

## NEW ACCOUNTANCY TRACKS FORTHCOMING



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# DEBIT CREDIT

Game breaking changes are forthcoming in the area of accountancy education and the licensure examination process. These new accountancy tracks for the accountancy profession are among the revisions of the Accountancy Law that Board of Accountancy (“BoA”) will be submitting soon to Congress for its legislation

The new tracks start with the taking of any of the four accounting programs in college. The accounting courses that will be available by school year 2018-2019 include BS Accountancy, BS Management Accounting, BS Internal Auditing and BS Accounting Information System. The Commission of Higher Education (“CHED”) , in coordination of the BoA, will be issuing before year end the necessary CHED Memorandum Order to provide the details of these accountancy programs. These programs will provide different options for the accounting student to pursue depending on his or her interest.

In addition to these forthcoming changes in the accountancy education, there will also be a reformatting of the professional licensure examination process. The licensure examination of the future will include two levels of tests, The graduates of the four accounting programs will have to take the first level Certified Accountant (CA) examination. This examination consists of five core accounting subjects, to include Financial Accounting Reporting, Advanced Financial Accounting Reporting, Management Advisory Services, Taxation and Regulatory Framework for Business Transactions. The examinees will have to pass this CA examination to work or practice accountancy. The passers of the CA examination will be authorized to work as accountants in the government, public practice and private sector except to sign auditors certifications and to teach as accounting educators.

Those who want to pursue the aforementioned exempted accountancy work will have to pass the second level Certified Public Accountant (CPA) or Certified Professional Accountant (CPA) examination depending on their educational specialization or attainment. There will be a CPA examination for each of the four accountancy courses or specialization. There will be a CPA examination dwelling for each of the accountancy specialization of auditing, management accounting and accountancy information system, The CPA examination can be taken optionally after three years of meaningful work experience. Once the examinees have passed the Certified Public Accountant exam, they can now be signatories of the external audit certification, while passers of the Certified Professional or Public Accountant exams can qualify as accounting teachers.

The new licensure examination consisting of both the CA and CPA examinations are expected to start by year 2023.

The changes being made are intended to address the demands and requirements of industry and the accountancy profession of having accounting professionals. There is now the need for accountants to have specialized skills and a more practical experience and mind set..

These changes will also provide more focused options for those desiring to pursue accountancy education and careers. Unlike the present situation where there is only one option of taking the BS Accountancy course as the first step in being an accountant, the academic and licensure track of the future will present more options to cater to the interest and competence of the future accountant.

With these changes in place, our future accounting professionals twill be more qualified and prepared o meet the growing demands of the local and global community..

These changes are in line with the objective of the Six Point Expanding Horizons (EH) Strategic Plan (EH Strategic Plan) of elevating the Filipino accountant and the accountancy profession to a level that exceeds global standards.

The measures under the EH Strategic Plan are:

1. Institute quality and governance measures
2. Effectively regulate the profession
3. Enhance image and reputation of the accounting professional
4. Enhance stakeholders' involvement and cooperation
5. Institute structural changes
6. Provide communication and assistance mechanisms

Details of the EH Strategic Plan can be downloaded at <http://boa.com.ph/projects/>



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*This column accepts contributions from accountants, especially articles that are of interest to the accountancy profession, in particular, and to the business community, in general. These can be e-mailed to [boa.secretariat@gmail.com](mailto:boa.secretariat@gmail.com)*