

ASEAN Audit Regulatory Group (AARG) non-members

Community of Practice (CoP)

Philippine SEC Oversight Assurance (SOAR): Current Status

**Hon. Antonieta Fortuna-Ibe
Commissioner**

July 31, 2017
Bangkok, Thailand



**Securities and
Exchange
Commission**
P H I L I P P I N E S

CURRENT AUDIT STATE OF PHILIPPINE MARKET

Accredited External Auditors

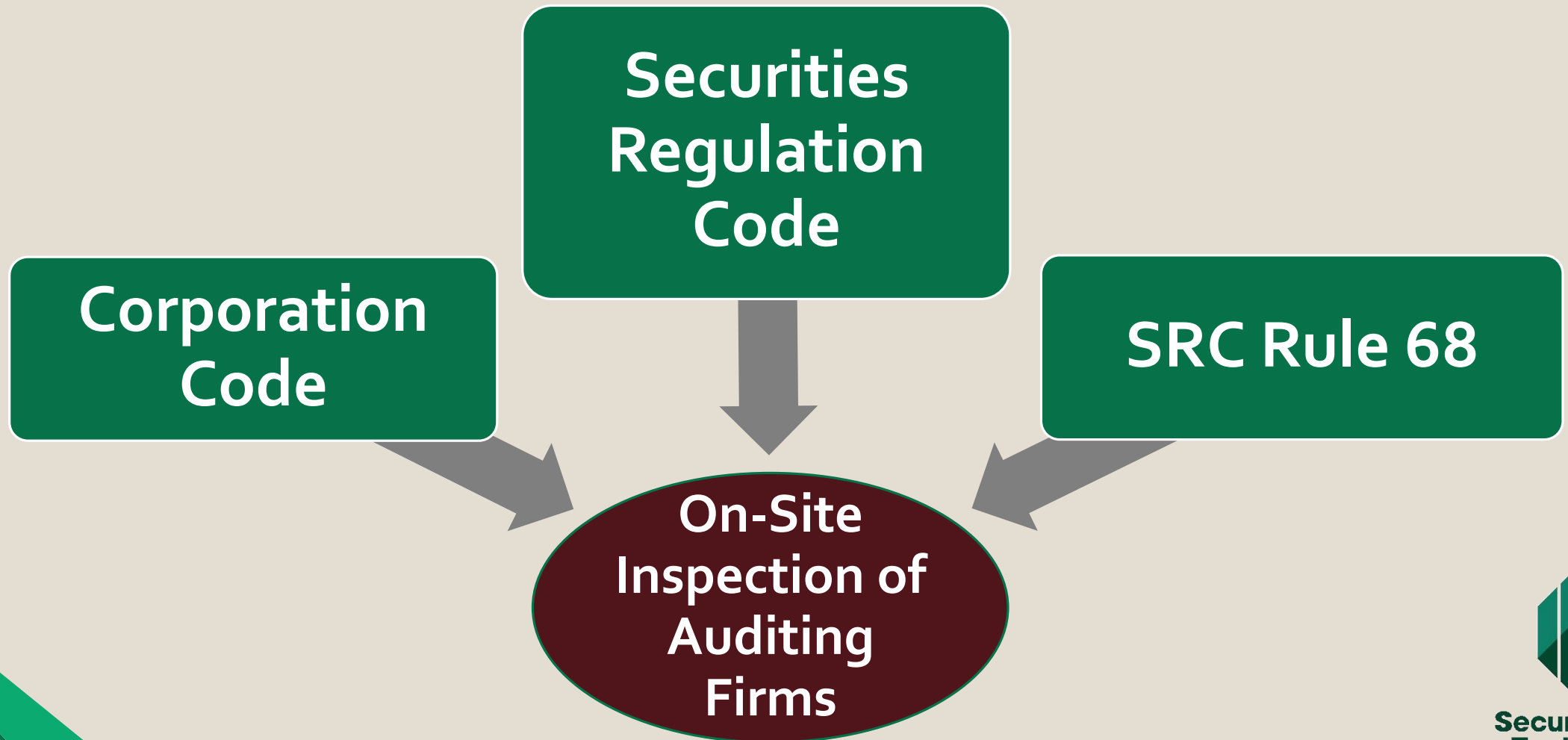
Group	Number of 3-Year Accredited Auditors	Number of 4-Month Conditional Accredited Auditors	Total
A	146	-	146
B	23	2	25
C	219	2	221
D	32	-	32
Total:	420	4	424

Accredited Audit Firms

Group	Number of 3-Year Accredited Audit Firms	Number of 4-Month Conditional Accredited Audit Firms	Total
A	22	-	22
B	9	2	11
C	61	1	62
D	7	-	7
Total	99	3	102



LEGAL BASIS FOR SEC OVERSIGHT ASSURANCE REVIEW (SOAR) PROGRAM



AUDITING AND ASSURANCE STANDARDS COUNCIL

- The Auditing and Assurance Standards Council (AASC) is the body authorized to establish and promulgate generally accepted auditing standards (GAAS) in the Philippines.
- The main objective of the AASC in adopting IAASB standards and practice statements is to attain uniformity of the local GAAS with the IAASB pronouncements. This harmonization is expected to enhance the reliability and acceptability of audited financial statements of Philippine companies.
- The AASC replaced the Auditing Standards and Practices Council (ASPC).



AUDIT QUALITY ASSURANCE

SEC ACCREDITATION PROCESS



OFFSITE EXAMINATION

SEC OVERSIGHT ASSURANCE REVIEW (For implementation in 2017)



ONSITE EXAMINATION

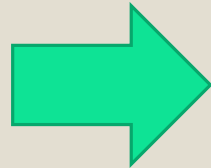


IMPLEMENTATION OF SEC OVERSIGHT ASSURANCE REVIEW (SOAR) INSPECTION PROGRAM

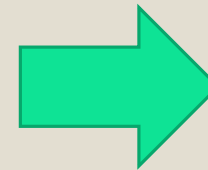
SOAR is an on-site review of the quality control policies and procedures of SEC accredited auditing firms and review of portions of the audit work of selected audit engagements from time to time.



PROCESS OF SEC OVERSIGHT ASSURANCE REVIEW (SOAR) INSPECTION PROGRAM



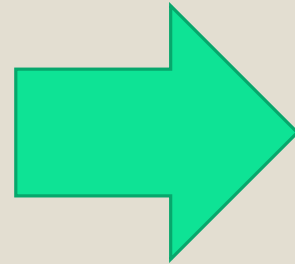
**FINAL INSPECTION
REPORT**



**POSTING AT SEC
WEBSITE**



SCOPE, COVERAGE AND FREQUENCY OF INSPECTION



OVERVIEW OF THE ACCOUNTANCY PROFESSION

Financial Sector Forum, Financial Stability Coordinating Council, Council for Accreditation and Quality Control of Practicing CPAs

International Auditing and Assurance Standards (IAASs)

International Ethics Standards (IESs)

Internal Auditing Standards

International Education Accounting Standards



International Financial Reporting Standards (IFRSs)

Quality Assurance

Code of Good Governance for the Profession

International Public Sector Accounting Standards (IPSAS)

Implementation status and challenges

- Implementation status
- Implementation challenges



THANK YOU