

## ACAR 2025 Auditing Financial Statement Submission

The Statutory (compulsory) audit requirements are established under the Law on Accounting and Auditing and detailed in The Prakas No. 563 (MO 563) issued by the Ministry of Economy and Finance (MEF).

The following Entities are required to undergo statutory audit:

Category	Requirement
1. Public enterprises	Always required
2. Public Interest Entities (PIEs)	Always required
3. Qualified Investment Projects (QIPs)	Always required
4. Private enterprises	If meet 2 of 3 criteria: turnover, assets, employees
5. Not-for-Profit organizations	If exceed expense and employee thresholds

### 1. Public Enterprises

Enterprises established under the **Law on the General Statute of Public Enterprises** are required to have annual audited financial statements.

### 2. Public Interest Entities (PIEs)

Entities with **public accountability** must be audited. These include:

- Companies with **equity or debt instruments traded** on a public market (domestic or international);
- Financial institutions such as **banks, deposit-taking microfinance institutions (MFIs), credit unions, insurance companies**;
- Securities firms, brokers, investment funds, and similar fiduciary businesses.

### 3. Qualified Investment Projects (QIPs)

Enterprises registered as **QIPs** with the **Council for the Development of Cambodia (CDC)** under the Investment Law are required to submit audited financial statements annually.

#### 4. Quantitative Thresholds (Large Enterprises)

For enterprises **other than public enterprises, PIEs, and QIPs**, a statutory audit is required if the entity meets **two (2) of the following three thresholds** at the end of the financial year:

1. **Annual turnover exceeding KHR 4,000,000,000** (approximately USD 1 million);
2. **Total assets above KHR 3,000,000,000** (approximately USD 750,000);
3. **More than 100 employees.**

#### 5. Not-for-Profit Entities (NPOs / NGOs)

Not-for-profit entities are required to have their financial statements audited if **both** of the following criteria are met:

- **Annual expenses exceed KHR 2,000,000,000** (approximately USD 500,000); and
- **More than 20 employees.**

Pursuant to the applicable accounting and auditing regulations in Cambodia, entities are required to submit annual financial statements to the Accounting and Auditing Regulator (ACAR) within the prescribed timelines.

1. Entities other than small taxpayers that are not required to do a statutory independent audit must submit their 2025 financial statements by **15 April 2026**.
2. Entities that are required to undergo a statutory independent audit must submit their **audited** annual financial statements to ACAR by **15 July 2026**.

Entities are advised to plan their accounting finalization and audit processes accordingly to mitigate compliance risks and potential regulatory penalties.

#### **Annual Declaration of Commercial Enterprise (ADCE)**

the **Annual Declaration of Commercial Enterprise (ADCE)** is a mandatory statutory filing applicable to all commercial entities registered in Cambodia. The ADCE enables the Ministry of Commerce (MOC) to maintain accurate and up-to-date information on legal entities operating in the country.

The ADCE must be submitted **online within 90 days following the completion of the 12th month from the enterprise's incorporation date**. This recurring filing requirement supports the MOC's ongoing monitoring and assessment of commercial activities. Failure to submit the ADCE within the prescribed timeframe results in an administrative penalty of **KHR 2,000,000 (approximately USD 500) for each year of non-compliance**.

We recommend that enterprises review their incorporation dates and ensure timely ADCE filings to avoid penalties and maintain good regulatory standing.