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Travelling 40,000 kilometers

My recent travel to a number of global accountancy events took me to five countries for a distance of about 26,990 miles or 43,400 kilometers in a span of thirteen days, I just realized when I returned to the Philippines that flying around the world will take less distance of 24, 901 miles or 40,000 kilometer than what I travelled. These are amazing statistics, including that I went to countries (namely, United States of America (USA) , Russia, Austria, Romania and United Arabs Emirates) that most of which a typical Filipino will not be visiting and flying on airlines (such as Aerofloat and Air Serbia) that I never imagined I would take in my foreign trips.

This back breaking itinerary also included my meetings with eight accountancy related organizations in the New York (NY) and Vienna in a span of nine working days (and a below freezing day before the big snow storm in NY). But all the effort and body aches were all worth it, I was able to get updates the latest developments in a number of major accounting and audit issues. I also networked with several accountancy luminaries and personalities. In all the meetings, I was also able to share with my counterparts the many exciting things happening in the Philippine accountancy scene.

The first leg of my trip was in New York, USA. On March 6, 2017, I observed the International Ethics Standards Board for Accountants (IESBA) Consultative Advisory Group (CAG) meeting held in the International Federation of Accountants (IFAC) office in the 5th Avenue in NY. Discussed during the meeting were issues on professional skepticism and the exercise of professional judgment by accountants. There were also discussions on the transformative effect of trends and developments in (a) technology and innovation on the accounting and finance function and the (b) changes in business models and their ethical implications for the global accountancy profession. Two exposure drafts for comments were presented, to include the draft on “Improving the Structure of the Code of Ethics for Professional Accountants –Phase 2”, which was issued in January 2017 and is open for comment through May 25, 2017 (<https://www.ifac.org/publications-resources/improving-structure-code-ethics-professional-accountants->) and a draft on “Proposed Revisions Pertaining to Safeguards in the Code and Related Conforming Amendments” ([/www.ifac.org/publications-resources/proposed-revisions-pertaining-safeguards-code-phase-2-and-related-conforming](http://www.ifac.org/publications-resources/proposed-revisions-pertaining-safeguards-code-phase-2-and-related-conforming)), which was issued in January 2017 and is open for comment through April 25, 2017 . I suggest to my fellow CPAs to take a few minutes to read these two exposure drafts and provide comments to IESBA before the deadline dates. I met with the Chairman of the IESBA CAG chairman Kristian Kotkvedgaard.

From March 7 to 8, 2017, I attended the International Auditing and Assurance Standards Board (IAASB) CAG meeting presided by its Chairman Prof. Arnold Schilder. The meeting was held also in the IFAC office in NY.

There were discussions on the revisions of International Standard on Auditing (ISA) 540 on Accounting Estimates; ISA 315 on “Risks of Material Misstatement through Understanding the Entity and Its Environment”; Small and Medium Practice; Data Analytics and Islamic Finance and Accounting. Engagement Quality Control Reviews and Quality Management Practice. All of the topics discussed during the meeting has or will have impact on the Philippine accountancy profession.

Before leaving IFAC, I met Adrian Lim, who is the one responsible for maintaining the “Statement of Members Obligation”(SMO) of the Asian countries, including the Philippines. The SMO is a set of seven benchmarks that are globally recognized as a framework for strong, credible, and high-quality professional accountancy organizations. We discussed that the Board of Accountancy and the Philippine Institute of CPAs will provide updated information on the SMO of the Philippines. For more details on the SMO, you can go to the link <https://www.ifac.org/publications-resources/statements-membership-obligations-smos-1-7-revised>.

It was a very informative experience to observe the goings on in IFAC. It validated my thinking that there are so many developments in the global accountancy area. The accountancy profession in the Philippines should not fall behind on these developments

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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