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Technical update

July 2025

Prakas on the Implementation of the Cambodian Reduced Financial Reporting Framework and the Digital Financial Reporting Platform.

(Prakas No. 039 FSA.Prk., Dated 20 May 2025)

The Non-Bank Financial Services Authority (FSA) has issued Prakas No. 039 to implement the Cambodian Reduced Financial Reporting Framework (CRFRF) and the Digital Financial Reporting Platform (DFR). These initiatives are grounded in the Cambodian International Financial Reporting Standard for Small and Medium-sized Entities (CIFRS for SMEs). The Accounting and Auditing Regulator (ACAR) will issue further Instructions to guide the implementation of this Prakas.

Below are the key details of the CRFRF and the DFR:

I. Cambodian Reduced Financial Reporting Framework (CRFRF)

The CRFRF applies to individual financial statements of qualifying entities that are not subject to statutory audits and are not classified as public interest entities. The framework aims to provide exemptions in disclosure, recognition, and measurement for these entities, reducing compliance burdens while ensuring the quality, relevance, and transparency of financial information. It is tailored to the size, complexity, and needs of users of financial statements, aligning with the principles of CIFRS for SMEs. Qualifying entities are encouraged to utilize the DFR to prepare and submit their financial statements, enhancing effectiveness and integration within the platform.

For full access to the framework, visit: CRFRF

II. Digital Financial Reporting Platform (DFR)

The DFR is designed to facilitate the preparation and submission of financial statements in a digital format, streamlining the reporting process for qualifying entities.

Access the platform here: Digital Financial Reporting Platform

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Instruction on the Procedure for Using the Digital Financial Reporting Platform for Preparing and Submitting Financial Statements to the ACAR

(Instruction No. 023/25 ACAR, Dated 22 May 2025)

Following Prakas No. 039 FSA.Prk., dated 20 May 2025, regarding the implementation of the Cambodian Reduced Financial Reporting Framework and the Digital Financial Reporting Platform, the Accounting and Auditing Regulator (ACAR) has issued instructions outlining the procedure for using the Digital Financial Reporting Platform to prepare and submit financial statements.

The procedure includes:

1. Creating an account to access the platform.
2. Preparing the digital financial statements.
3. Obtaining approval and submitting the digital financial statements to ACAR.

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Our comments

With the announcements on the implementation of the Cambodian Reduced Financial Reporting Framework and the Digital Financial Reporting Platform, qualifying entities now have an additional option available regarding the preparation and filing of their annual financial statements. Qualifying entities may consider whether they wish to apply this new approach for the preparation and filing of their next annual financial statements or continue with the existing approach.

As committed accounting advisors to our clients, we welcome any opportunity to discuss the relevance of the above matters to your business.

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