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On February 15, 2016, the Professional Regulatory Board of Accountancy has issued a new Question and Answer (Q&A) sheet dealing with the various issues and questions on the BOA Resolution 3-2016.

The new Q&A sheet is substantially the same with the previously issued one. The new Q&A sheet only provided clarifications which include the following:

- ☑ As prescribed by a new BOA Resolution, CPAs should apply for accreditation not later than April 30, 2016. The previous Q&A provided an earlier deadline, February 29, 2016.
- ☑ A clarification is made regarding the CPA employed by a covered organization/person who is also concurrently performing compilation services for the preparation of the FS of other related covered companies/persons. Said CPA shall file an application for accreditation as a CPA in Commerce and Industry only for his employer organization. For the other related companies whom the CPA shall be performing compilation services, the CPA shall just indicate the names of these companies in the Detailed Description of work and shall specify that the preparation of the FS of said companies are also the CPA's responsibilities and duties.
- ☑ Where a covered organization or person authorized more than one CPA to prepare the FS and sign the Certificate, all those authorized CPAs shall individually apply for accreditation as CPA in Commerce and Industry for said organization.
- ☑ The CPA in Commerce and Industry and the covered organization/person shall both notify the Standards and Inspection Division (SID) of the PRC upon the CPA's resignation, retirement, dismissal or separation from the current employment. The notification shall be within one month from the leaving of the CPA.
- ☑ The Q&A further clarified the difference between the Certificate and the SMR. The former is a statement from the CPA preparer of the FS that this was prepared in accordance with the pertinent accounting rules and standards while the latter is a statement from Management that the information contained in the FS are their responsibility.
- ☑ The validity of the accreditation of CPAs in Commerce and Industry shall be valid for three years, to include the year of application. This may be shortened by the CPA's retirement, resignation, dismissal or separation from his/her employer.
- ☑ The Q&A clarified that the Php10 million threshold of the annual revenues and receipts shall only apply to preparation of the Certificate by the CPA. Thus, only accredited CPAs may be authorized to prepare the FS of all organizations/persons, including those that do not meet the threshold.
- ☑ The external auditors of all companies shall notify the BOA of any instance(s) of omissions or non-compliance with the provisions of BOA Resolution 03-2016 within one month from the conclusion of the audit engagement.

