairs.

Each department shall be led by one Department Director, accompanied by Deputy Department Directors in accordance with the provisions in force.

Article 20.-

The Department of Administration, Personnel, and Finance shall perform the function as an assisting body of the General Secretariat of NAC on administration, personnel, finance, information technology, and budget planning.

The Department of Compliance and Inspection shall perform the function as an assisting body of the General Secretariat of NAC on compliance, promotion of the enforcement of relevant laws and regulations, management of accounting and auditing profession licenses, and inspection of audit quality.

The Department of Legal Affairs shall perform the function as an assisting body of the General Secretariat of NAC on legislation, disputes, statistics, and international affairs.

The Department of Technical Affairs shall perform the function as an assisting body of the General Secretariat of NAC on accounting standards, auditing standards, and similar related standards, as well as professional development, training, and dissemination.

The organizational chart of NAC shall be determined in the Annex to this Sub-Decree.

Article 21.-

The organization and functioning of the departments and entities under the supervision of the General Secretariat of NAC shall be determined by a Prakas of the Minister of Economy and Finance.

Chapter 4
Management of Budget and State Property

Article 22.-

The sources of resources and budget of NAC include:

- The national budget allocated to NAC;
- Budgets obtained from foreign cooperation financing and other sources that NAC has the right to receive and manage directly for expenditure on research, training, work facilities, and administrative and technical services, etc.

In addition to the resources and budgets as stated in paragraph 1 above, NAC shall have other sources of resources from:

- Budgets obtained from the sale of copyright, publication, and from conducting training courses, meetings, and dissemination;
- Various related service fees;
- Transactional fines imposed on persons who violate the Law on Accounting and Auditing and other regulations related to accounting and auditing.

The management of the budget and state property of NAC shall comply with the laws and regulations in force.

Article 23.-

NAC shall be subject to inspection and audit in accordance with the laws and regulations in force.

Chapter 5
Transitional Provisions

Article 24.-

All legal instruments that have been put into effect based on Sub-Decree No. 08 ANKr.BK dated 03 March 2003 on the Composition and Functioning of the National Accounting Council shall continue to have legal effect until replaced by new provisions.

Chapter 6
Final Provisions

Article 25.-

Sub-Decree No. 08 ANKr.BK dated 03 March 2003 on the Composition and Organization of the National Accounting Council shall be abrogated and entirely replaced by this Sub-Decree.

All provisions contrary to this Sub-Decree shall be abrogated.

Article 26.-

The Minister in charge of the Office of the Council of Ministers, the Minister of Economy and Finance, ministers of all ministries, and heads of all relevant institutions shall be responsible for respectively implementing this Sub-Decree from the date of its signature onwards.

Phnom Penh October 25, 2017

Prime Minister

Samdech Akka Moha Sena Padei Techo HUN SEN

Have been submitted to
Samdech Akka Moha Sena Padei Techo, Prime Minister, for signature

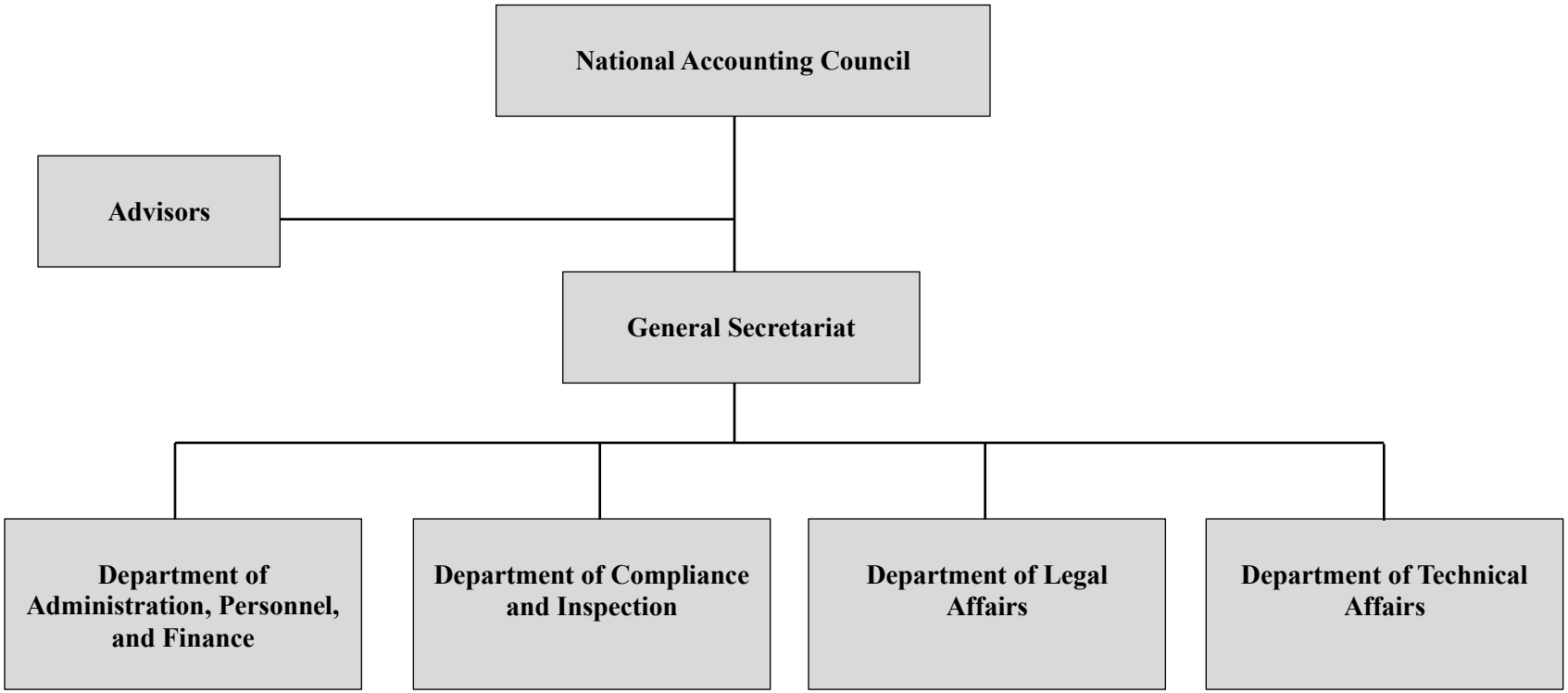
Deputy Prime Minister,
Minister of Economy and Finance

Academician Dr. Aun Pornmoniroth

Recipients:
- Ministry of the Royal Palace;
- General Secretariat of the Constitutional Council;
- General Secretariat of the Senate;
- General Secretariat of the National Assembly;
- Cabinet of Samdech Techo Prime Minister;
- Cabinet of Samdech, His/Her Excellencies, Deputy Prime Ministers;
- As per Article 26
- Royal Gazette;
- Document-Archive

Annex to Sub-Decree No. 185 ANKr. BK
Dated 25 October 2017
On the Organization and Functioning of the National Accounting Council

Organizational Chart of the National Accounting Council



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