



JURISDICTIONAL PROFILE: **Cambodia**

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This Profile provides information about the application of IFRS® Accounting Standards (Standards) in Cambodia. The Standards are developed and issued in the public interest by the International Accounting Standards Board (IASB). The IASB is the standard-setting body of the IFRS Foundation (Foundation), an independent, private sector, not-for-profit organisation.

The Foundation has prepared this Profile based on information from various sources. The starting point was the answers provided by standard-setting and other bodies in response to surveys the Foundation conducted on the application of the Standards around the world. The Foundation drafted the profile and invited the respondents to the survey. The Foundation also invited others (including regulators and international audit firms) to review the drafts. Their comments are reflected in this Profile.

The purpose of the Foundation’s Jurisdictional Profiles is to illustrate only the extent of implementation of the Standards across the globe. The Profiles do not reflect the intellectual property licensing status of the Standards within any given jurisdiction. The Standards are protected by copyright and are subject to licensing arrangements agreed upon within their jurisdiction. For further information, please contact permissions@ifrs.org.

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RELEVANT JURISDICTIONAL AUTHORITY

Organisation	National Accounting Council (NAC).
Role of the organisation	The NAC is the accounting and audit standard setter and regulator. The NAC was established in 2002 under the Ministry of Economy and Finance by the <i>Law on Corporate Accounts, their Audits, and the Accounting Profession</i> .
Website	www.naccambodia.gov.kh/
Email contact	Bou Tharin, NAC Deputy Secretary tharinbou@hotmail.com info@naccambodia.gov.kh

COMMITMENT TO GLOBAL FINANCIAL REPORTING STANDARDS

Has the jurisdiction made a public commitment in support of moving towards a Yes.

single set of high quality global accounting standards?

Has the jurisdiction made a public commitment towards IFRS Accounting Standards as that single set of high quality global accounting standards?

Yes.

The National Accounting Council has fully adopted IFRS Standards and the *IFRS for SMEs* Standard without modifications. This has been set in regulation by a Ministry of Economy and Finance proclamation (in Cambodia referred to as a 'Prakas') dated 8 January 2009. The standards were thereby renamed Cambodian International Financial Reporting Standards (CIFRS). The dates for companies to implement CIFRS and CIFRS for SMEs was then set by an announcement/notification of the Ministry and Economy and Finance dated 28 August 2009. The date for application of full IFRS Standards in Cambodia was set for periods beginning on or after 1 January 2012.

What is the jurisdiction's status of adoption?

Cambodia has adopted IFRS Standards and the *IFRS for SMEs* Standard.

Additional comments provided on the adoption status?

Mandatory implementation of IFRS Standards for commercial banks and microfinance institutions started for periods beginning 1 January 2016.

If the jurisdiction has NOT made a public statement supporting the move towards a single set of accounting standards and/or towards IFRS Accounting Standards as that set of standards, explain the jurisdiction's general position towards the adoption of IFRS Accounting Standards in the jurisdiction.

Not applicable.

EXTENT OF IFRS APPLICATION

For DOMESTIC companies whose debt or equity securities trade in a public market in the jurisdiction:

Are all or some domestic companies whose securities trade in a public market either required or permitted to use IFRS Accounting Standards in their consolidated financial statements?

Yes.

If YES, are IFRS Accounting Standards REQUIRED or PERMITTED?

Required.

Does that apply to ALL domestic companies whose securities trade in a public market, or only SOME? If some, which ones?

All.

Are IFRS Accounting Standards also required or permitted for more than the consolidated financial statements of companies whose securities trade in a public market?

Yes.

For instance, are IFRS Accounting Standards required or permitted in separate company financial statements of companies whose securities trade in a public market?

Required.

For instance, are IFRS Accounting Standards required or permitted for companies whose securities do not trade in a public market?

IFRS Standards are required for publicly traded entities, financial institutions, and large entities. Other companies may use IFRS Standards or the *IFRS for SMEs* Standard.

If the jurisdiction currently does NOT require or permit the use of IFRS Accounting Standards for domestic companies whose securities trade in a public market, are there any plans to permit or require IFRS Accounting Standards for such companies in the future?

Not applicable.

For FOREIGN companies whose debt or equity securities trade in a public market in the jurisdiction:

Are all or some foreign companies whose securities trade in a public market either REQUIRED or PERMITTED to use IFRS Accounting Standards in their consolidated financial statements?

Yes.

If YES, are IFRS Accounting Standards REQUIRED or PERMITTED in such cases?

Required.

Does that apply to ALL foreign companies whose securities trade in a public market, or only SOME? If some, which ones?

All.

IFRS ENDORSEMENT

Which IFRS Accounting Standards are required or permitted for domestic companies?

Non-publicly accountable domestic companies have a choice between IFRS Standards and *IFRS for SMEs* Standard as issued by the IASB Board, which are adopted without modification as Cambodian International Financial Reporting Standards (CIFRS) and Cambodian International Financial Reporting Standards for SMEs (CIFRS for SMEs). Publicly accountable domestic companies must use IFRS/CIFRS.

The auditor's report and/or the basis of presentation footnote states that financial statements have been prepared in conformity with:

The audit report must state compliance with Cambodian International Financial Reporting Standards (CIFRS). However, the audit report may also refer to compliance with IFRS Standards in addition to compliance with CIFRS.

Does the auditor's report and/or the basis of preparation footnote allow for 'dual reporting' (conformity with both IFRS Accounting Standards and the jurisdiction's GAAP)?

Yes.

Are IFRS Accounting Standards incorporated into law or regulations?

Yes. The regulations setting IFRS Standards and the *IFRS for SMEs* Standard as CIFRS and CIFRS for SMEs without modification may be found on the NAC's website.

If yes, how does that process work?

By law, accounting standards are set by the National Accounting Council (NAC), a body under the Ministry of Economy and Finance. The NAC is composed of a mix of technical civil servants and private sector accounting professionals.

If no, how do IFRS Accounting Standards become a requirement in the jurisdiction?

Not applicable.

Does the jurisdiction have a formal process for the 'endorsement' or 'adoption' of new or amended IFRS Accounting Standards (including Interpretations) in place?	No.
If yes, what is the process?	Not applicable.
If no, how do new or amended IFRS Accounting Standards become a requirement in the jurisdiction?	The ministerial proclamation that originally adopted IFRS Standards is worded so that all new standards, amendments and interpretations are automatically adopted without any additional adoption or endorsement process.

Has the jurisdiction eliminated any accounting policy options permitted by IFRS Accounting Standards and/or made any modifications to any IFRS Accounting Standards?	No.
If yes, what are the changes?	Not applicable.
Other comments regarding the use of IFRS Accounting Standards in the jurisdiction?	None.

TRANSLATION OF IFRS ACCOUNTING STANDARDS

Are IFRS Accounting Standards translated into the local language?	The <i>IFRS for SMEs</i> Standard has been translated into Khmer (the Cambodian language) and published. Full IFRS has been translated into Khmer, but has not yet been published.
If they are translated, what is the translation process? In particular, does this process ensure an ongoing translation of the latest updates to IFRS Accounting Standards?	IFRS Standards and the <i>IFRS for SMEs</i> Standard are translated by the National Accounting Council on a continual basis. The National Accounting Council has a copyright agreement with the IFRS Foundation.

APPLICATION OF THE IFRS FOR SMEs ACCOUNTING STANDARD

Has the jurisdiction adopted the <i>IFRS for SMEs</i> Accounting Standard for at least some SMEs?	Yes. The <i>IFRS for SMEs</i> Standard is available for use by all SMEs. However, it is mandatory only for SMEs that are subject to a statutory audit.
If no, is the adoption of the <i>IFRS for SMEs</i> Accounting Standard under consideration?	No.
Did the jurisdiction make any modifications to the <i>IFRS for SMEs</i> Accounting Standard?	No.
If the jurisdiction has made any modifications, what are those modifications?	Not applicable.
Which SMEs use the <i>IFRS for SMEs</i> Accounting Standard in the jurisdiction, and are they required or permitted to do so?	All SMEs are permitted to use the <i>IFRS for SMEs</i> Standard. However, only SMEs subject to a statutory audit are required to use the <i>IFRS for SMEs</i> Standard. Non-publicly accountable SMEs subject to a statutory audit have a choice of either the <i>IFRS for SMEs</i> Standard or full IFRS Standards. The statutory audit is required when a company meets a certain threshold of revenue, asset value, and number of employees.
For those SMEs that are not required to use the <i>IFRS for SMEs</i> Accounting	SMEs not required to use <i>IFRS for SMEs</i> Standard due to not meeting the threshold criteria for a statutory audit are not required to follow any specific accounting framework.

Standard, what other accounting framework do they use?

Other comments regarding use of the *IFRS for SMEs* Accounting Standard? None.