

# THE ACCOUNTANCY PROFESSION

**T O W A R D S**

**PERFORMANCE  
GOVERNANCE SYSTEM  
PROFICIENCY**



OUR JOURNEY

# PLAYERS TOWARDS PGS PROFICIENCY

**PROFESSIONAL  
REGULATION  
COMMISSION/ BOARD OF  
ACCOUNTANCY**

**PHILIPPINE  
INSTITUTE OF  
CERTIFIED PUBLIC  
ACCOUNTANTS**

**CPA - Professionals**



**PGS**  
PROFICIENCY

# MILESTONES OF THE JOURNEY

**2006:**  
PROJECT  
KICK-OFF  
ROADMAP  
DESIGNED

**2007:**  
INITIATED  
COMPLIANCE  
WITH PGS  
INITIATIVES

**2008:**  
GIVEN THE ISA  
INITIATED &  
COMPLIANT  
RECOGNITIONS

**THE GOAL:**  
**PGS**  
**PROFICIENCY**

**2009:**  
COMPLETED  
DOCUMENTATION  
REQUIREMENTS

**2008:**  
STARTED WORKING  
TOWARDS  
PROFICIENCY LEVEL



OUR **VISION**

OUR **MISSION**

OUR **CORE VALUES**

**OUR VISION BY 2013**

**A DYNAMIC FORCE TOWARDS  
NATIONAL PROSPERITY AND  
EXCELLENCE WITH A GLOBAL  
PERSPECTIVE**

# OUR MISSION

We commit to implement the Code of Good Governance for the Professions in the Philippines. Towards this end, the Accountancy Profession shall endeavor to:

- ❑ Build a growing pool of accountants who are dynamic, proactive, responsive, and Innovative leaders in the advancement of knowledge and the improvement of the Quality of life;
- ❑ Direct the accountants towards a higher level of competence in their field of work and strict adherence to the code of conduct, and in this regard, to have ethical commitment, ethical awareness and ethical competency; and
- ❑ Provide a culture of excellence so that accountants could develop strong values of commitment, rationality, expertise, and responsibility.

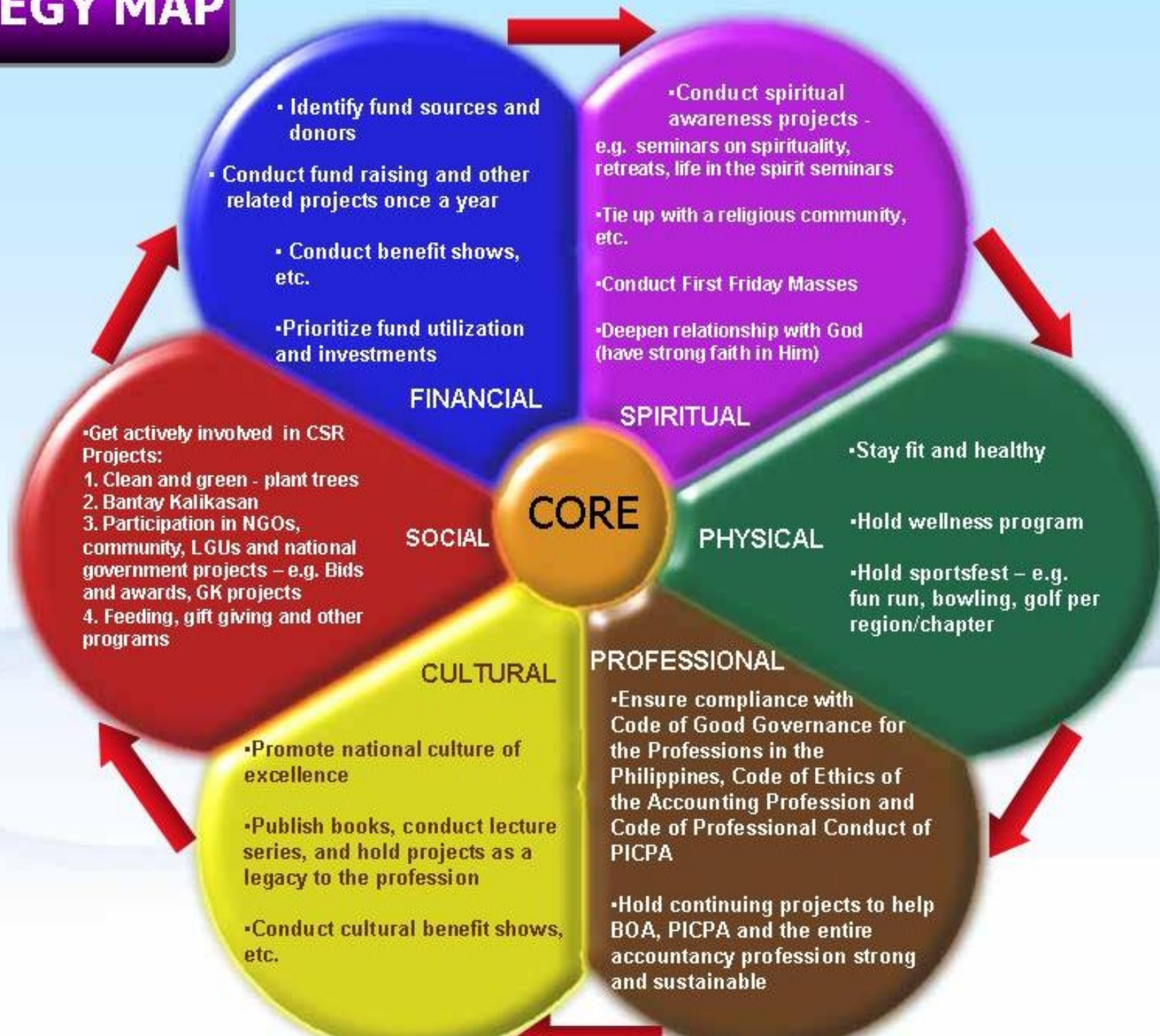
# OUR CORE VALUES

- Service to Others
- Integrity
- Professional Excellence/Competence
- Discipline
- Solidarity and Teamwork
- Spirituality



OUR **ROADMAP**

# STRATEGY MAP



## MISSION

The accountancy profession, being in the forefront of all activities related to the economic growth and development of the country and attainment of national growth and objectives, commits to implement the Code of Good Governance for the Professions in the Philippines.

Towards this end, the Accountancy Profession shall endeavor to:

- Build a growing pool of accountants who are dynamic, proactive, responsive, and Innovative leaders in the advancement of knowledge and the improvement of the Quality of life;
- Direct the accountants towards a higher level of competence in their field of work and strict adherence to the code of conduct, and in this regard, to have ethical commitment, ethical awareness and ethical competency; and
- Provide a culture of excellence so that accountants could develop strong values of commitment, rationality, expertise, and responsibility.

## CORE VALUES

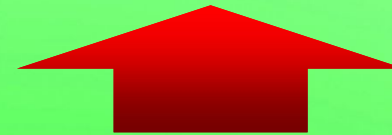
- Service to Others
- Integrity
- Professional Excellence/ Competence
- Innovation
- Solidarity and Teamwork
- Spirituality

## VISION

The Accountancy Profession by 2013: A dynamic force towards national prosperity and excellence with a global perspective.

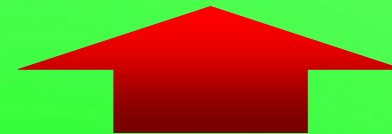
NATIONAL  
PROSPERITY  
& EXCELLENCE

*How do we serve the country and specific stakeholders that are dependent on the services of the profession? Who are our stakeholders and how can we best serve each other?*



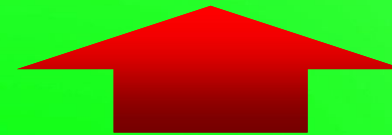
COMPETENCE  
& INTEGRITY

*In what way can the accounting profession meet the professional and ethical standards expected of accountants?*



PROCESS  
EXCELLENCE

*At which processes must we excel to achieve our vision? What best practices will makes us realize our mission?*



RESOURCE  
MANAGEMENT

*How do we attract resources and how should we manage and allocate these resources to deliver our mandate?*

*How do we serve the country and specific stakeholders that are dependent on the services of the profession? Who are our stakeholders and how can we best serve each other? NATIONAL PROSPERITY & EXCELLENCE*

*for/by users and providers*

*Instrument for proper tax payments & statutory compliance*

*Instrument for sound business decision*

*In what way can the accounting profession meet the professional and ethical standards expected of accountants? PROFESSIONAL COMPETENCE & INTEGRITY*

*Adherence to professional & ethical standards*

*Adopt global best practices*

*Monitor compliance*

*At which processes must we excel to achieve our vision? What best practices will make us realize our mission? PROCESS EXCELLENCE*

*Codify professional & ethical standards*

*Institutionalize continuing professional development*

*Ensure integrity, validity & relevance of the licensure exam*

*High academic standards for the profession*

*How do we attract resources and how should we manage and allocate these resources to deliver our mandate? RESOURCE MANAGEMENT*

*Financial adequacy*

*Leadership and organizational development*

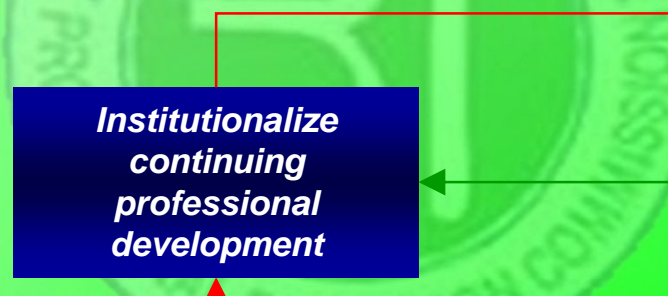
# Capacitated Profession Adept to Local and Global Standards

Trusted force for National Development

NATIONAL PROSPERITY AND EXCELLENCE  
PROFESSIONAL COMPETENCE & INTEGRITY

PROCESS EXCELLENCE

RESOURCE ANAGEMENT



*Financial statements that are reliable and credible for/by users and providers*

*Instrument for proper tax payments & statutory compliance*

*Instrument for sound business decision*

*Adherence to professional & ethical standards*

*Monitor compliance*

*Adopt global best practices*

*Codify Professional and Ethical Standards*

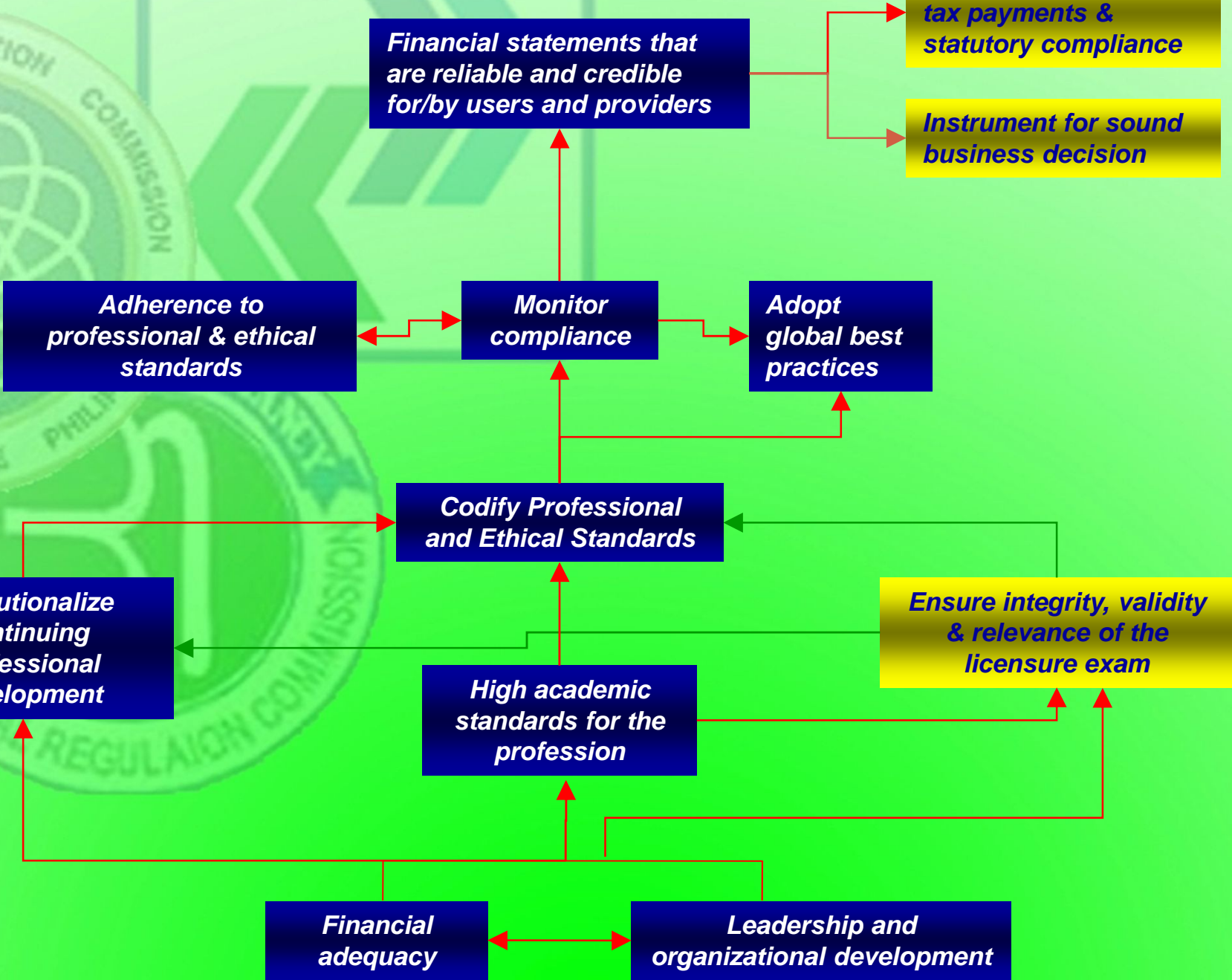
*Institutionalize continuing professional development*

*Ensure integrity, validity & relevance of the licensure exam*

*High academic standards for the profession*

*Financial adequacy*

*Leadership and organizational development*





OUR **INITIATIVES**

# RESOURCE MANAGEMENT

## METRICS

- *Number of professional development programs & projects that are self-liquidating*
- *Percentage of Chapters that are financially viable*
- *Percentage increase in total revenues of APO*

## INITIATIVES

- *Intensify CPE on the road*
- *Update seminar modules*
- *Develop new seminar modules to cover latest developments and issuances*
- *Implement policy on merger of non-viable chapters*
- *Implement adopt-a-chapter program to assist chapters in pursuing their projects*
- *Implement more revenue generating projects*
- *Regular sending of Statement of Accounts and Updates*
- *Implement projects that are income-generating and self-sustaining*

**Financial Adequacy**

# RESOURCE MANAGEMENT

## Leadership & Organizational and Development

### METRICS

- *Number of CPAs who are APO members in good standing*
- *Number of Chapter Offices with more than 49 members*
- *Growth rate of members in good standing*
- *JPIA participation in Accounting Profession activities*

### INITIATIVES

- *Clean-up of database*
- *Regular sending of SOAs and updates*
- *Implement amnesty program*
- *Implement professional and social activities for the members*
- *Conduct regular membership meetings*
- *Establish PICPA committee on Student participation to encourage active involvement*
- *Hold seminars and forums for the JPIAns on accounting and other related topics*

# PROCESS EXCELLENCE

**High academic standards for the profession**

## METRICS

- *Percentage of the number of schools compliant with prescribed international standards within six months from CHED Memo*
- *Percent of accounting schools with more than National passing percentage*
- *Passing Average in the Board Exam*
- *Number of accredited accounting teachers*

## INITIATIVES

- *Strict implementation of CHED memo*
- *Participate in CHED-initiated programs on compliance with prescribed international standards*
- *Conduct forum on CHED Memo through the education sector*
- *Include topics on compliance with international standards in conferences, membership meetings and conventions*
- *Close monitoring of performance*
- *Impose sanctions prescribed by law on schools that do not comply*
- *Regular review of the accountancy program*
- *Regular re-tooling and update seminars for accounting teachers*
- *Strict implementation of the accreditation of accounting teachers*

# PROCESS EXCELLENCE

## METRICS

- *Maintain Zero anomaly*

## INITIATIVES

- *Strengthen controls in administering exam – from formulation of questions to release of results*
- *Regular updating and review of questions in the test-bank*
- *Conduct peer-review of questions in the test bank*
- *Conduct training and seminar on questions formulation*
- *Strict adherence to qualification requirements of nominees to the BOA*

*Ensure integrity, validity & relevance of the licensure exam*

# PROCESS EXCELLENCE

*Expand coverage of continuing professional development*

## METRICS

- *Number of attendees in continuing professional development seminars*
- *Percentage of PICPA Chapters that are CPE Providers*

## INITIATIVES

- *Regularly update seminar modules*
- *Invite topnotch speakers*
- *Rationalize seminar fees*
- *Establish pool of speakers*
- *Assist chapters in developing CPE program*
- *Provide speakers for their seminars*

# PROCESS EXCELLENCE

**Codification of  
Professional  
and  
Ethical  
Standards**

## METRICS

- *Average period of compliance with IFAC standards from issuance by IFAC*
- *Average period of integration of new standards in the licensure exam*

## INITIATIVES

- *Establish a committee to handle implementation of new IFAC pronouncements*
- *Notify schools to include new standards in related undergraduate subjects*

# PROFESSIONAL COMPETENCE & INTEGRITY

## METRICS

- *Case filed on violations at the PRC-BOA*

## INITIATIVES

- *Rigid review of qualifications of CPAs*
- *Strict implementation of PRC-BOA accreditation requirements*

***Monitor  
compliance***

# PROFESSIONAL COMPETENCE & INTEGRITY

## METRICS

- *Percentage of FS with reported violations over total number of FS examined*

## INITIATIVES

- *Regular dissemination of frequently committed violations and suggest corrective measures*
- *Conduct seminars on new standards*
- *Conduct roundtable discussion on grey areas*

***Adherence to  
Professional &  
Ethical  
Standards***

# PROFESSIONAL COMPETENCE & INTEGRITY

## METRICS

- *Percentage of accredited CPAs/firms in public practice to total public practitioners*
- *Percent of accredited CPAs in the education sector to total accounting educators*

## INITIATIVES

- *Implement CPE programs for public practitioners*
- *Conduct forums on accreditation requirements*
- *Strict implementation of accreditation requirements*
- *Implement CPE programs for accounting teachers*
- *Conduct forums on accreditation requirements*
- *Strict implementation of accreditation requirements*

***Adopt Global  
Best Practices***

# NATIONAL PROSPERITY AND EXCELLENCE

## METRICS

## INITIATIVES

***Financial statements that are reliable and credible for/by users and providers***

- ***Number of FS reviewed by Quality Assurance Review Council***

- ***Investors' Confidence Rating on the reliability of Financial Instruments***

- ***Establish the Quality Assurance Review Council***

- ***Conduct seminars on quality standards***

- ***Conduct regular survey to assess Investors' Confidence Rating on Financial Instruments as a Tool in Decision Making***

# NATIONAL PROSPERITY AND EXCELLENCE

## METRICS

- *Reported tax cases on Financial Statements by the Bureau of Internal Revenue*

## INITIATIVES

- *Conduct regular roundtable discussions with Bureau of Internal Revenue and disseminate updates to CPAs*
- *Conduct tax update seminars and tax forums*

*Instrument for proper tax payments & statutory compliance*

# NATIONAL PROSPERITY AND EXCELLENCE

## METRICS

- *Investors' Confidence Rating on Financial Instruments as a Tool in Decision Making*

## INITIATIVES

- *Conduct regular survey to assess Investors' Confidence Rating on Financial Instruments as a Tool in Decision Making*

***Instrument  
for Sound  
Business  
Decision***



OUR **SCORECARD**

# RESOURCE MANAGEMENT

## FINANCIAL ADEQUACY

### METRICS

- *Number of professional development programs & projects that are self-liquidating*

BASE 2006

2007

2008

2009

2010

2011

2012

VISION  
2013

168

247

241

260

270

280

290

300

- *Percentage of Chapters that are financially viable*

11%

15%

47%

50%

53%

56%

59%

100%

- *Total revenues of APO*

P67M

P73  
M

P72M

P79.2  
M

P87  
M

P95  
M

P105M

P115M

# RESOURCE MANAGEMENT

## LEADERSHIP AND ORGANIZATIONAL DEVELOPMENT

### METRICS

- *Percentage of Accountancy profession (living in the Philippines) who are APO members in good standing*
- *JPIA National participation in Accounting Profession activities (in addition to regional & school level activities)*
- *Number of Chapters with permanent PICPA Offices*

BASE 2006	2007	2008	2009	2010	2011	2012	VISION 2013
20%	17%	22%	51%	53%	55%	57%	60%
At least 4 events per year	At least 4 events per year	At least 4 events per year	At least 4 events per year	At least 4 events per year	At least 4 events per year	At least 4 events per year	At least 4 events per year
12	12	12	15	17	18	20	25

# PROCESS EXCELLENCE

## HIGH ACADEMIC STANDARDS FOR THE PROFESSION

### METRICS

- *Percentage of the number of schools compliant with prescribed international standards within six months from CHED Memo*
- *Percent of accounting schools with more than National passing percentage*
- *Passing Average in the Board Exam*

BASE 2006	2007	2008	2009	2010	2011	2012	VISION 2013
100%	100%	100%	100%	100%	100%	100%	100%
28%	29%	27%	36%	40%	45%	50%	55%
24.12%	34.09%	32.79%	35%	36%	37%	38%	40%

# PROCESS EXCELLENCE

ENSURE INTEGRITY, VALIDITY AND RELEVANCE OF THE ENTIRE LICENSURE EXAM

## METRICS

- *Maintain Zero anomaly*

BASE 2006	2007	2008	2009	2010	2011	2012	VISION 2013
0	0	0	0	0	0	0	0

# PROCESS EXCELLENCE

## EXPAND COVERAGE OF CONTINUING PROFESSIONAL EDUCATION

### METRICS

- *Number of attendees in continuing professional development seminars*
- *Percentage of PICPA Chapters that are CPE Providers*

BASE 2006	2007	2008	2009	2010	2011	2012	VISION 2013
7,592	8,488	7,691	10,000	25,440	26,400	27,360	30,000
n/a	n/a	n/a	15%	17%	20%	22%	25%



# PROFESSIONAL COMPETENCE & INTEGRITY

## MONITOR COMPLIANCE WITH PROFESSIONAL AND ETHICAL STANDARDS

### METRICS

- *Cases filed on violations at the PRC-BOA*

BASE 2006	2007	2008	2009	2010	2011	2012	VISION 2013
14	15	10	15	10	5	3	0

# PROFESSIONAL COMPETENCE & INTEGRITY

## ADHERENCE TO PROFESSIONAL AND ETHICAL STANDARDS

### METRICS

- *Percentage of FS with reported violations over total number of FS examined*

BASE 2006	2007	2008	2009	2010	2011	2012	VISION 2013
n/a	24%	n/a	n/a	10%	5%	3%	0%

# PROFESSIONAL COMPETENCE & INTEGRITY

## ADOPT GLOBAL BEST PRACTICE

### METRICS

- *Percentage of accredited CPAs/firms in public practice to total public practitioners*
- *Percent of accredited CPAs in the education sector to total accounting educators*

BASE 2006	2007	2008	2009	2010	2011	2012	VISION 2013
20%	36%	34%	80%	85%	90%	95%	100%
n/a	n/a	30%	60%	85%	90%	95%	100%

# NATIONAL PROSPERITY & EXCELLENCE

## FINANCIAL STATEMENTS THAT ARE RELIABLE FOR AND BY USERS AND PROVIDERS

### METRICS

- *Number of FS reviewed by Quality Assurance Review Council*
- *Investors' Confidence Rating on the reliability of Financial Instruments*

BASE 2006	2007	2008	2009	2010	2011	2012	VISION 2013
n/a	n/a	n/a	n/a	Awaiting implementation of QARC	80%	90%	100%
n/a	n/a	n/a	n/a	Awaiting implementation	80%	90%	100%

# NATIONAL PROSPERITY & EXCELLENCE

## INSTRUMENT FOR PROPER TAX PAYMENTS AND STATUTORY COMPLIANCE

### METRICS

- *Reported tax cases on Financial Statements by the Bureau of Internal Revenue*

BASE 2006	2007	2008	2009	2010	2011	2012	VISION 2013
n/a	n/a	120	100	80	50	20	0

# NATIONAL PROSPERITY & EXCELLENCE

## INSTRUMENT FOR SOUND BUSINESS DECISION

### METRICS


BASE 2006	2007	2008	2009	2010	2011	2012	VISION 2013
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- *Investors' Confidence Rating on Financial Instruments as a Tool in Decision Making*

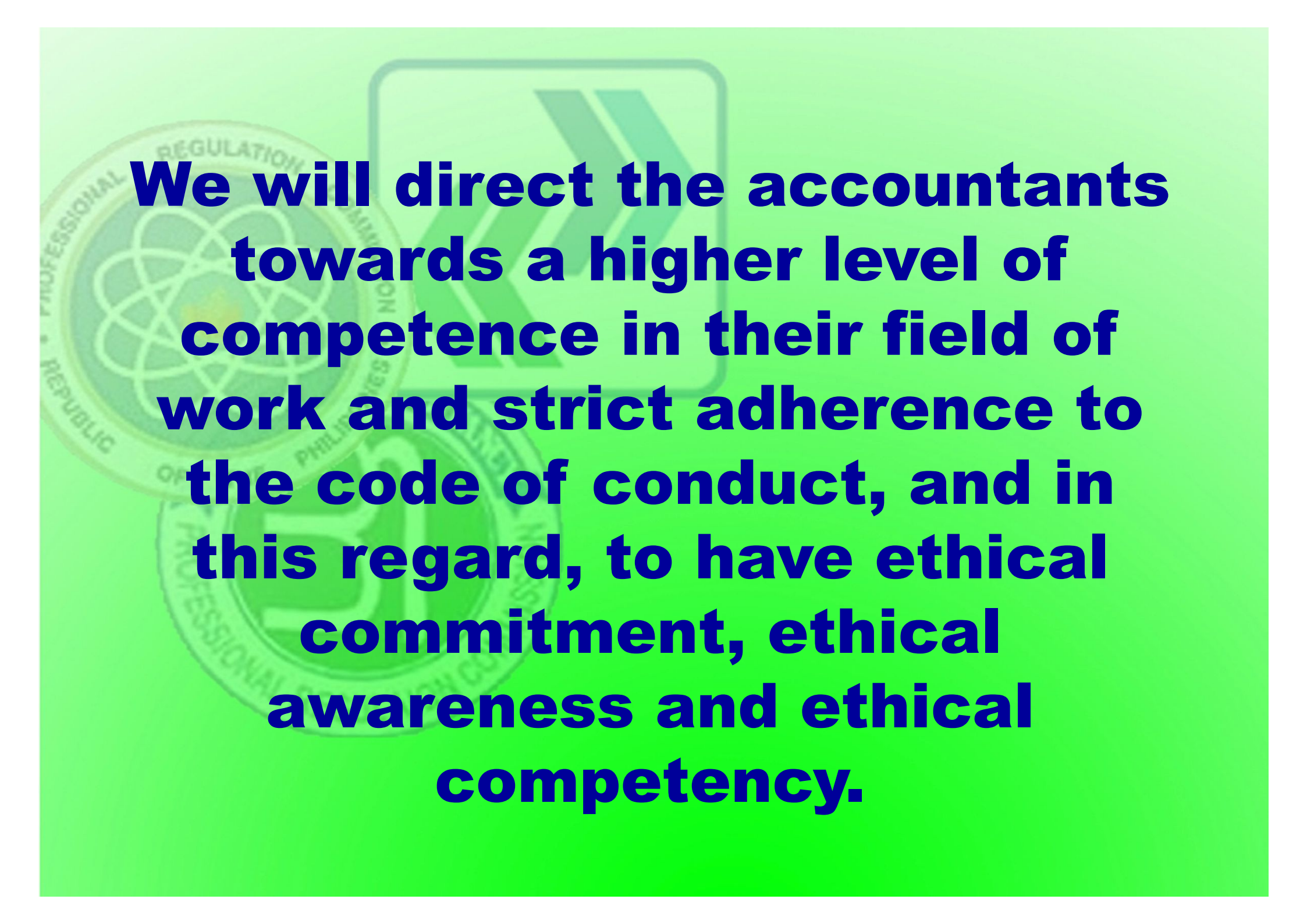
n/a	n/a	n/a	n/a	awaiting implementation		n/a	n/a
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**THE ACCOUNTANCY  
PROFESSION SHALL BE**


**A DYNAMIC FORCE  
TOWARDS NATIONAL  
PROSPERITY AND  
EXCELLENCE WITH A  
GLOBAL PERSPECTIVE**



**We will build a pool of  
accountants who are  
dynamic, proactive,  
responsive, and innovative  
leaders in the  
advancement of  
knowledge and the  
improvement of the quality  
of life**



**We will direct the accountants towards a higher level of competence in their field of work and strict adherence to the code of conduct, and in this regard, to have ethical commitment, ethical awareness and ethical competency.**

The background features a light green gradient. On the left, there is a faint, circular logo of the Professional Regulation Commission of the Philippines, which includes a stylized atomic symbol and the text 'PROFESSIONAL REGULATION COMMISSION OF THE PHILIPPINES'. To the right of the logo is a large, stylized graphic of three overlapping arrows pointing to the right, enclosed in a rounded square frame.

**We will provide a culture of excellence so that accountants could develop strong values of commitment, rationality, expertise, and responsibility.**



We will live up to values of:

- Service to Others**
- Integrity**
- Professional Excellence/  
Competence**
- Discipline**
- Solidarity and Teamwork**
- Spirituality**



**TODAY,  
TOMORROW  
AND BEYOND...**



END OF PRESENTATION  
**THANK YOU!**