Kingdom of Cambodia
Nation Religion King

The Royal Government of Cambodia
No. 113 ANKr. BK

Sub-Decree on Establishment, Organization and Functioning of Accounting and Auditing Profession Institution

The Royal Government

- Having seen the Constitution of the Kingdom of Cambodia;
- Having seen the Royal Kret No. NS/RKT/0918/925 dated September 6, 2018 on the Appointment of the Royal Government of the Kingdom of Cambodia;
- Having seen the Royal Kram No. NS/RKM/0618/012 dated June 28, 2018 promulgating the Law on the Organization and Functioning of the Council of Ministers;
- Having seen the Royal Kram No. NS/RKM/0196/18 dated January 24, 1996 promulgating the Law on Establishment of the Ministry of Economy and Finance;
- Having seen the Royal Kram No. NS/RKM/0416/006 dated April 11, 2016 promulgating the Law on Accounting and Auditing;
- Having seen Sub-Decree No.488 ANKr.BK dated October 16, 2013 on the Organization and Functioning of the Ministry of Economy and Finance;
- Having seen Sub-Decree No. 75 ANKr.BK dated May 25, 2017 on the Amendment of Sub-Decree No. 488 ANKr.BK dated October 16, 2013 on the Organization and Functioning of the Ministry of Economy and Finance;
- Having seen Sub-Decree No. 185 ANKr.BK dated October 25, 2017 on the Organization and Functioning of the National Accounting Council;
- 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 establish and determine the organization and functioning of the Accounting and Auditing Profession Institution in accordance with the Law on Accounting and Auditing.

Article 2.-

This Sub-Decree has the following objectives:

- Arrange the mission, structure, and functioning of the Accounting and Auditing Profession Institution;
- Arrange the functions and duties of the various entities under the Accounting and Auditing Profession Institution;
- Protect the public interest and the accounting and auditing profession through capacity building and adherence to professional code of ethics for Cambodian accountants and auditors; and
- Establish mechanisms for managing the accounting and auditing profession through member registration, member capacity training, curriculum development and management, and examinations for professional accountants and auditors, etc.

Article 3.-

This Sub-Decree has the scope of application to the Board, Secretariat, Committees, General Assembly of Members, subordinate entities, and members of the Accounting and Auditing Profession Institution.

Chapter 2
Establishment of the Accounting and Auditing Profession Institution and Mission

Article 4.-

An Accounting and Auditing Profession Institution shall be established in Cambodia, named the "Kampuchea Institute of Certified Public Accountants and Auditors", abbreviated as "KICPAA", with its office located in Phnom Penh.

KICPAA is the sole and independent Accounting and Auditing Profession Institution as stipulated in Article 9 of the Law on Accounting and Auditing.

KICPAA is established to carry out activities as an independent professional institution and non-profit organization to develop the accounting and auditing profession in Cambodia.

Article 5.-

KICPAA has the following functions and duties in its mission to manage and develop the accounting and auditing profession:

- Register and manage its members;
- Determine the qualifications and requirements for membership;
- Protect the value of the accounting and auditing profession and protect the public interest;
- Develop a draft Code of Ethics for Professional Accountants and Auditors;
- Monitor and evaluate the implementation of the Code of Ethics for Professional Accountants and Auditors;

- Decide to grant, suspend, and revoke the membership of KICPAA members;
- Collaborate with the National Accounting Council to develop and manage the Cambodian Certified Public Accountant curriculum and examinations for certified public accountants and auditors;
- Develop and manage capacity development programs for members and the public;
- Develop and manage various training programs related to the accounting and auditing profession;
- Closely cooperate with national and international higher education institutions to promote the implementation of accounting curricula in accordance with international standards;
- Participate as a member of the National Accounting Council; and
- Cooperate with regional and international accounting profession institutions, national and international regulator institutions to promote and protect the accounting and auditing profession in Cambodia.

Chapter 3
Structure of KICPAA

Article 6.-

The fundamental management structure of KICPAA consists of:

- General Assembly of Members;
- Director Board;
- Committees;
- Secretariat.

KICPAA may establish committees, sub-committees, and working groups where necessary.

KICPAA may have branch offices in all capital and provinces of the Kingdom of Cambodia.

Section 1
General Assembly of Members of KICPAA

Article 7.-

The General Assembly of Members convenes all members of the Institute who are registered on the membership list of KICPAA.

There are 2 (two) types of General Assembly of Members:

- Ordinary Assembly or called Annual General Assembly; and
- Extraordinary Assembly.

The procedures for organizing and conducting the General Assembly of Members shall be determined in the Internal Rules of KICPAA.

Article 8.-

KICPAA shall hold its Ordinary Assembly once a year within 6 (six) months after its fiscal year-end date, based on the decision of the Director Board regarding the time, place, and clear agenda.

The Ordinary Assembly is held to:

- Report on the activities and financial situation of KICPAA over the past one year;
- Organize elections to select members of the Director Board for each term;
- Vote to select auditors to audit the financial reports of KICPAA;
- Make proposals or motions to the Director Board of KICPAA, which must be resolved within 3 (three) months;
- Review and approve the annual financial reports of KICPAA;
- Discuss and decide on other issues proposed by the Director Board.

An Extraordinary Assembly may be convened only if at least 30% (thirty percent) of all registered active members file a request with an attached agenda at least 15 (fifteen) days before the meeting date.

Section 2
Director Board of KICPAA

Article 9.-

The Director Board of KICPAA as stated in Article 6 of this Sub-Decree shall consist of a maximum of 14 (fourteen) members as follows:

- 5 representatives of active members who are practicing auditors;
- 3 representatives of active members who are certified public accountants;
- 2 representatives of associate members;
- 2 representatives of affiliate members;
- 1 representative of the National Accounting Council;
- A number of representatives from other regulatory institutions;
- 1 representative of the KICPAA Secretariat as Secretary.

The actual composition of the Director Board of KICPAA may be determined and amended as necessary for each term.

Article 10.-

The Director Board of KICPAA shall be led by 1 (one) Chairperson and 1 (one) Vice-Chairperson as an assistant. The Chairperson, Vice-Chairperson, and members of the Director Board shall be elected from KICPAA members through voting at the General Assembly, except for members representing institutions as stated in Article 9 of this Sub-Decree. The Chairperson, Vice-Chairperson, and members of the Director Board of KICPAA shall be appointed by a Prakas of the Minister of Economy and Finance upon the request of the Chairperson of the National Accounting Council.

Candidates who can stand for election as Chairperson, Vice-Chairperson, and members of the Director Board of KICPAA must be active members, associate members, or affiliate members.

Representatives from various institutions automatically become members of the Director Board of KICPAA through appointment by their respective institutions.

In case there are no representatives from associate members or affiliate members in the composition of the Director Board, active members shall be included to fill the vacancies.

KICPAA members who have the right to vote to elect the Chairperson, Vice-Chairperson, and members of the Director Board of KICPAA must be active members, associate members, and affiliate members.

Article 11.-

The Director Board of KICPAA has the following functions and duties:

- Review and approve the Internal Rules of KICPAA;
- Review and approve the draft Code of Ethics for Professional Accountants and Auditors;
- Review and approve various regulations of KICPAA;
- Review and approve policies and measures developed by the Secretariat of KICPAA;
- Review and approve the strategic plan and annual budget prepared by the Secretariat of KICPAA;
- Monitor and evaluate the implementation of policies, strategic plans, and annual budget of KICPAA;
- Approve the annual performance report and financial reports of KICPAA;
- Decide on the appointment, suspension, and termination of the Executive Director and determine the remuneration of the Executive Director;
- Decide on the principles for staff recruitment of the Secretariat of KICPAA;
- Decide on the management structure of the Secretariat of KICPAA;
- Review and decide on the establishment of necessary committees, sub-committees, and working groups of KICPAA;
- Report in writing on plans, budget, and results of plan and budget implementation to NAC; and
- Review and decide on proposals to set up representative offices and/or branches in provinces throughout the Kingdom of Cambodia.

Article 12.-

The term of the Director Board is 4 (four) years. The Chairperson, Vice-Chairperson, and members of the Director Board from KICPAA may be elected and appointed for no more than 2 (two) terms.

Article 13.-

The position of Chairperson, Vice-Chairperson, or member of the Director Board of KICPAA will be lost before the end of the term due to any of the following reasons:

- Loss of membership from KICPAA;
- Resignation from membership by self-request;
- Resignation or change of original membership type;
- Loss of working capacity;
- Being sentenced by a court for a felony or misdemeanor;
- Absence from 3 (three) consecutive meetings without proper reasons;
- Death.

The member of the Director Board from KICPAA shall be filled through an election by the Ordinary Assembly for the remaining period of the term.

Article 14.-

In case the Chairperson is absent due to illness or inability to perform duties, the Vice-Chairperson of the Director Board shall act as the Acting Chairperson until the Chairperson returns to duty.

Article 15.-

Meetings of the Director Board of KICPAA include ordinary meetings and extraordinary meetings.

Article 16.-

The Director Board of KICPAA shall hold ordinary meetings at least 4 (four) times a year upon the invitation of the Chairperson. When necessary and urgent, the Director Board may convene an extraordinary meeting at any time for the benefit of the accounting and auditing sector in Cambodia upon the request of the Chairperson or upon a written request from the Executive Director or from at least 50% (fifty percent) of all members of the Director Board.

In case the Chairperson is absent, the Vice-Chairperson or the oldest member of the Director Board shall chair the meeting in place of the Chairperson by delegation of authority.

The agenda and documents for ordinary meetings must be sent to all members of the Director Board at least 7 (seven) days before the meeting date.

Article 17.-

Meetings of the Director Board may be conducted only if attended by more than 50% (fifty percent) of all members of the Director Board. Absent members may not send a representative to attend the meeting on their behalf.

All decisions of the Director Board must be approved by an absolute majority of the members present.

Article 18.-

All meeting decisions must be recorded in minutes signed by the Chairperson of the meeting and these minutes must be sent to the Chairperson and all members of the Director Board no later than 10 (ten) days after the meeting.

The Executive Director of the Secretariat of KICPAA is the permanent secretary of the meetings of KICPAA.

Article 19.-

The Chairperson of the Director Board shall make quarterly and annual reports on the development and challenges in the accounting and auditing sector and report on plans, activity implementation, and semi-annual and annual financial reports to the Chairperson of the National Accounting Council.

Article 20.-

KICPAA has its own logo and seal in carrying out its duties.

Section 3
Committees of KICPAA

Article 21.-

KICPAA has 4 (four) permanent committees as follows:

- Registration and Membership Committee;
- Technical Committee;
- Education and Training Committee;
- Investigatory and Disciplinary Committee

KICPAA may establish committees, sub-committees, and working groups according to its needs. Each committee is led by 1 (one) Chairperson and 1 (one) Vice-Chairperson as an assistant. Each sub-committee and working group is led by 1 (one) Chairperson.

The composition, organization, and functioning of each committee, sub-committee, and working group shall be decided and appointed by a decision of the Director Board of KICPAA.

Article 22.-

The Membership Registration Committee has the following duties:

- Review and decide on the required conditions and qualifications to become a member of KICPAA;
- Review and decide on granting membership to natural persons and/or legal entities who intend to practice accounting and auditing in the Kingdom of Cambodia;
- Review and decide on the suspension and revocation of membership of KICPAA members;
- Update the membership list of KICPAA;
- Perform other duties assigned by the Chairperson of the Director Board of KICPAA.

Article 23.-

The Technical Committee has the following duties:

- Study, research, and provide opinions on draft accounting laws and regulations prepared by the National Accounting Council;
- Study, research, and provide opinions on draft accounting standards, auditing standards, and assurance standards issued by the National Accounting Council, International Accounting Standards Board, International Federation of Accountants, and other national and international institutions;
- Provide technical support related to accounting, auditing, assurance, taxation, code of ethics, governance, and other related work;
- Perform other duties assigned by the Director Board of KICPAA.

Article 24.-

The Education and Training Committee has the following duties:

- Develop and implement strategic plans and work directions set by the National Committee for Managing the Cambodian Certified Public Accountant Curriculum;
- Prepare, develop, and manage the technical accounting curriculum and other curricula in accordance with the needs and development of the accounting profession in Cambodia;
- Organize and manage the examinations for the technical accounting curriculum and other curricula of KICPAA;

- Perform other duties assigned by the Director Board of KICPAA.

Article 25.-

The Investigatory and Disciplinary Committee has the following duties:

- Receive and resolve lawsuits from relevant third parties regarding its members;
- Lawsuits or disputes between members;
- Non-compliance with the code of ethics by members;
- Inspect, evaluate, and impose disciplinary measures on members who have misbehaved; and
- Perform other duties assigned by the Chairperson of the Director Board of KICPAA.

Section 4
The Secretariat of KICPAA

Article 26.-

KICPAA shall have a permanently administrative and technical secretariat. The Secretariat shall be led by 1 (one) Executive Director who shall be selected and appointed by the Director Board of KICPAA.

The Executive Director is responsible for managing and coordinating the daily operations of KICPAA.

Article 27.-

The Secretariat of KICPAA has the following functions and duties:

- Organize, manage, and coordinate the administrative, personnel, and financial work of KICPAA;
- Organize meetings of KICPAA;
- Develop and implement strategic plans, action plans, annual budget, and other plans of KICPAA;
- Develop draft policies and measures for the management of KICPAA;
- Propose to set up offices in provinces throughout the Kingdom of Cambodia for review and decision by the Director Board;
- Closely cooperate with national and international higher education institutions to promote the implementation of accounting curricula in accordance with international standards;
- Represent KICPAA in relations with third parties, such as national regulator institutions, regional and international accounting professional institutions, to promote and protect the accounting and auditing profession in Cambodia;
- Report in writing on the results of semi-annual and annual plan and budget implementation to the Director Board of KICPAA;
- Perform other duties assigned by the Chairperson of the Director Board of KICPAA.

Article 28.-

The operations and functioning of the Secretariat shall be determined by a decision of the Director Board of KICPAA.

Chapter 4
Types of Members of KICPAA

Article 29.-

Natural persons and legal entities may practice accounting and/or auditing only if registered as members of KICPAA.

The types of members of KICPAA are as follows:

- Honorary members;
- Active members;
- Associate members;
- Affiliate members;
- Reserved members

The conditions and qualifications for registration in each of the above member types shall be determined in the Internal Rules of KICPAA.

The rights and obligations of each of the above members shall be determined in the Internal Rules of KICPAA.

Article 30.-

Honorary membership may be specially granted by KICPAA to members who have been registered in the professional register for at least 30 (thirty) years and have no longer practiced the profession.

Honorary membership may also be specially granted by KICPAA to individuals who have rendered outstanding merits and achievements in serving KICPAA or have contributed to the promotion and development of the accounting sector in Cambodia.

Article 31.-

Active members of KICPAA are Certified Public Accountants and Practicing Auditors of KICPAA who must have the following qualifications:

- Active members who are Certified Public Accountants must have a Certified Public Accountant certificate recognized by KICPAA, have at least 3 (three) years of work experience related to the accounting or auditing profession, and fulfill all conditions set out in the Internal Rules and Membership Regulations of KICPAA.
- Active members who are Practicing Auditors must have a Certified Public Accountant certificate recognized by KICPAA, have at least 3 (three) years of work experience related to the auditing profession, and have fulfilled all conditions set out in the Internal Rules and Membership Regulations of KICPAA.
- Active members may be natural persons or legal entities who are in or practicing the accounting and auditing profession.
- Only active members have the right to independently practice as Certified Public Accountants and Practicing Auditors. Active members have the right to apply for a practicing license in accounting and/or a practicing license in accounting and/or auditing from the National Accounting Council.

Article 32.-

Associate members of KICPAA are individuals who have completed the national Certified Public Accountant curriculum or have a foreign Certified Public Accountant certificate recognized by KICPAA.

Natural persons who are leaders of accounting or finance in enterprises and non-profit organizations may register as associate members of KICPAA.

Natural persons who are teaching accounting, finance, or auditing at educational institutions in the Kingdom of Cambodia may register as associate members of KICPAA.

Natural persons who are working in accounting or finance at various institutions, enterprises, and non-profit organizations may register as associate members of KICPAA.

Article 33.-

Affiliate members of KICPAA are individuals who have a university degree and have applied for and been accepted as members of KICPAA.

Article 34.-

Reserved members are individuals who are studying in the national Certified Public Accountant program, technical accounting curriculum, and Certified Public Accountant curriculum under the joint examination program or other Certified Public Accountant programs recognized by KICPAA.

Natural persons who are studying accounting, finance, or taxation at educational institutions recognized by KICPAA may register as student members of KICPAA.

Chapter 5
Sources of Resources and Financial Management of KICPAA

Article 35.-

The sources of resources and budget of KICPAA come from:

- Annual contributions of members;
- Capacity development programs for members and the public;
- Cooperation with various international partners;
- Direct and indirect donations from the Royal Government of Cambodia, embassies, development partners, private sector, and various organizations and associations;
- Publications and various sponsorship programs;
- Funds derived from the sale of copyrights, publications, and from organizing training courses, meetings, and outreaches;
- Other incomes.

The resources and budget of KICPAA shall be used for the purpose of serving the various activities of KICPAA and shall not be distributed as dividends among its members or used for any other purpose.

The use of these resources and budget shall be under the authority and responsibility of the Director Board of KICPAA.

Article 36.-

KICPAA has the right to receive and manage, as an owner, movable and immovable property, as donations or grants from private individuals and state donations.

Article 37.-

The accounting period of KICPAA starts from January 1 to December 31 of each year. Financial reports shall be prepared annually and shall be subject to audit by an independent auditor.

The annual financial reports shall be reported to the members at the annual General Assembly of KICPAA.

Chapter 6
Transitional Provisions

Article 38.-

Sub-Decree No. 83 ANKr.BK dated June 17, 2005 on the Code of Ethics for Certified Public Accountants and Auditors and other relevant legal instruments shall remain in force until a new Sub-Decree and relevant legal instruments come into effect under the implementation of this Sub-Decree.

Chapter 7
Final Provisions

Article 39.-

Sub-Decree No. 18 ANKr.BK dated March 19, 2003 on the Organization and Functioning of the Kampuchea Institute of Certified Public Accountants and Auditors shall be abrogated and completely replaced by this Sub-Decree.

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

Article 40.-

The Minister in charge of the Office of the Council of Ministers, the Minister of Economy and Finance, the Secretary of State of all Ministries, and the heads of all relevant institutions shall respectively implement this Sub-Decree from the date of its signature onwards.

Phnom Penh August 2, 2019

Prime Minister

Samdech Akka Moha Sena Padei Techo HUN SEN

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 40;
- Royal Gazette;
- Document-Archive