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DEBIT CREDIT

EXCEEDING GLOBAL STANDARDS

The accountancy profession in the Philippines is in a vibrant mood.. In 2016 and continuing this year, there were several milestones that arose which affected a large sector of the profession. The Board of Accountancy (BoA) led the profession in the major developments and was focused on implementing its “Six Point Expanding Horizons (EH) Strategic Plan.” The EH Strategic Plan prescribes six strategies that will propel the accountancy profession to higher levels of attainment and recognition.

In terms of the first strategy of “Instituting Quality and Governance Measures”, the highlight in is the conferment to the Accountancy Profession three prestigious awards - the Performance Governance System Institutionalized Sector, the Seal of Islands Good Governance and the Gold Trailblazers Award - by the Institute for Solidarity Asia on March 29, 2016. The Continuing Professional Development (CPD) program was enhanced to meet the global standards, including the 120 hours of CPD. Last year, there were 8,255 new Certified Public Accountants (CPAs) who joined the ranks of the profession. This number represented a passing percentage of about 38%.

The BoA pursued the third strategy to “Effectively Regulate the Profession” by prescribing measures on accreditation of CPAs in Commerce and Industry, submission of the Certificate of Compilation Services, the accreditation of the Partners and professional staff of partnerships and firms, the inspection of the offices of practitioners, imposition of deadline for submission of financial statements for audit, engagement reporting, the monthly posting of the list of accredited CPAs in the BoA website and coordination with other regulators. The implementation of the long delayed Quality Assurance Review of the work of auditors has started..

Strategy 2 of “Enhance the Image and Reputation of the Accounting Professional” was attained with the continued exposure of the video “I am Accountant” in the various events of the accountancy organizations. The weekly publication of newspaper column “Debit Credit” in the Business Mirror and the release of the new issues of the News Ledger magazine and Highest Standards Technical Journal contributed towards projecting the image of the Filipino professional accountant here and abroad.

Throughout the year, the fourth strategy to “Enhance Stakeholders Involvement and Cooperation” was pursued with various engagements with the stakeholders in the Philippines and abroad. The preparation for the full implementation of ASEAN Mutual Recognition Arrangement continued in 2016. I also was elected last April 2016 for a three-year term to the United Nations Conference on Trade and Development Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting.

There were several initiatives to move the fifth strategy to “Institute Structural Changes” including conducting dialogues with stakeholders on revisions of the Accountancy Law and the new Accountancy Academic

Learning and Examination Tracks. The new standard on Expanded Auditors Report was released last year and changed the audit landscape.

The sixth strategy to “Provide Communication and Assistance Mechanisms” was attained with a large number of accountants keenly following the developments in the profession as posted in the BoA website and Face Book. The three sectoral surveys and New CPA Tracker survey continued in 2016.

The Philippine accountancy profession and accounting professional definitely is on its way to exceeding global standards.

Chairman Joel L. Tan-Torres is the chairman of the Professional Regulatory Board of Accountancy. He is a Certified Public Accountant who placed No. 1 in the May 1979 CPA Board Examinations. He is concurrently a tax partner of Reyes Tacandong & Co., CPAs. He was the former Commissioner of the Bureau of Internal Revenue from 2009 to 2010.

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