



Republic of the Philippines
Professional Regulation Commission
Manila

PROFESSIONAL REGULATORY BOARD OF ACCOUNTANCY
RESOLUTION NO. 163
Series of 2017

**DEFERMENT OF THE IMPLEMENTATION OF PARAGRAPHS 13 AND 14 (4) OF
RESOLUTION NO. 2016-68, IN RELATION TO RESOLUTION NO. 2016-03, AS AMENDED,
ON THE REQUIREMENT FOR EXTERNAL AUDITORS TO NOTIFY THE
BOARD OF ACCOUNTANCY OF ANY OMISSION OR NON-COMPLIANCE
WITH THE PROVISIONS THEREIN, AND PROVIDING FOR STAKEHOLDERS
CONSULTATION AND DIALOGUE FOR SUCH PURPOSE**

WHEREAS, Republic Act (R. A.) No. 9298, also known as the Philippine Accountancy Act of 2004, provides for the power of the Professional Regulatory Board of Accountancy (Board) to supervise the registration, licensure and practice of accountancy in the Philippines; and to monitor the conditions affecting the practice of accountancy and adopt such measures, including the 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, pursuant to such mandate, the Board of Accountancy (Board) issued Resolution No. 2016-03, as amended by Resolution Nos. 2016-68 and 2016-115, on the requirement to submit Certificate on the Compilation Services (Certificate) for the preparation of Financial Statements (FS) and notes thereto by the responsible Certified Public Accountant (CPA). This Resolution further requires external auditors to notify the Board of any omission or non-compliance with the provisions therein set forth, including the failure of the audit client to engage a duly accredited Certified Public Accountant (CPA) who shall be responsible for the preparation of the Financial Statement (FS); non-attachment of the Certificate in the annual statutory FS, and such other violations under the foregoing Resolutions;

WHEREAS, while there were preliminary consultations prior to the issuance of Resolution No. 2016-03, as amended, there are still issues that need clarification;

WHEREAS, the Board met on March 9, 16 and 27, 2017 to discuss and resolve the operational issues involving Resolution No. 2016-03, as amended;

WHEREFORE, upon these premises, the Board **RESOLVES**, as it is hereby **RESOLVED**, to defer the implementation of paragraphs 13 and 14 (4) of Resolution No. 68-2016 in relation to Resolution No. 03-2016, as amended, on the requirement for external auditors to notify the Board of any omission or non-compliance with the provisions therein set forth until such mechanism shall have been established to monitor compliance therewith, after consultation and dialogue with relevant government agencies and other stakeholders.

RESOLVED FURTHER, that the Board shall make an official announcement on the conduct of these stakeholders consultations and dialogue through the appropriate media, immediately after the approval of this Resolution.

This Resolution shall take effect immediately upon its publication in any major newspaper of general circulation in the country.















DEFERMENT OF THE IMPLEMENTATION OF PARAGRAPHS 13 AND 14 (4) OF RESOLUTION NO. 2016-68, IN RELATION TO RESOLUTION NO. 2016-03, AS AMENDED, ON THE REQUIREMENT FOR THE EXTERNAL AUDITORS TO NOTIFY THE BOARD OF ACCOUNTANCY OF ANY OMISSION OR NON-COMPLIANCE WITH THE PROVISIONS THEREIN, AND PROVIDING FOR STAKEHOLDERS' CONSULTATION AND DIALOGUE FOR SUCH PURPOSE

Let copies hereof be furnished the U.P Law Center, Philippine Institute of Certified Public Accountants (PICPA), and other professional associations/organizations of CPAs for information and guidance.

Done this 30th day of March, 2017 in the City of Manila.


JOEL L. TAN-TORRES
Chairman


GLORIA T. BAYSA
Vice-Chairman


GERARD B. SANVICTORES
Member


SAMUEL B. PADILLA
Member


CONCORDIO S. QUISAOT
Member


ELISEO A. AURELLADO
Member


ARLYN S. VILLANUEVA
Member

ATTESTED:


ATTY. LOVELIKA T. BAUTISTA
OIC, Office of the Secretary, PRBs

APPROVED:


TEOFILO S. PILANDO, JR.
Chairman


ANGELINE T. CHUA CHIACO
Commissioner


YOLANDA D. REYES
Commissioner

O-CH/O-COMMI-O-COMMII/PRB- ACC/D-LGL/D-SID/D-SPRB
TSP/ATCC/YDR/JLT/ERII/MLMH/LTB

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