

Translation

**Notification of the Department of Business Development
Re: Rules and Conditions for Certifying the Quality of Accounting Firms
B.E. 2558 (2015)**

Whereas it is expedient to revise the Notification of the Department of Business Development Re: Rules and Conditions for Certifying the Quality of Accounting Firms B.E. 2557 (2014) for greater suitability;

By virtue of section 8 final paragraph of the Royal Decree on Rules and Procedures for Good Public Governance B.E. 2546 (2003), the Director-General of the Department of Business Development hereby issues the following Notification:

Article 1. This Notification is called "Notification of the Department of Business Development Re: Rules and Conditions for Certifying the Quality of Accounting Firms B.E. 2558 (2015)."

Article 2. The Notification of the Department of Business Development Re: Rules and Conditions for Certifying the Quality of Accounting Firms B.E. 2557 (2014), dated 7th January B.E. 2557 (2014) shall be repealed.

Article 3. In this Notification:

"accounting firm" means a natural person or group of persons or juristic person registered and present in Thailand which provides bookkeeping services;

"head of firm" means a person responsible for the operations of the accounting firm in the provision of bookkeeping services to a person under a duty to prepare accounts;

"bookkeeper" means a bookkeeper under the Accounting Act B.E. 2543 (2000) affiliated to the accounting firm;

"assessor" means a person performing the duties of assessing an accounting firm which submitted a request for quality certification and monitoring the quality of an accounting firm's operations;

"rules on quality certification of accounting firms" means rules on quality certification of accounting firms annexed to this Notification;

"certificate" means a letter certifying the quality of an accounting firm issued by the Department of Business Development to an accounting firm which passed an assessment pursuant to the rules on quality certification of accounting firms;

"Department" means the Department of Business Development, Ministry of Commerce;

“Director-General” means the Director-General of the Department of Business Development.

Article 4. An accounting firm wishing to submit an application for certificate must have the following qualifications:

(1) having operated a bookkeeping business for a period of not less than 1 year;

(2) performs bookkeeping for an entity with bookkeeping obligations under section 8 paragraph one of the Accounting Act B.E. 2543 (2000), classified according to sizes as follows:

(a) small, between 15 – 29 clients;

(b) medium, between 30 – 49 clients;

(c) large, 50 clients and above;

(3) having a full-time head of firm who possesses a qualification not lower than a bachelor’s degree in accounting or its equivalent, or a certificate or other qualification equivalent to a bachelor’s degree in accounting endorsed by the Federation of Accounting Professions, having not less than 5 years bookkeeping experience and having filed a notice of being a bookkeeper with the Department pursuant to Notification of the Department of Business Development Re: Prescription of Qualifications and Requirements of Bookkeepers B.E. 2557 (2014);

(4) having at least one full-time assistant with a qualification not lower than a bachelor’s degree in accounting or its equivalent or having received a certificate or other qualification equivalent to a bachelor’s degree in accounting endorsed by the Federation of Accounting Professions;

(5) having a taxpayer’s identification number;

(6) in the case where the accounting firm is established as a group of persons or juristic person, the owner, partner or director, as the case may be, who is responsible for operations relating to bookkeeping services must also have the qualifications under article 4(3).

Article 5. An accounting firm wishing to submit an application for certificate must have the following disqualifications:

(1) having had a certificate revoked, except where the revocation period has lapsed for not less than 1 year;

(2) violating a condition under article 14 and article 18, except where a period of not less than 1 year has lapsed since the period of violation;

(3) the head of firm becomes bankrupt

(4) in the case where an accounting firm is established in the form of a group of persons or juristic person, the owner, partner or director, as the case may be,

who is responsible for the bookkeeping service operations must not have the disqualification under article 5(3).

Article 6. An accounting firm which has submitted an application for certificate must comply and satisfy the procedures for quality certification, as follows:

(1) File details relating to the request for quality certification using the Accounting Firm Quality Certification Application Form annexed to this Notification together with evidence as stated in Form Ror Sor Bor `.

In the case where an accounting firm has independent offices in several locations, separate applications for each office wishing to request for quality certification.

(2) Participate and passed a quality assessment pursuant to regulations on quality certification of accounting firms conducted by an assessor designated by the Department, as follows:

- (a) ISO Standard Certification Institute, or
- (b) other agency approved by the Department.

In any event, the accounting firm shall be responsible for quality assessment fee in accordance with the rates collected by the assessor.

In the case where an accounting firm that has applied for a certificate receives a quality management standard certificate from the ISO Standard Certification Institute or other agency approved by the Department, the accounting firm will be exempt from quality assessment with respect to the terms of quality management standard certificate, but must be audited with respect to accounting standards and other regulations additionally provided by the Department without additional costs.

(3) Receive approval from the Department as a quality accounting firm.

Article 7. An accounting firm that has completed the procedures for standard certification for accounting firms will receive a certificate and the name and address of such accounting firm will be published.

Article 8. A certificate is valid for 3 years as from the date of issuance.

Article 9. Throughout the validity period of the certificate, an accounting firm which holds a certificate must comply with the following conditions:

(1) Comply with regulations on quality certification of accounting firms, including any subsequent amendments thereto.

(2) Undergo a quality assessment by an assessor at least once a year, which may be an entirely new assessment or a partial assessment, as appropriate. The accounting firm shall be responsible for quality assessment fees pursuant to the rates collected by the assessing agency.

An accounting firm which has received a quality management standard certificate from the ISO Standard Certification Institute or other agency approved by the

Department shall undergo a quality assessment at least once a year. The accounting firm will be exempt from quality assessment with respect to the terms of quality management certification, but must undergo an audit pertaining to accounting standards and other additional regulations prescribed by the Department without additional costs.

An accounting firm that wishes to undergo a quality assessment at the same time as quality management standard assessment by ISO Standard Certification Institute or other agency approved by the Department may do so. The accounting firm will be responsible only for the expenses of quality standard assessment in accordance with the rates collected by the ISO Standard Certification Institute or other agency approved by the Department.

(3) Cooperate with the assessor during every assessment and consent to observation of assessment by other agencies approved by the Department, as well as submit documents and evidence related to quality certification to the assessor and the Department upon request.

(4) Not use the certificate in such a way as to cause detriment to the Department or cite the certificate to other persons or agencies in a way which will cause confusion or misunderstanding.

(5) In the case where the Department refers a third party complaint relating to non-compliance with the terms of quality certification of the accounting firm, the accounting firm must consider such complaint and notify results to the Department within the prescribed period.

Article 10. The Department has the power to prescribe additional quality assessment or an entirely new quality assessment without advance notice to an accounting firm that holds a certificate at any time throughout the validity period of the certificate upon one of the following causes:

(1) There is cause to believe that the quality of an accounting firm has deteriorated and is no longer in accordance with the terms of quality certification of the accounting firm.

(2) There is a material change in the firm and such change has an impact on the operations of the accounting firm that holds a certificate.

(3) There is a complaint with grounds relating to non-compliance with the terms of quality certification of the accounting firm.

Article 11. In the event of expiration of a certificate and an accounting firm wishes to extend the validity of a certificate, the following actions shall be taken:

(1) Relevant details shall be filed in accordance with the quality standard certificate of accounting firm extension form (Form Ror Sor Bor 2) annexed to this

Notification along with evidence as specified in Form Ror Sor Bor 2 within 90 days prior to the expiration of the certificate.

(2) Complete quality assessment procedures for accounting firms pursuant to article 6(2) and (3).

Article 12. In the case of a material change in an accounting firm that holds a certificate, for example relocation of office, transfer of business, change in senior executive officer, change in standing of accounting firm, the accounting firm holding a certificate must file a notice of such relocation or change with the Department within 30 days as from the change, as the case may be, in accordance with the General Application Form (Form Ror Sor Bor 3) annexed to this Notification together with documents and evidence as specified in Form Ror Sor Bor. In such event, the accounting firm must undergo a new quality assessment in whole or in part, as appropriate. Upon passing an assessment, a new certificate will be issued with a validity period equal to the previous certificate.

Article 13. In the case where an accounting firm wishes to cancel a quality certificate or cease its bookkeeping business, a written notice must be filed with the Department at least 45 days in advance of the date of resolution to cancel certification or cease operations, using the General Application Form (Form Ror Sor Bor 3) annexed to this Notification together with documents and evidence specified in Form Ror Sor Bor 3.

Article 14. In the case of a revocation of certificate or notice of cancellation of certification or cessation of bookkeeping business, the certificate must be returned to the Department within 15 days as from the date of knowledge of order or date of cancellation of certification or date of cessation of business, as the case may be.

Article 15. The Department may order the suspension or revocation of a certificate in the following cases:

(1) The head of firm or owner or partner or director, as the case may be, is adjudged bankrupt and banned from the accounting profession or is revoked from membership of the Federation of Accounting Professionals.

(2) Non-compliance or infringement of the conditions stated in article 9.

(3) Other cases deemed by the Department that the accounting firm may cause detriment or affect the certification of accounting firm quality.

Article 16. If an accounting firm's certificate is suspended or revoked, and if it appears that the accounting firm has other accounting firms or branch office with the same person or group acting as the head of firm or owner or partner or director, the assessor may also conduct a quality assessment of the other accounting firm or

branch office, and if there is loss or impact on the quality certification, the certificate of the other accounting firm or branch office may be suspended or revoked.

Article 17. A suspension of certificate shall be effective for 180 days.

Article 18. In the case of a suspension or revocation of certificate or notice of cancellation of certificate or cessation of accounting business, the use of printed matters and advertising means which refers to the accounting firm quality certification must cease immediately.

Article 19. Where an accounting firm's certificate has been subject to a prior suspension, if there is cause for the Department to suspend or revoke the certificate pursuant to article 15 again within a period of 3 years as from the first suspension of certificate, the Department will revoke the certificate.

Article 20. In the case where a certificate is damaged or lost or there is a change in name of accounting firm, the accounting firm shall submit an application to the Department within 30 days as from the date of damage or loss of certificate or change of accounting firm name, for a substitute certificate to be issued.

Article 21. Assessors approved by the Department pursuant to article 6(2)(b) and accounting firms holding certificates prior to the effective date of this Notification shall be deemed as approved assessors and certified accounting firms under this Notification.

Article 22. An accounting firm that has submitted an application for certificate in accordance with the Application for Accounting Firm Quality Certificate Form (Form Ror Sor Bor 1) or submitted an application for certificate extension in accordance with the Accounting Firm Quality Certificate Extension Form (Form Ror Sor Bor 2) or submitted a general application (Form Ror Sor Bor 3) prior to this Notification coming into force shall be deemed as having submitted such application, as the case may be, pursuant to this Notification.

This Notification shall come into force as from now onwards.

Given on the 19th May B.E. 2558 (2015)

Phongphan Jeanwiriyan

Director-General of the Department of Business Development