



ACCOUNTING AND AUDITING STANDARDS BILL OF BHUTAN, 2017

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PREAMBLE

WHEREAS, with rapid socio-economic development and global dimensions of Bhutanese economic activities, there has been long felt need for promulgation of accounting and auditing standards consistent with the international standards to ensure the quality and transparency of financial reporting and creating conducive environment for investments;

WHEREAS, recognizing the importance of improving the quality of financial reporting system in the country through promulgation and implementation of high quality accounting and auditing standards with power vested to develop, regulate and monitor implementation of standards; and

The Second Parliament of the Kingdom of Bhutan do hereby enact the Accounting and Auditing Standards Act of Bhutan 20XX, on theday of themonth ofYear of the Bhutanese Calendar corresponding to the.....day of20XX at itsSession of the Second Parliament as follows:

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CHAPTER I: PRELIMINARY

Title, Commencement and Extent

1. This Act shall:
 - (a) Be called the Accounting and Auditing Standards Act of Bhutan, 20XX,
 - (b) Come into force onday of the.....month.....Year of the Bhutanese Calendar year, corresponding today of.....20XX, and
 - (c) Extend to the whole of the Kingdom of Bhutan.

Repeal

2. This Act hereby repeals any existing provisions of any Laws, Rules or Regulations that is inconsistent with this Act.

CHAPTER II: THE ACCOUNTING AND AUDITING STANDARDS BOARD

Establishment of Accounting and Auditing Standards Board

3. This Act shall establish “The Accounting and Auditing Standards Board of Bhutan”, herein after referred to as the “Board”.
4. The Board shall be an autonomous body with perpetual succession and a common seal.
5. The Board shall be a separate legal entity with power to acquire, hold and dispose off, both movable and immovable property, and shall by its name sue or be sued.

Objectives of the Board

6. The Board shall:
 - (a) Ensure quality of financial reporting, protect public interest and aid economic decision making by investors and users of financial statements through promulgation of Financial Reporting Standards, Auditing Standards and Public Sector Accounting Standards consistent with the international standards and other relevant best practices, or adoption of international standards, as may be appropriate;
 - (b) Promote the use and application of the standards issued or approved by the Board for implementation in Bhutan;
 - (c) Promote general acceptance of accounting and auditing standards through awareness, education, consultation programs and such other means as may be appropriate;

- (d) Promote consistency and comparability of presentation of financial statements through development or adoption and issuance of implementation guidelines, interpretation materials or such other means as may be appropriate;
- (e) Facilitate implementation of accounting and auditing standards by providing necessary support including handholding by itself or in collaboration with the Professional Accountancy Organizations, firms or accountants or experts;
- (f) Enhance reliability, credibility and information value of, and user confidence on, the financial statements through working closely with the regulators, Professional Accountancy Organizations and agencies and instituting appropriate mechanism to enforce, regulate and monitor the implementation of accounting and auditing standards;
- (g) Contribute in creating conducive environment for investments through improved quality of financial reporting;
- (h) Promote and support research in the area of financial reporting;
- (i) Facilitate harmonization with relevant laws through close consultation with relevant government agencies and regulators; and
- (j) Carry out such other activities as may be deemed necessary for attainment of objectives of the Board including those generally expected to be carried out by similar organizations.

CHAPTER III: BOARD AND ITS COMMITTEES

Constitution of the Board

- 7. The Board shall be responsible for discharging the functions assigned to it under this Act.
- 8. The Board shall consist of eleven members represented as below:
 - (a) A member each from the Ministry of Finance, Royal Audit Authority and the Regulatory Authority established under the Companies Act of Bhutan;
 - (b) Two members from the Professional Accountancy Organization;
 - (c) One member from the Royal University of Bhutan;
 - (d) One member from the Royal Monetary Authority of Bhutan;
 - (e) One member from the Royal Securities Exchange;
 - (f) One member from the Bhutan Chamber of Commerce and Industry;
 - (g) One member from Corporate Sector; and
 - (h) One member from the Financial Institutions Association of Bhutan.

9. The Chief Executive Officer of the Secretariat as referred in Section 22 and 48 shall be the Member Secretary to the Board.
10. Board members shall have adequate qualifications and experiences in accounts or audit or financial management or administration and corporate governance. The representatives of the Professional Accountancy Organization, Financial Institutions Association of Bhutan and the Corporate Sector should be qualified professional accountants.

Appointment in default of nomination of representatives

11. If any agency as referred to in Section 8 fails to nominate its representative, the Ministry of Finance may appoint a person duly qualified to fill the vacancy.

Chairperson and Vice-Chairperson

12. The Chairperson of the Board shall be appointed by the Government from amongst the Board Members. The Board at the first Board meeting shall elect the Vice-Chairperson from amongst the Board Members.
13. The Chairperson and Vice-Chairperson shall hold office for a period of three years from the date of their appointment or until the end of their term of office as a member of the Board whichever is earlier subject to a maximum of two terms.
14. On completion of tenure as the Chairperson and the Vice-Chairperson of the Board, such person shall continue to hold office until such time as the new Chairperson or Vice-Chairperson have been duly appointed or elected as the case may be. However, such appointments shall not be delayed beyond three months from the date of completion of the tenure.

Resignation and other events giving rise to vacation of membership of the Board

15. Any member of the Board may resign at any time by writing to the Board, and the seat of such member shall become vacant when such resignation is notified.
16. A member of the Board shall be deemed to have vacated his or her seat, if he or she is declared by the Board to have been absent from three consecutive meetings of the Board, or for any one or more of the following reasons:
 - (a) Death of the member;
 - (b) If the member has been convicted by a Court on a criminal offence;
 - (c) Has been declared of unsound mind or has developed permanent disability;
 - (d) Separation from the service by virtue of which he or she became a member; and
 - (e) Has been declared bankrupt by a Court.
17. A vacancy in the Board shall be filled by nomination of the Ministry of Finance or other relevant agency, as the case may be, within 30 days of occurrence of vacancy.

Term of the members of the Board

18. The term of each member of the Board constituted under this Act shall be three years and shall be eligible for reappointment. The Board shall ensure that at least three members resign annually upon completion of first term and the vacancy shall be filled either through re-appointment or fresh nomination as the case may be.

Transitional Arrangements

19. The Ministry of Finance shall through notification require the agencies mentioned in Section 8 to submit the names of their representative(s) to it and it shall constitute the first Board within six months of the enactment of this Act. The tenure of the members of the first board shall be three years.
20. The Board shall function under the Ministry of Finance for a period of three years after the enactment of this Act.
21. Subject to provisions in Sections 15 and 16 of this Act:
- (a) Existing Board Members appointed by the Ministry of Finance shall continue to hold office until the appointment of the Board Members and constitution of the first Board under Section 19 of this Act;
 - (b) Existing Chairperson appointed by the Ministry of Finance and the Vice-Chairperson elected by the exiting Board shall continue to hold their office until the constitution of the first Board under this Act; and
 - (c) Their remuneration and honorarium for the remaining period of their term shall be as prescribed under this Act.
22. The Ministry of Finance shall appoint the first Chief Executive Officer of the Secretariat who shall hold office for a period of three years.
23. Notwithstanding anything contained in the preceding sections of this Act, the Chairperson of the Board shall be appointed by the Minister of Finance for the first three years from amongst the Board members.

Roles, Responsibilities and Authorities of the Board

24. The roles, responsibilities and authorities of the Board shall be as follows:
- (a) Develop high quality Accounting Standards consistent with international standards or adopt international standards;
 - (b) Develop high quality Auditing Standards consistent with international standards or adopt international standards as required by the Companies Act of Bhutan;
 - (c) Develop or adopt Public Sector Accounting Standards as required by the relevant Act;

- (d) Seek views and comments of the Ministry of Finance, if any, on the new standards prior to the issuance of standards for implementation;
- (e) Ensure dissemination of proposals for issuance of new standards to the stakeholders;
- (f) Issue accounting and auditing standards, for implementation with effective dates of implementation;
- (g) Determine the scope and extent of applicability of Accounting Standards with reference to categories of entities from time to time;
- (h) Establish and ensure that the standard setting processes is appropriate and responsive to the public interest;
- (i) Develop or adopt and issue interpretation and implementation guides for accounting and auditing standards from time to time as it may deem fit;
- (j) Provide authoritative interpretation of accounting and auditing standards;
- (k) Seek comments and views of experts and/or international accounting and auditing standard setters, if required, on issues pertaining to interpretation of accounting and auditing standards;
- (l) Carry out due diligence exercise including such analysis as may be necessary prior to adoption or issuance of new accounting standards;
- (m) Ascertain on a periodic basis the relevance and applicability of accounting and auditing standards in the light of changed circumstances;
- (n) Review the existing and emerging auditing practices worldwide and identify areas in which standards on auditing and assurance and other related services need to be developed;
- (o) Enforce compliance of financial reporting and auditing standards;
- (p) Prescribe requirements for entities including those entities implementing accounting standards on voluntary basis to submit their annual reports and audited financial statements to the Board within six months from the end of the financial year;
- (q) Review their books of accounts to ascertain compliance with the standards and any other reporting and disclosure requirements prescribed by the Board;
- (r) Prescribe, levy and collect copyright royalty, fees from sale of its publications and conduct training, seminars and workshops;
- (s) Enter into arrangements or agreements with the international standard setting body or bodies;
- (t) Strive towards building capacity by participating and contributing in the international standard setting process in the accounting, financial reporting and auditing field;

- (u) Conduct local, regional or international conferences on accounting, auditing standards and related fields;
- (v) Facilitate and take a lead role in establishment of Professional Accountancy Organization in Bhutan;
- (w) Establish institutional linkages with other regulators and the Professional Accountancy Organizations and promote effective co-ordination and co-operation in relevant areas such as in the standard setting process and monitoring and regulatory functions;
- (x) Monitor and regulate implementation of accounting and auditing standards and prescribe fines and penalties for violations;
- (y) Acquire membership of international, regional or other related organizations;
- (z) Formulate policies and set strategic priorities for effective functioning;
- (aa) Generate periodic reports on the status of implementation of accounting and auditing standards and quality of financial reporting;
- (bb) Submit an annual report to the Ministry of Finance;
- (cc) Institute appropriate mechanism to recognize entities producing consistently high quality financial reports;
- (dd) Determine and approve the organizational structure and human resource requirement of the Board;
- (ee) Delegate certain power and authority vested on it under this Act for the efficient and effective decision making and functioning of the Board to the Chairperson, various Committees and other officials of the Board as the Board may deem appropriate;
- (ff) Approve annual work plan, budget and accounts of the Board;
- (gg) Establish standing and ad-hoc committees and nominate members of the committees including appointment of Chairpersons of such committees for effective functioning of the Board and determine procedure to be followed by such committees;
- (hh) Carry out research in accounting and auditing standards, financial reporting and other related subjects by providing financial assistance or otherwise to members or persons or in any other manner;
- (ii) Carry out project works on accounting and auditing standards and/or related subjects either by itself or engaging services of firms or individuals on such terms and conditions as the Board may deem appropriate;
- (jj) Provide comments and views on financial management, public finance, revenue, taxation, corporate governance, accounting profession, matters related with industry, commerce and other matters including relevant laws, rules and regulations as may be appropriate;

- (kk) Participate and represent Bhutan in events and seminars within and outside the country in the areas of accounting and auditing standards, financial reporting and other relevant field as may be considered appropriate by the Board;
- (ll) Prescribe service rules and conditions for employees of the Secretariat and determine their remunerations and benefits as the Board shall be operating on a self-sustaining basis;
- (mm) Purchase, lease, rent or otherwise acquire any movable or immovable property and sell, mortgage, lease or otherwise dispose-off any such property;
- (nn) Raise funds through fund raising activities including organizing conferences, seminars, trainings, mobilizing grants through the Government, receiving donations for the regular flow of income for the Board;
- (oo) Prepare and adopt strategies to generate sufficient revenue to meet its operational costs;
- (pp) Invest surplus fund of the Board in the government securities, short term or other deposits as the fund position may permit;
- (qq) Appoint practicing Professional Accountant or a Firm of Professional Accountants as an auditor of the Board from the empanelled list of statutory auditors; and
- (rr) Carry out such other functions, duties and exercise authority as may be necessary for attainment of objectives of the Board as set out in Section 7 above.

Committees of the Board

25. The Board shall constitute from amongst its members standing committees with such functions as may be prescribed in the Regulations framed under this Act. The following Standing Committees consisting of maximum of up to three members in each committee, except in the case of Financial Reporting Oversight Committee in which case there may be up to five members as prescribed in Section 31, shall be formed:
 - (a) Financial Reporting Standards Committee;
 - (b) Public Sector Accounting Standards Committee;
 - (c) Auditing Standards Committee; and
 - (d) Financial Reporting Oversight Committee.
26. The Board shall also form such other committees including ad-hoc Committees from amongst its members as it deems necessary for the purpose of carrying out the functions of the Board.
27. Any committee so formed shall, with the approval of the Board, co-opt such other professional members and experts in the related fields from outside the Board not

exceeding fifty percent of the members of the committee as the committee thinks fit, and any member so co-opted shall be entitled to exercise all the rights of a member of the committee.

28. The composition and chairmanship of various committees shall be decided by the Board and the Chairperson of the committees shall be from amongst the Board members only.
29. Every member of the Standing Committee shall hold office for three years from the date of his or her appointment and he or she shall be eligible for re-appointment subject to maximum of two terms.
30. The Standing Committees shall exercise such functions and be subject to such conditions in exercise thereof, as may be prescribed in the Regulation from time to time.
31. The Financial Reporting Oversight Committee shall have five members comprising of representative from regulatory bodies and Ministry of Finance.
32. The Financial Reporting Oversight Committee shall enforce, monitor and regulate the implementation of accounting and auditing standards and quality of financial reporting of entities required to implement accounting and auditing standards issued by the Board. It shall investigate cases of serious nature of public interest, levy fines and penalties for non-compliances by entities and statutory auditors.
33. The Financial Reporting Oversight Committee shall institute appropriate mechanism and procedures for its effective functioning.

Honorarium, Allowances and Expenses of the Board and Committee Members

34. The Board and Committee members shall be paid such honorarium and allowances as prescribed in regulations or other legislations.
35. The Board and Committee members shall be entitled to reimbursement of authorized and legitimate expenses incurred by them in connection with their duties and responsibilities as Board and Committee members including travel expenses.

Board Meetings

36. The Board shall convene at least four Board meetings annually and the intervals between the meetings shall not exceed 120 days.
37. A special meeting of the Board may be convened as and when required.
38. The Member Secretary shall convene the meeting of the Board on such date, time and place as may be determined by the Chairperson.
39. Notice of every meeting of the Board shall be given in writing to every Board Member along with the agenda.
40. The quorum for the Board shall be fifty percent and in case the quorum is not present, the meeting shall stand adjourned and shall be convened within two weeks and the

notice of the meeting shall be served within two working days following the date of adjourned meeting.

41. The decisions of the Board meetings shall be on simple majority of members voting in favor of any resolution and, in case of equality of votes, the Chairperson of the Board shall have a casting or second vote.
42. The Member Secretary shall not have the voting rights.

Minutes of Meetings

43. The Board shall ensure that minutes of all proceedings of every meeting of the Board or every Standing and other committees, are kept within thirty days of the conclusion of every such meeting.
44. Each page of every such minutes shall be initialed and the last page of the minutes of each meeting shall be dated and signed by the Chairperson and the Member Secretary of the said meeting.
45. The minutes shall contain the names of the Members present at the meetings.
46. The Minutes of the meetings shall serve as evidence of the proceedings recorded therein.

Disqualification and Disabilities to become a Board Member

47. Notwithstanding anything contained in nomination of Board member, a person shall not be eligible to become a Board member if he or she:
 - (a) has not attained the age of twenty-five years; or
 - (b) is of unsound mind and stands so adjudged by a competent court; or
 - (c) is an un-discharged insolvent; or
 - (d) being a discharged insolvent, has not obtained from the court a certificate stating that his or her insolvency was caused by misfortune without any misconduct on his or her part; or
 - (e) has been convicted by a competent court whether within or outside Bhutan, of an offence involving moral turpitude and punishable with transportation or imprisonment or of an offence, not of technical nature, committed by him or her in his or her professional capacity unless in respect of the offence committed, he or she has either been granted a pardon or, on an application made by him or her in this behalf, the Royal Government has, by an order in writing, removed the disability.

CHAPTER IV: SECRETARIAT OF THE BOARD

Secretariat, Chief Executive Officer, Officers and Staff of the Board

48. There shall be a Secretariat under the Board for effective functioning of its day to day operations.
49. The Board shall subject to Transitional Provision in Section 22, appoint the Chief Executive Officer.
50. The Secretariat shall be headed by the Chief Executive Officer, who will be supported by such other officers and employees appointed by the Board as it deems fit to manage its day to day operations.
51. The Board shall have adequate number of professional staff to support its technical, research and regulatory functions.
52. The roles and responsibilities, powers and other related provisions for the Chief Executive Officer and other officials necessary for proper functioning of the Secretariat shall be as prescribed in the Regulations framed under this Act.
53. The pay and allowances of the Chief Executive Officer and other officials and staff of the Secretariat shall be adequate and commensurate with their qualification and experiences as determined by the Board in line with Rules and Regulations in vogue.

CHAPTER V: LINKAGES AND COORDINATION WITH PROFESSIONAL ACCOUNTANCY ORGANISATION AND REGULATORS

54. Without prejudice to each other's autonomy and independence and subject to provisions in other laws, there shall be effective coordination amongst Board, other regulators and the Ministry of Finance as well as the Professional Accountancy Organization;
55. Where expedient and desirable, the Board and the regulators may co-operate and pool resources to strengthen effectiveness of monitoring and regulatory arrangements. Such arrangements should not, however, in any way, impair or undermine their own standing and legal responsibility or absolve them from their organizational responsibilities.

CHAPTER VI: FINANCES, ACCOUNTS AND AUDIT OF THE BOARD

Finances of the Board

56. There shall be a fund established under the management and control of the Board in which shall be paid all moneys received by the Board and out of which shall be met all expenses and liabilities incurred by the Board.
57. The Royal Government shall provide annual grant to the Board until such time Board becomes self-sustainable based on modalities worked out between the Ministry of Finance and the Board; and may also include external assistance mobilized through the Ministry of Finance.
58. The Board shall submit proposal for annual grant requirements to the Ministry of Finance.
59. The Board shall adopt a strategy to generate income to meet its operating expenses and achieve financial self-sustainability through such means including income or receipts from fees, subscriptions, donations, contributions and such other sources including but not limited to investment of surplus funds and sale of assets.
60. The Board shall collect annual contributions in the form of Financial Reporting Regulation Fee from the Government owned or controlled enterprises, incorporated, and public interest entities and other entities implementing the financial reporting standards approved by the Board including those applying the standards on voluntary basis. The fees shall be levied after the first Board meeting upon notification to this effect. The entities shall pay the regulation fees as follows:
 - (a) in the case of entities implementing Financial Reporting Standards, 0.02% of their annual gross income or Nu.100,000.00 whichever is lower subject to a minimum of Nu. 10,000.00;
 - (b) in the case of entities implementing Financial Reporting Standards for SMEs, 0.02% of their annual gross income or Nu. 50,000.00 whichever is lower subject to a minimum of Nu. 5,000.00; and
 - (c) the minimum and maximum thresholds of Financial Reporting Regulation Fee as in (a) and (b) above shall be revised in every fifth year by the Ministry of Finance upon submission of a proposal to this effect by the Board. The Ministry of Finance shall take into consideration the rate of inflation and other relevant factors while revising the Financial Reporting Regulation Fee as it may deem appropriate. The Board shall submit the proposal in the third quarter of every fourth year to enable the Ministry of Finance to revise the Financial Reporting Regulation Fee as required under this Act.
61. The Board shall also raise voluntary contributions from those entities using the products and services of the Board and those willing to make financial contributions to it.

Accounts and Audit of the Board

62. The Board shall keep or cause to keep proper accounts.

63. The Board shall appoint the auditor to audit the books of accounts of the Board from the empanelled firms.
64. The Royal Audit Authority shall also audit the books of accounts of the Board in accordance with the Audit Act.
65. As soon as may be practicable at the end of each year, but not later than the 30th day of June of the following year, the Board shall publish a copy of the audited accounts and the Report of the Board for that year, and copies of the said accounts and report shall be forwarded to the Ministry of Finance and placed on the website of the Board.

Tax exemption

66. The Board being a Standard Setting and Regulatory Body and not for profit organization engaged in the promulgation of accounting and auditing standards and monitoring the implementation standards issued by it, shall be exempt from payment of tax on its income and operating surplus as per the existing laws.
67. The Board shall apply for tax and duties exemption as per existing laws on imports of vehicle and equipment from India and other countries.

CHAPTER VII: POWERS OF THE GOVERNMENT AND THE BOARD TO FRAME RULES AND REGULATIONS

Power of the Government

68. Where the Government considers it expedient in the interest of the public, it may, by order in writing, direct the Board to make any regulations or to amend or revoke any regulations.

Power of the Board

69. The Board may, by notification make Regulations for the purpose of carrying out the objectives of this Act.
70. In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters:
 - (a) Procedures for promulgation or adoption of accounting and auditing standards;
 - (b) Procedures for conduct of committee meetings;
 - (c) Enforcing, regulating and monitoring implementation of accounting and auditing standards and quality of financial reporting;
 - (d) Imposition of fines and penalties for non-compliance of provisions of this act including accounting and auditing standards and code of ethics issued by the Board;

- (e) The powers, duties and functions of the Chairperson, the Vice-Chairperson and Board members;
- (f) The functions, members, powers, etc of the Standing and other Committees and the conditions subject to which such functions shall be discharged;
- (g) The Meetings of the Board;
- (h) The terms of office, and the powers, duties and functions of the Chief Executive officer and other officers of the Board and the salaries, fees, allowances and conditions of service of such officers;
- (i) Code of conduct and ethics for board members, officials and staff of the Secretariat; and
- (j) Any other matter which is required to be or may be prescribed under this Act.

CHAPTER VIII: MISCELLANEOUS

Amendments

71. The amendment of this Act by way of addition, variation or repeal shall be carried out by a simple majority of the respective Houses or vote of not less than two-third of the total members of the Parliament present and voting on a motion by one-third of the members of either Houses.

Authoritative Text

72. If there exist any difference in the meaning of Dzongkha and the English text of this Act, the Dzongkha text shall be the authoritative text.

Definition

73. In this Act, unless there is anything repugnant in the subject or context:
- (a) "Accounting Standards" means Accounting Standards and accompanying interpretations issued or adopted by the Board.
 - (b) "Ad-hoc Committee" means a committee established by the Board for carrying out specific task which would cease to exist upon completion of the assigned task.
 - (c) "Auditing Standards" means the auditing standards issued or adopted by the Board.
 - (d) "Auditing Standards Committee" means Auditing Standards Committee constituted under this Act.
 - (e) "Chairperson" means the Chairperson of the Board appointed under this Act.

- (f) "Chief Executive Officer" means the Chief Executive Office of the Secretariat of the Accounting and Auditing Standards Board of Bhutan.
- (g) "Financial Reporting" means the process of producing and presenting a complete set of general purpose financial statements that disclose an entity's financial performance, financial position and cash flows to the management, investors and other stakeholders such as government and the regulators.
- (h) "Financial Statements" means a complete set of financial statements prepared in accordance with the Financial Reporting Standards issued or adopted by the Board.
- (i) "Financial Reporting Oversight Committee" means an oversight committee established under this Act to enforce, monitor and regulate the compliance of financial reporting and auditing standards.
- (j) "Financial Reporting Regulation Fee" means fee or levy charged to an entity as prescribed under this Act.
- (k) "Financial Reporting Standards Committee" means the Financial Reporting Standards Committee constituted under this Act.
- (l) "Government" means the Royal Government of Bhutan.
- (m) "Public Sector Entities" means governments and all publicly controlled or publicly funded agencies, enterprises, and other entities that deliver public programs, goods, or services. It also includes non-governmental organizations, foundations, trusts, charities and civil societies fully or partly funded by the Government; whose loans are approved or guaranteed by the Government; and those receiving funds, grants and subsidies directly or through the Government and collections and contributions from people and fund raised through lottery.
- (n) "Public Sector Accounting Standards Committee" means the Public Sector Accounting Standards Committee constituted under this Act.
- (o) "Honorarium and allowances" mean honorarium, allowances, sitting fees and such other payment of Board and committee members of the Board for services rendered to the Board as prescribed in regulations framed under this Act.
- (p) "Implementation Guide" means guidance on implementing Financial Reporting Standards, Public Sector Accounting Standards and Auditing Standards issued or adopted by the Board based on the International Accounting and Auditing Standards setters.
- (q) "Interpretation" means accompanying interpretations on Financial Reporting Standards and Public Sector Accounting Standards issued by the Board or other International Standard setting bodies.
- (r) "Member Secretary" means Member Secretary of the Board Meeting.
- (s) "Notification" means a notification published in the official Gazette or newspaper or Website.

- (t) "Professional Accountancy Organization" means professional accountancy bodies established under Acts or Charters for developing, promoting and regulating accountancy education and profession.
- (u) "Regulators" means regulatory bodies established under various laws of the Kingdom of Bhutan.
- (v) "Regulations" means regulations framed by the Board under this Act.
- (w) "Secretariat" means the Secretariat of the Board established for carrying out day-to-day activities of the Board.
- (x) "Special Meeting" means a meeting other than the four annual Board meetings called by the Board to discuss specific matters stated in the notice of the meeting.
- (y) "Small and Medium Enterprises" means entities that:
- (a) do not have public accountability; and
 - (b) publish general purpose financial statements for external users.
- (z) "Standing Committee" means a committee established under this Act for carrying out activities that are of permanent nature.
- (aa) "Year" means the period commencing on the 1st day of January of any year and ending on the 31st day of December of the same year.
- (bb) "Vice-Chairperson" means the Vice-Chairperson of the Board elected amongst the Board members under this Act.