



Company Secretary



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Why the Company need the Company Secretary?

- The appointment of Company Secretary is now required under the amended Law on the Commercial Enterprises (2022).
- The Company Secretary can help prevent compliance failure with relevant regulatory obligations/requirements
- Governance experts –are familiar with the rules and regulations that apply to specific company and industry
- Facilitate the processes to ensure the company runs smoothly
- Can implement best working procedures to improve governance
- Tends to have an independent insight to assist business owners and directors

What you must know

Who is a Company Secretary?

- Refers to a natural person assigned by the limited liability company and has the right to receive and keep documents related to the affairs of the Company.
- Defined by the Law on the Amendment of the Law on Commercial Enterprise issued on 29 January 2022 (the “Amended LCE”).
- The Amended LCE replaced the term “Registered Agent” in the Law on Commercial Enterprises with “Company Secretary”.

What Types of Companies Required to Have a Company Secretary?

- Limited liability company with registered address in Cambodia.
- The limited liability company refers to: (1) Private Limited Company and (2) Public Limited Company.

Obligation of the Limited Liability Company?

- To provide the registrar with the name of the company secretary.

What you must know

Company Secretary's Qualifications

Company secretary must be:

- Natural person
- Physically fit and competent to perform the work.
- With permanent residential address in Cambodia

Company Secretary's Rights, Roles and Responsibilities

Company Secretary's Roles and Responsibilities:

- receive and keep documents related to the affairs of the company
- maintain accounting records, financial statements and records of the company carefully, regularly and properly.

Company Secretary is entitled to:

- receive official letters and documents as well as court summonses on behalf of the Company.
- review all relevant documents in the normal business hours of the company.

What you must know

Company Secretary's Rights, Roles and Responsibilities for the listed company

- Board of Directors (BoDs) of a Listed Company in Cambodia is required to appoint one or more company secretaries to assist them with their work.
- The Company Secretary must hold a senior role in the Company, must be a Cambodian citizen and have good personality and attitude to work in good, care, and loyal manners. The Company can appoint a foreign Company Secretary subject to approval from the Securities and Exchange Regulator of Cambodia in case the Company cannot select and appoint a suitable Cambodian Company Secretary.
- Roles and duties of company secretary for listed company is as follows:
 - Report to the BoDs through the chairman of the board of directors;
 - Provide truthful, accurate, complete, and timely information to all directors;
 - Arrange and organize board meetings and shareholders' meetings, and record minutes of the meetings;
 - Have effective working relationship with the BoDs and senior officers;
 - Facilitate the effective communication between the BoDs and senior officers in order to support the decision-making process;

What you must know

Company Secretary's Rights, Roles and Responsibilities for the listed company

- Support working process of the BoDs and board committees;
- Attend all board meetings, shareholders' meetings and board committees' meetings;
- Keep up to date on the change of laws and regulations that may affect the board of directors' decisions and operations of the listed companies;
- Keep all information of listed companies confidential prior to its disclosure;
- Carry out any other tasks assigned by the BoDs.

Company secretary in other countries

- An essential member of the company's management and is an officer of the company
- Legal requirement to appoint a company secretary after incorporation

Qualifications and Requirements

- Similar to the Cambodian requirements but with one further requirement for membership of any professional body recognized by the company registrar. In Malaysia – a company secretary can be a member of chartered secretaries, a lawyer, accountant
- Need to have good knowledge of the important processes of a company – essential provisions of the M&A, regulations that apply to the company, corrective measures to apply in case of error or non-compliance, information about organization and business models

Duties and responsibilities

More comprehensive guidelines

- Primary point of contact
- Attending board meetings
- Ensure company compliance with the relevant enterprise laws
- Maintain secretarial records
- Handle and organize AGMs
- Maintain regular communication with shareholders and directors
- Prepare and file the company's annual returns – a summary of the company with information wrt to business nature, registered address, list of directors and shareholders even if no changes occurred
- Update and maintain statutory books and documents
- File any changes about the company's statutory information with the registrar
- Key member of the company in the implementation of corporate M&A ensuring due diligence disclosures, enabling proper evaluations prior to completion of a transaction and timely execution of transaction documents

Liability

Given that a company secretary is an officer of a company – will have fiduciary duties

Required to act honestly and in good faith

In some jurisdictions, is personally liable to criminal charges if commits wrongful acts and can be penalized with a fine.

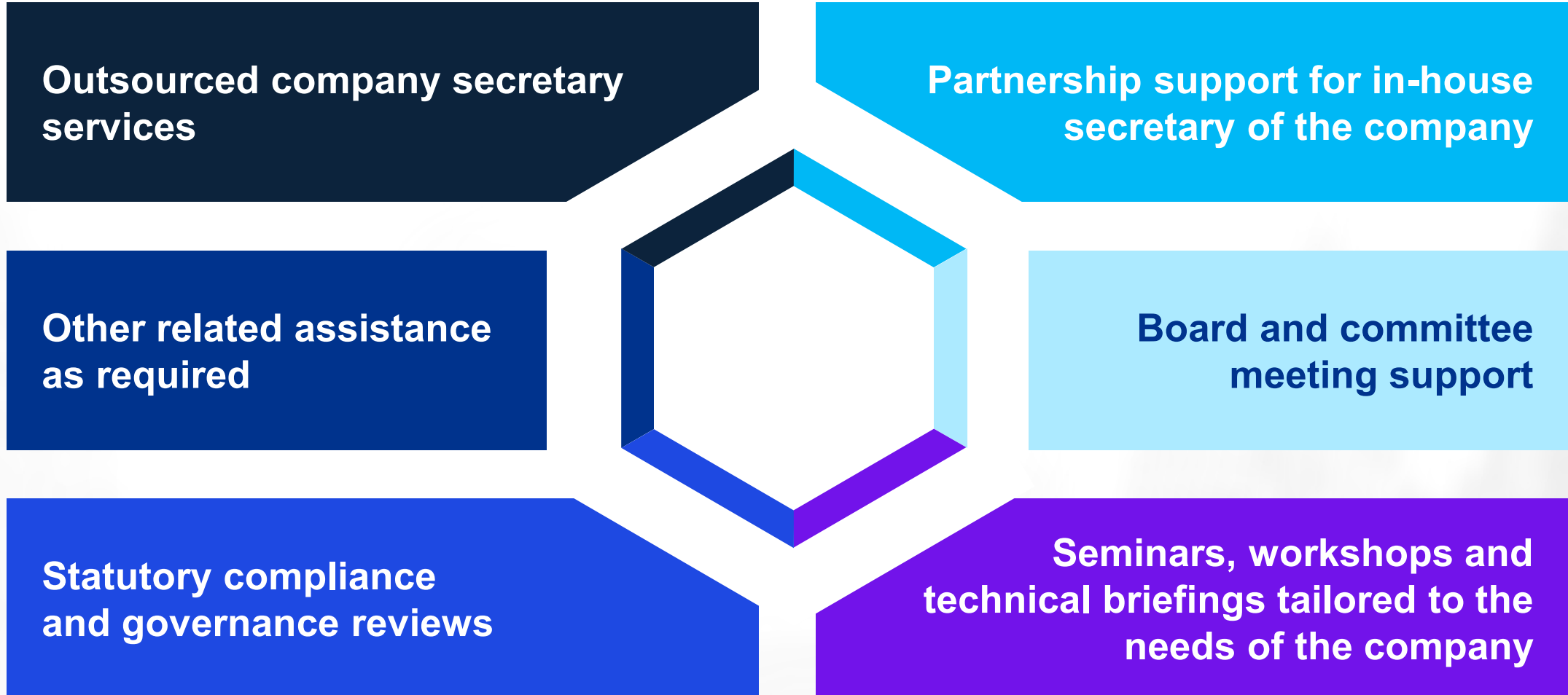
Wrongful acts can be as simple as failure to lodge the necessary statutory documents with the registrar



What KPMG Can Do for You?



What can KPMG do for you?





Q&A





Thank you!

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KPMG Office

Phnom Penh

35th Floor, GIA Tower,
Sopheak Mongkul Street, Diamond Island,
Sangkat Tonle Bassac, Khan Chomkarmon,
Phnom Penh, Kingdom of Cambodia

T: +855 17 216 899 | +855 81 533 999

E: kpmg@kpmg.com.kh



Scan to visit our website:
kpmg.com.kh