



شعبة الترجمة الرسمية  
Official Translation Department

## **Statute of the Saudi Organization for Certified Public Accountants**

Ministerial Resolution No. 416  
March 9, 2021

**Translation of Saudi Laws**



**NOTE:**

The translation of Saudi laws takes the following into consideration:

- Words used in the singular form include the plural and vice versa.
- Words used in the masculine form include the feminine.
- Words used in the present tense include the present as well as the future.
- The word “person” or “persons” and their related pronouns (he, his, him, they, their, them) refer to a natural and legal person.



## Statute of the Saudi Organization for Certified Public Accountants

### Article 1

In this Statute, the following terms shall have the meanings assigned thereto, unless the context requires otherwise:

**SOCPA:** The Saudi Organization for Certified Public Accountants.

**Statute:** SOCPA's Statute.

**Ministry:** Ministry of Commerce.

**Minister:** Minister of Commerce.

**General Assembly:** SOCPA's general assembly.

**Board:** SOCPA's board of directors.

**Chairman:** Chairman of the Board.

**Profession:** The profession of accounting and auditing.

**Certified Public Accountant:** A natural or legal person licensed to practice the profession.

**Professional Registration:** A program approved by the Board to register accounting and auditing professionals.

**Professional Certificates:** Fellowship certificates and other professional certificates awarded to applicants in accordance with the rules approved by the Board.

### Article 2

SOCPA shall have a legal personality and financial and administrative independence and shall operate under the Ministry's supervision. Its headquarters shall be in the city of Riyadh, and it may establish branches and offices within the Kingdom.

### Article 3

SOCPA aims to improve the practice of the profession and raise awareness thereof, monitor the quality of its services, and promote its participation in the national economy and the community. To this end, it shall:

1. set policies and strategies and propose laws and regulations, as determined by the Board;
2. review, develop, and approve accounting and auditing standards and any other relevant standards;
3. organize tests necessary to obtain professional certificates;
4. establish specialized institutes to hold seminars, training courses, and tests, and to issue and translate profession-related periodicals, books, and booklets;
5. monitor the quality of the services rendered;



6. participate in profession-related local and international conferences and committees;
7. organize and monitor the profession and its sub-fields; and
8. provide consultation on profession-related matters.

#### **Article 4**

1. SOCPA membership shall comprise:
  - a) Full members holding SOCPA's fellowship certificates.
  - b) Associate members:
    - i. Holders of a college degree or a diploma in accounting.
    - ii. Professionals registered in the professional registration program.
  - c) Professionals other than certified public accountants who are licensed to:
    - i. Provide accounting services.
    - ii. Provide zakat and tax accounting services.
  - d) Honorary members: they include individuals who are granted honorary membership by the Board for their outstanding contributions to the profession.
  - e) Associate students: they include students who study at universities and colleges and who are registered with SOCPA.
2. The Board shall issue membership rules, including rules for the granting, suspension, and revocation of membership.

#### **Article 5**

1. SOCPA shall have a general assembly that consists of full members who paid their annual membership fees.
2. The General Assembly shall hold an ordinary meeting at least once a year upon a call by the Board and the date of which shall be set at the beginning of SOCPA's fiscal year. It may hold an extraordinary meeting upon the request of 20% or more of its full members or five or more of Board members. The Board shall prepare the General Assembly's agenda, set the meeting's date and venue, and announce it at least 10 days prior to the meeting's date.
3. The General Assembly's meeting shall be chaired by the Chairman or his designee. The General Assembly shall hold its ordinary or extraordinary meetings with the attendance of the majority of its members; if, however, no quorum is present, the General Assembly shall hold another meeting within 30 days following the date of the first meeting and such meeting shall not require a quorum, and its decisions shall be passed by majority vote. In case of a tie, the chairman of the meeting shall have the casting vote.
4. The General Assembly may hold meetings and vote on decisions electronically.

#### **Article 6**

The General Assembly shall have the authority to:

1. approve SOCPA's annual financial statements;
2. approve the investment policy of SOCPA's funds;
3. appoint SOCPA's auditors and determine their fees;
4. approve SOCPA's annual report;



5. elect to the Board Saudi full members;
6. approve the election procedures and eligibility requirements of Board candidates; and
7. discuss other items on its agenda.

#### **Article 7**

1. SOCPA shall have a board of directors composed of the Minister or his designee as chairman and the following members:
  - a) A representative from the Ministry of Commerce.
  - b) A representative from the Ministry of Human Resources and Social Development.
  - c) A representative from the Ministry of Finance.
  - d) A representative from the General Court of Audit.
  - e) A representative from the Capital Market Authority.
  - f) A specialist from the private sector nominated by the Council of Saudi Chambers of Commerce and Industry.
  - g) Three SOCPA full members elected by the General Assembly for a term of three years, renewable once.
  - h) A Saudi faculty member from a Saudi university accounting department nominated by the Minister of Education.
  - i) SOCPA's executive director.
2. The members referred to in paragraph (1)(a), (b), (c), (d), and (e) of this Article shall hold a rank not lower than Grade 14, or its equivalent, and have relevant experience.
3. The membership term of the members referred to in paragraph (1)(f) and (h) of this Article shall be three years, renewable once.

#### **Article 8**

1. The Board shall meet at least twice a year upon a call by its Chairman. The Chairman shall call for an additional meeting if requested in writing by at least four Board members.
2. Board meetings shall not be valid if not attended by the majority of Board members, including the Chairman or his designee. They may, at the Chairman's discretion, be held electronically.
3. Board decisions shall be passed by majority vote of attending members. In case of a tie, the chairman of the meeting shall have the casting vote.
4. A Board decision may be passed by circulation if approved by all members in writing; such decision shall be submitted to the Board at the first subsequent meeting to be recorded in the minutes.

#### **Article 9**

The Board shall oversee the management of SOCPA and the conduct of its affairs. It shall take the necessary decisions to achieve its objectives under this Statute, and shall have the authority to:

1. form professional boards and committees, and approve their regulations and work procedures, including the accounting standards board, auditing standards board, professional performance quality control board,



- examination committee, professional ethics and conduct committee, and other committees;
2. develop and approve accounting standards and auditing standards and other relevant professional standards;
3. grant honorary membership;
4. call for General Assembly meetings;
5. approve relevant policies and strategies as well as plans and programs necessary for their implementation, and complete statutory procedures;
6. pass decisions and rules related to the profession and to SOCPA's jurisdiction;
7. approve financial, administrative, and other internal regulations;
8. determine the fees of membership, professional registration, services provided by SOCPA, as well as the method of payment, within its jurisdiction;
9. set the rules for obtaining a fellowship certificate and professional certificates in any of the profession's sub-fields;
10. organize training courses as well as continuing professional education programs;
11. invest SOCPA's funds, including investments in real estate through ownership and leasing, financial instruments, and in other investments;
12. appoint SOCPA's executive director, and determine his duties, rights and responsibilities, remuneration, and other employment and financial benefits;
13. approve SOCPA's organizational structure;
14. propose amendments to laws and regulations relevant to SOCPA's jurisdiction or to the profession and submit the same to the Ministry for completion of statutory procedures;
15. approve the establishment of SOCPA's branches and offices;
16. approve SOCPA's draft budget and annual plan;
17. prepare SOCPA's financial statements and annual report;
18. accept gifts, donations, grants, bequests, and endowments in accordance with relevant provisions; and
19. review periodic progress reports on SOCPA's activities.

The Board may delegate certain powers to its Chairman or any of its members or to professional committees or boards.

#### **Article 10**

SOCPA's resources shall consist of the following:

1. Annual state allocations.
2. Support provided by the Capital Market Authority and Zakat, Tax, and Customs Authority for any development programs.
3. Gifts, donations, grants, bequests, and endowments accepted by the Board.
4. Returns on investments.
5. Fees for services provided.
6. Annual membership fees.



**Article 11**

SOCPA may open accounts at banks licensed to operate in the Kingdom. Disbursement from such accounts shall be in accordance with its financial regulations.

**Article 12**

The General Assembly shall appoint and determine the fees of an external auditor, or more, licensed to practice the profession in the Kingdom, upon nomination by the Board, provided that SOCPA's auditor, or any of his partners, is not a member of the Board or any of SOCPA's professional committees or boards. Such auditor shall audit SOCPA's accounts, transactions, data, annual budget, and closing accounts. The auditor's report shall be submitted to the General Assembly.

**Article 13**

SOCPA's fiscal year shall commence on January 1 and end on December 31.

**Article 14**

This Statute shall be published in the Official Gazette, and shall enter into force 90 days following its date of publication.