



Republic of the Philippines
Professional Regulation Commission
Manila



PROFESSIONAL REGULATORY BOARD OF ACCOUNTANCY

Resolution No. 57
Series of 2023

2023 REVISED RULES AND REGULATIONS ON THE CONDUCT OF AN OVERSIGHT INTO THE QUALITY OF AUDITS OF FINANCIAL STATEMENTS AND OPERATIONS OF CERTIFIED PUBLIC ACCOUNTANTS PRACTITIONERS BY THE PROFESSIONAL REGULATORY BOARD OF ACCOUNTANCY, AND DESIGNATING THE PHILIPPINE INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS (PICPA) AS THE IMPLEMENTING ARM OF THE QUALITY ASSURANCE REVIEW (QAR) PROGRAM

WHEREAS, on 04 December 2015, the Professional Regulation Commission (PRC/Commission) approved Professional Regulatory Board of Accountancy (Board) Resolution No. 244 (s. 2015), adopting the *Revised Rules and Regulations for the conduct by the Professional Regulatory Board of Accountancy of Oversight into the Quality of Audits of Financial Statements and Operations of CPA Practitioners*, appended as Annex "A" of said Resolution;

WHEREAS, the Board is mandated under Section 9 (g) of Republic Act (R.A.) No. 9298, otherwise known as the "Philippine Accountancy Act of 2004", to monitor the conditions affecting the practice of accountancy and adopt such measures, including promulgation of accounting and auditing standards, rules and regulations and best practices as may be deemed proper for the enhancement and maintenance of high professional, ethical, accounting and auditing standards;

WHEREAS, under Section 9 (h) of the aforementioned law, the Board is also empowered to conduct an oversight into the quality of audits of financial statements through a review of the quality control measures instituted by auditors in order to ensure compliance with the accounting and auditing standards and practices;

WHEREAS, the Philippine Institute of Certified Public Accountants (PICPA) is the Accredited Integrated Professional Organization (AIPO) of Certified Public Accountants (CPAs) duly recognized by the PRC and the Board.

WHEREAS, under Section 15 (c) of Commission Resolution No. 1089 (s. 2018), PICPA, as an AIPO, shall represent the accountancy profession in the Philippines, and, as such, it is responsible to improve the standards of the accountancy profession through active collaboration with the Board and the Commission;

WHEREAS, PICPA is a member-organization of the International Federation of Accountants (IFAC), an international association for the accountancy profession that supports the development, adoption, and implementation of high-quality international standards, through the issuance of Statement of Membership Obligations (SMO) which member-organizations must fulfill in the context of the degree of their responsibility for each of the SMO;

WHEREAS, SMO 1 sets out the requirements of an IFAC member-organization with respect to quality assurance review systems for its members, who perform audits, review, other assurance and related services;

[Handwritten signatures of six individuals]

PROFESSIONAL REGULATORY BOARD OF ACCOUNTANCY

Resolution No. 57 (s. 2023)

2023 Revised Rules and Regulations on the Conduct of an Oversight into the Quality of Audits of Financial Statements and Operations of Certified Public Accountants Practitioners by the Professional Regulatory Board of Accountancy, and Designating the Philippine Institute of Certified Public Accountants (PICPA) as the Implementing Arm of the Quality Assurance Review (QAR) Program
Page 2 of 3

WHEREAS, under the *Applicability Framework* of the IFAC on shared responsibility of a member-organization with government, regulators, or other appointed authorities on the compliance of SMO, the mandate is explicitly given to the IFAC member-organization or otherwise implied through general consensus, which specifies that it has some responsibility for the area relating to the SMO; the IFAC member-organization has direct responsibility to implement all the requirements of the SMO;

WHEREAS, pursuant to the power of the Board under Section 9 (g) and (h) of R.A. No. 9298, and the direct responsibility of the PICPA to implement SMO 1, being the AIPO of the accountancy profession, it is deemed necessary to designate the PICPA as the Implementing Arm of the Quality Assurance Review (QAR) Program in the Philippines;

WHEREAS, in view of the adoption of a Revised SMO by the IFAC on July 2022, the fast-changing developments in the practice of public accountancy in the Philippines, including changes in the auditing standards on the quality management for audit of financial statements, the Board deemed it necessary to revisit Annex "A" of Board Resolution No. 244 (s. 2015);

WHEREAS, in collaboration with the PICPA, the Board conducted series of face-face and virtual public consultations with various stakeholders held on different dates and venues to discuss the proposed revisions and to elicit from them their views and comments;

WHEREAS, the Board and the QAR Council lengthily discussed the pros and cons of the views and comments gathered from the stakeholders for consideration in the proposed revisions to Annex "A" of Board Resolution No. 244 (s. 2015).

WHEREFORE, for and in consideration of the above premises, the Board **RESOLVES**, as it is hereby **RESOLVED**, to endorse for the approval of the Commission, the "**2023 Revised Rules and Regulations on the Conduct of an Oversight into the Quality of Audits of Financial Statements and Operations of Certified Public Accountants (CPAs) Practitioners by the Professional Regulatory Board of Accountancy**", hereto appended as **Annex "A"** of this Resolution.

This Resolution and Annex A shall take effect immediately following its publication in the Official Gazette or in any newspaper of general circulation in the country, and that it shall have a retroactive effect.

Let a copy of this Resolution and Annex A be further furnished the University of the Philippines Law Center, PICPA, and such other relevant offices for their information and guidance.

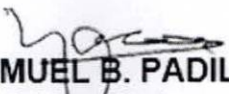
Done this 15th day of December 2023 in the City of Manila.


NOE G. QUINANOLA
Chairman


PROFESSIONAL REGULATORY BOARD OF ACCOUNTANCY

Resolution No. 57 (s. 2023)

2023 Revised Rules and Regulations on the Conduct of an Oversight into the Quality of Audits of Financial Statements and Operations of Certified Public Accountants Practitioners by the Professional Regulatory Board of Accountancy, and Designating the Philippine Institute of Certified Public Accountants (PICPA) as the Implementing Arm of the Quality Assurance Review (QAR) Program
Page 3 of 3


SAMUEL B. PADILLA
Vice-Chairman


GLORIA T. BAYSA
Member


THELMA S. CIUDADANO
Member


GERVACIO I. PIATOR
Member


MARIA TERESITA Z. DIMACULANGAN
Member

VACANT
Member


ATTESTED BY:


Atty. Lovelika T. Bautista
Chief, PRB Secretariat Division

APPROVED:


CHARITO A. ZAMORA
Chairperson


JOSE Y. CUETO, JR.
Commissioner


ERWIN M. ENAD
Commissioner

DATE OF PUBLICATION IN THE

BUSINESS MIRROR

EFFECTIVE DATE:

DEC 19 2023

IMMEDIATELY



Republic of the Philippines
Professional Regulation Commission
Manila



2023 REVISED RULES AND REGULATIONS ON THE CONDUCT OF AN OVERSIGHT INTO THE QUALITY OF AUDITS OF FINANCIAL STATEMENTS AND OPERATIONS OF CERTIFIED PUBLIC ACCOUNTANT (CPA) PRACTITIONERS BY THE PROFESSIONAL REGULATORY BOARD OF ACCOUNTANCY (BOA)

Pursuant to Section 9 (g) of Republic Act No. 9298, otherwise known as the "Philippine Accountancy Act of 2004," the Professional Regulatory Board of Accountancy hereby promulgates, with the approval of the Professional Regulation Commission, the following Rules and Regulations to carry out effectively the provisions of Section (9) (g) relative to the adoption of best practices for the enhancement and maintenance of high professional, ethical and auditing standards and Section 9 (h) relative to the conduct of oversight into the quality of audits of financial statements.

**Rule I
TITLE AND DEFINITIONS**

Section 1. These Rules and Regulations shall be known and cited as the "2023 Rules and Regulations for the QAR Program."

Section 2. Definition of Terms. Unless otherwise expressly provided, the following terms shall be understood to mean:

- a. *PRB-ACC*— refers to the Professional Regulatory Board of Accountancy.
- b. *CPA Practitioners* —the collective term used in referring to an individual CPA or Partnership of CPAs engaged in the practice of public accountancy in the Philippines duly accredited with the PRB-ACC.
- c. *Quality- Assurance Review (QAR)* - a study, appraisal or review by an independent QAR Office (QARO) of the quality of audit of financial statements and the adoption of best practices through a review of the quality control measures instituted by CPA Practitioners to ascertain compliance with prescribed professional, ethical and technical standards of public practice.
- d. *QARO Associates* – comprise of all QARO personnel, QA reviewers, engaged on a permanent or contractual basis.
- e. *Accredited Integrated Professional Organization (AIPO)*- the professional organization of CPAs duly recognized by the PRC and PRB-ACC. The present AIPO for CPAs is the Philippine Institute of Certified Public Accountants (PICPA).

**Rule II
QUALITY ASSURANCE REVIEW COUNCIL /OFFICE**

Section 3. In the fulfillment of PICPA's shared responsibility to comply with the requirements specified in SMO 1, being a member-organization of the IFAC, subject to the oversight power of the PRB-ACC over the conduct of the QAR program, the PICPA shall organize a unit called the Quality Assurance Review Office (QARO). For purposes of the QAR implementation, the QARO shall have independence in the conduct of its operation.

Section 4. To monitor and ensure that the PICPA, through its QARO, is effectively implementing the QAR Program, the PRB-ACC shall establish a Quality Assurance Review Council (Council) to be composed of four (4) members of the PRB-ACC, four (4) representatives from PICPA, all of whom shall be selected by the Chairman of the PRB-ACC from its incumbent members and from the nominees of PICPA, and the

PICPA President or his duly authorized representative, respectively. The Council shall have the full power and authority to set policies and to supervise the operation of. The duties and responsibilities of the Council are as follows:

- a. To set policies and change or modify the guidelines herein set forth, that will ensure effective implementation of the QAR Program subject to the approval of the PRB-ACC;
- b. To maintain independence in the operations of the QARO;
- c. In consultation with the PRB-ACC, PICPA and other stakeholders, set/adjust the registration fees and other similar fees in order to sustain the operations of the QARO.
- d. To monitor the quality of QAR review conducted by the QARO;
- e. To discuss with the QARO how to avoid the overlapping of the various quality review programs;
- f. To establish a compliance framework to be used by the QARO in carrying its duties;
- g. To recommend to PICPA the hiring of the Chief Inspector and Administrative Officer of the QARO and including other personnel based on the qualifications set herein;
- h. To recommend to the PRB-ACC a rolling of the three-year QAR plan;
- i. To oversee the implementation of the approved QAR plan through the QARO;
- j. To obtain technical advice on the subject of quality assurance when needed and appropriate;
- k. To evaluate and decide the reports, issues and recommendations of the Chief Inspector;
- l. To submit to the PRB-ACC the findings and actions taken by the QARO relative to the QAR plan; and
- m. To submit the annual report of its accomplishment to the PRB-ACC and PICPA.

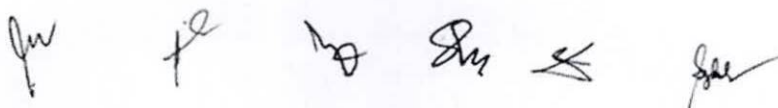
Section 5. Chairmanship and Term of Office of the Council Members. The Chairperson of the Council shall be appointed by the PRB-ACC. The term of the Chairperson and members shall not exceed three (3) years, unless earlier replaced by the PRB-ACC. The Chairperson and members of the Council should not be in active practice of public accountancy during their term in the Council.

Section 6. QARO Personnel. The QARO's personnel shall be composed of the Chief Inspector, Administrative Officer, and such other employees that may be necessary to carry out effectively the functions of the QARO. They shall be appointed by the PICPA upon the recommendation of the Council.

Section 7. Term of Office of QARO Personnel. The QARO Chief Inspector, the Administrative Officer, Quality Assurance Reviewers and other staff and employees shall enjoy security of tenure and may be removed only by PICPA for just and authorized causes recognized under the labor and other laws.

Section 8. Qualifications of the Chief Inspector of the QARO. The appointee to the Chief Inspector of the QARO, must have the following qualifications:

- a. Must have reached at least the level of senior manager of an accounting firm that has handled publicly listed companies as audit clients;



- b. Must be independent from the CPA practitioners that will be covered by the QAR Program;
- c. Must have at least ten (10) years of experience in the practice of public accountancy;
- d. Must be of good moral character and has a current license as a CPA;
- e. Must not have been found guilty of violating any professional, ethical or regulatory auditing standard; and
- f. Must have good oral and written communication skills, being especially adept at report writing.

Section 9. Duties and Responsibilities of the Chief Inspector of the QARO.

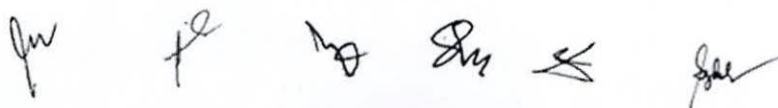
- a. Exercises administrative supervision and control over the QARO;
- b. Assists the Council in determining the Quality Assurance policies;
- c. Schedule the CPA Practitioners to be reviewed for the year, in accordance with the three-year QAR plan;
- d. Approves the QAR plan for each CPA practitioner selected for review, which must set forth the nature, extent and timing of such review;
- e. Reviews and approves the QAR reports;
- f. Consult and report to the Council highly critical matters arising from the inspection;
- g. Assists the Council in preparing the Annual Report;
- h. Recommends to the Council and PICPA the appointment and/or termination from service of QARO personnel as well as appropriate disciplinary action to be taken;
- i. Supervises the Training Program for Quality Assurance Reviewers;
- j. Supervises the Accreditation process for the Quality Assurance Reviewers; and,
- k. Performs such duties and functions as the Council may assign.

Section 10. Qualifications of the Administrative Officer of the QARO. The appointee to the Administrative Officer position of the QARO must have the following qualifications:

- a. Must have adequate experience in administration and human resource development;
- b. Must be independent from the CPA practitioners that will be covered by the QAR Program;
- c. Must have experience in the practice of public accountancy;
- d. Must be of good moral character and has current license as a CPA;
- e. Must not have been found guilty of violating any professional, ethical or regulatory auditing standard; and
- f. Must have good oral and written communication skills, being especially adept at report writing.

Section 11. Duties and Responsibilities of the Administrative Officer. The Administrative Officer is responsible for the non-technical aspect of the QAR program and shall report to the Chief Inspector. The main duties of the Administrative Officer include:

- a. Serves as the administrative officer of the QARO;
- b. Supervises the registration of CPA Practitioners in their respective categories;



- c. Supervises the collection of registration fees;
- d. Supervises the preparation of the regular financial reports of the QARO;
- e. Supervises the administrative aspect of training of QARO personnel;
- f. Supervises communications to all practitioners; and
- g. Performs such functions as may from to time be assigned by the Chief Inspector.

Section 12. Quality Assurance Reviewers. The QARO shall employ a pool of permanent Quality Assurance Reviewers and/or enter into contract of service with Accredited Quality Assurance Reviewers who shall be responsible for the field work of a QAR assignment. They shall be screened and selected by the Council upon recommendation of the Chief Inspector. They shall have the following qualifications:

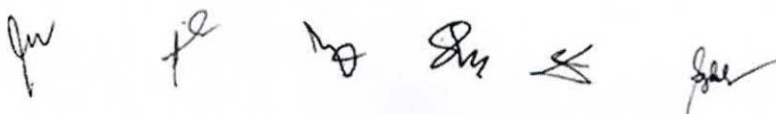
- a. Must have at least two (2) years of experience in the statutory or regulatory audit of companies, or teaching financial accounting and practical auditing in a CHED-recognized educational institution or in the corporate financial reporting or internal auditing function;
- b. Must not have been terminated from the employment as an auditor due to incompetence or below average rating;
- c. Must be of good moral character and has a current license as a CPA;
- d. Must not have been found guilty of violating any professional, ethical or regulatory auditing standard;
- e. Must have good oral and written communication skills, being especially adept at report writing;
- f. Must have completed the training program for Quality Assurance Reviewers; and
- g. Must have completed the accreditation process that shall be implemented by the QARO.

The training program for the Quality Assurance Reviewers and the accreditation process shall be recommended by the Council to the PRB-ACC for its approval.

Rule III SCOPE OF COVERAGE, REGISTRATION AND CATEGORY OF CPA PRACTITIONERS IN THE QAR PROGRAM

Section 13. Scope of Coverage of the QAR Program:

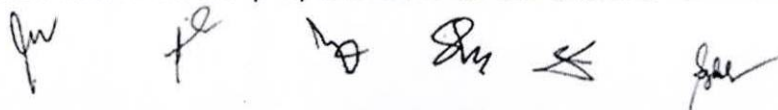
- a. It covers all CPAs in public practice, whether an individual practitioner or a partnership duly accredited by the PRB-ACC.
- b. It only applies to engagements where a CPA practitioner performs audit of financial statements.
- c. All other engagements, other than performing audit of financial statements are not covered by the QAR program.
- d. The covered audit engagements shall be those signed by the audit partner, issued and appropriately archived prior to the actual date of the QAR inspection.
- e. The QAR inspection shall cover both at the firm and engagement-level system of quality management (SOQM) review. For some aspects of the SOQM, if individual small practitioners determine that there is no need to establish firm-wide responses, it may instead design and implement system of quality management at the engagement level.



- f. The QAR inspection will be based on the PSQM requirements which should have been adopted and implemented by the CPA Practitioner by December 15, 2022.
- g. Those who have already put in place the required SOQM Manual, shall indicate their compliance in the registration form during the 2023 registration.
- h. Covered CPA Practitioners who are not compliant are given until December 31, 2024 to comply with the required SOQM Manual. Failure to comply within the extended period shall be a ground for the imposition of fines, or suspension, revocation or non-renewal of BOA accreditation.
- i. In cases when the CPA Practitioner is new in the practice, the CPA Practitioner is required to have the SOQM Manual designed and implemented at the start of the pre-acceptance procedures.

Section 14. Guidelines in the Registration to the QAR Program.

- a. For an effective implementation of the QAR program, all covered CPA practitioners whether previously registered or not, shall be required to apply for an annual registration with the QARO using the prescribed registration form and pay an annual registration fee to support the annual operating expenses of the QARO and the Council equitably allocated based on the category of the covered CPA Practitioner as stated in Section 16 hereof. The 2024 annual registration shall be from July 1 to December 31, 2023. The details of the registration process shall be announced by the QARO in due time.
- b. A Certificate of Registration shall be issued to all approved applications for registration with the CPA Practitioner Category/Sub-Category indicated therein.
- c. The validity period of the Certificate of Registration shall be from January 1 to December 31 of each year.
- d. The registration shall be renewed annually together with the payment of the annual registration fee, not later than December 31 of each year, for as long as the CPA Practitioner performs audit function.
- e. Change in the registration category should be done only upon the renewal of the registration.
- f. The annual registration fees paid by those who have previously registered and who filled-up the written consent forms with validated official receipts, shall be applied/credited to their 2024 annual registration fee.
- g. Any false or incomplete information provided in the registration form and non-compliance of the continuing annual registration shall be a ground for the imposition of fines or the non-renewal, suspension or revocation of the CPA Practitioner's accreditation with the PRB-ACC.
- h. Covered CPAs applying for initial accreditation with the PRB-ACC shall first secure a certified true copy of the Certificate of Registration to be issued by the QARO before their applications can be processed by the Accreditation and Compliance Division (ACD) of the PRC. For those renewing their accreditation with the PRB-ACC, they must, at the time of the renewal, secure from QARO a certified true copy of any of the following : 1) Certificate of Registration if the applicant is not yet subjected to QAR; or 2) Provisional Certificate of QAR Compliance, if the applicant is undergoing remediation process; or 3) Certificate of QAR Compliance, if the applicant has satisfactorily passed the QAR inspection or has completed and complied with all the findings and recommendations of the QAR Inspection Team , before their applications can be processed by the ACD of the PRC.
- i. If the CPA Practitioner is new in the practice during the initial registration year, the registration fee shall be proportionate to the number of months remaining until



December 31 reckoned from the date of the issuance of their Certificate of Accreditation.

Section 15. Category of CPA Practitioner for Registration Purposes. To guide the Council and the QARO, the CPA Practitioners should be registered in accordance with the following category:

- Category A- Six Large Audit Firms
- Category B - Audit Firms with ten (10) Audit Partners or more
- Category C - Audit Firms with six (6) up to nine (9) audit partners
- Category D - Audit Firms with two (2) up to five (5) audit partners
- Category E - Individual Practitioners with 51 clients and above
- Category F – Individual Practitioners with less than 51 clients

Section 16. Category of CPA Practitioner for Annual Registration Fee Purposes.

- a. In the determination and setting up of the annual registration fees, the Council shall be guided by the following category of CPA Practitioner.

| Category | Sub-Category | |
|--|---------------------------------------|--|
| | A-1 with 51 or more audit partners | |
| | A-2 with 50 partners and below | |
| Category B Audit Firms-with ten (10) audit partners or more | B-1 with over 200 clients | |
| | B-2 with 101 to 200 clients | |
| | B-3 with 1 to 100 clients | |
| Category C Audit Firms with six (6) up to nine (9) audit partners | C-1 with over 200 clients | |
| | C-2 with 101 to 200 clients | |
| | C-3 with 1 to 100 clients | |
| Category D Audit Firms with two (2) up to five (5) audit partners | D-1 with over 200 clients | |
| | D-2 with 101 to 200 clients | |
| | D-3 with 51 to 100 clients | |
| | D-4 with 1 to 50 clients | |
| Category E Individual Practitioners with 51 clients and above | E-1 with over 200 clients | |
| | E-2 with 101 to 200 clients | |
| | E-3 with 51 to 100 clients | |

[Handwritten signatures]

| | | |
|---|--|--|
| Category F Individual Practitioners with less than 51 clients | F-1 with 26 to 50 clients <ul style="list-style-type: none">• Registration fee for the first 3 years• Registration fee after 3 years | |
| | F-2 with 11 to 25 clients <ul style="list-style-type: none">• Registration fee for the first 3 years• Registration fee after 3 years | |
| | F-3 with 1 to 10 clients <ul style="list-style-type: none">• Registration fee for the first 3 years• Registration fee after 3 years | |

- b. The annual registration fee may be adjusted by the Council in succeeding years depending on the funding requirements of the QAR program to be approved by the PRB-ACC subject to the condition provided in Section 4 (c) hereof.
- c. The funds/fees collected by the QARO from the QAR shall be subject to annual audit by an independent CPA to be selected by PICPA.

Section 17. QAR Inspection Guidelines- The following guidelines in the conduct of inspection of covered CPA Practitioners should be observed:

- a. Only those CPA Practitioners falling under Category A up to Category E, shall be subject to the QAR inspection starting January 2024 and during the first three (3) years of the implementation.
- b. CPA Practitioners falling under Category F, shall be subject to the QAR inspection, only after the lapse of the said three (3) year period to start on January 2, 2027.
- c. CPA Practitioners under Category F, have the option to submit themselves to the QAR inspection during the said three (3) year period, in which case they are subject to the guidelines issued hereof.
- d. Frequency of Inspection- For Category A to Category F - once every three (3) years.
- e. Mode of Inspection-On-site inspection
- f. Inspection Notification – at least 60-days before the start of inspection.
- g. Classification of Inspection Findings (Applicable at the Firm and Engagement Level) - Categorized inspection findings as “with no findings”, “opportunities for improvement or enhancements”; or “significant audit deficiencies”. A Certificate of QAR Compliance shall be issued for those with no findings and those that satisfactorily completed their remediation process as determined by the Chief Inspector.
- h. Remediation Process - The maximum remediation period for the inspection findings to be resolved is 18-months from the receipt of the Final Inspection and Report.
- i. Inspection findings that are unresolved within the allowed period of remediation; inspection findings with remedial action that were deemed not satisfactory as determined by the Inspection Team; and/or contested inspection findings that attained finality in favor of the inspection Team 's position and the auditees refuse to remediate, shall be endorsed by the Chief Inspector to the Council for appropriate action.

[Handwritten signatures]

Section 18. Confidentiality of Information. *All documents and information obtained, including personal data, and work/ reports in connection with its inspection activities are privileged and confidential and shall not be disclosed or divulged except only for purposes of determining whether or not to impose sanctions for violation of these Rules and Regulations or upon order of a court of competent jurisdiction. As a matter of policy, the Council and all QARO Associates shall be made to sign a non-disclosure statement.*

Section 19. Publication of and conduct of briefings on the general observations to improve the quality of work of CPA Practitioners. Since the objective of the QAR is to assist in the enhancement of the practice of public accountancy, the Council shall publish a detailed report containing general observations and recommendations that will help in improving the quality of work of CPA Practitioners This report shall be based on the reports from the QARO and shall be published annually or any other period that the PRB-ACC may prescribe. The QARO shall regularly conduct briefings, seminars and capacity building to update the CPA Practitioners on measures to improve the public accountancy practice and the latter shall be entitled to earned CPD units.

Rule IV PENALTY AND SANCTIONS

Section 20. General Penalties and Sanctions. The general penalties and sanctions for violation of any provisions of these Rules and Regulations shall be in accordance with the penalty provided for under Section 36 of Republic Act No. 9298 or the Philippine Accountancy Act 2004 which provides that, "Any person who shall violate any of the provisions of this Act or any of its implementing rules and regulations as promulgated by the Board subject to the approval of the Commission, shall, upon conviction, be punished by a fine of not less than Fifty Thousand pesos (P50,000.00) or by imprisonment for a period not exceeding two (2) years or both ," without prejudice to the imposition of administrative penalties of warning, admonition, fine, suspension or cancellation of the professional license as a CPA.

Section 21. Administrative Penalties and Sanctions on violations pertaining to registration. For failure of a CPA Practitioner to register or renew his/ her annual registration with the QARO without valid grounds, the CPA Practitioner shall be imposed the administrative penalties for violation of the provisions of these Rules and Regulations as follows:

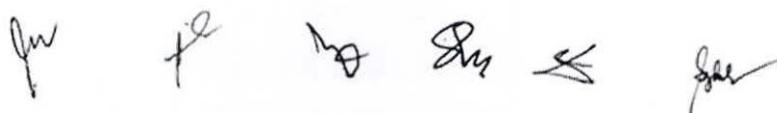
First Offense - Warning

Second offense - Fines to be determined by the Council to be approved by the PRB-ACC /non-renewal of accreditation

Third Offense - Suspension of Accreditation

Fourth Offense - Cancellation of Accreditation

Section 22. Schedule of penalties and sanctions on the findings of discrepancies or non-compliance to standards. Without prejudice to the provision of Section 20 and non-renewal, suspension or cancellation of accreditation after the lapse of the QAR developmental period, the Council shall recommend to the PRB-ACC the Schedule of Penalties and Sanctions that shall be imposed on CPA Practitioners who may be determined to have not met the standards of the QAR based on the reports and findings of the Quality Assurance Reviewers. The PRB-ACC shall recommend to the PRC for the approval of the Schedule of Penalties and Sanctions.



Rule V
MISCELLANEOUS PROVISIONS

Section 23. Separability clause. If any provision or part thereof of these rules and regulations shall be declared invalid or unlawful, such judgment shall not affect, invalidate or impair any part hereof, but shall merely be confined to the provision or part directly involved in the judgment.

Section 24. Repealing clause. All rules, regulations and issuances or parts thereof that are inconsistent with the provisions of these Rules and Regulations are hereby repealed or modified accordingly.

Section 25. Effectivity. These Rules and Regulations shall take effect immediately following its publication in the Official Gazette or in any major newspaper of general circulation, and that it shall have retroactive effect.

Let copies hereof be further furnished the University of the Philippines Law Center, PICPA, and such other relevant offices for their information and guidance.

Done this 15th day of December 2023, City of Manila.


NOE G. QUINANOLA
Chairman


SAMUEL B. PADILLA
Vice Chairman


GLORIA T. BAYSA
Member


THELMA S. CIUDADANO
Member


GERVACIO I. PIATOR
Member


MARIA TERESITA Z. DIMACULANGAN
Member

VACANT
Member

ATTESTED BY:


Atty. Lovelika T. Bautista
Chief, PRB Secretariat Division

APPROVED:


CHARITO A. ZAMORA
Chairperson


JOSE Y. CUETO JR.
Commissioner


ERWIN M. ENAD
Commissioner

DATE OF PUBLICATION IN THE
BUSINESS MIRROR DEC 19 2023
EFFECTIVE DATE: IMMEDIATELY