



Republic of the Philippines  
Professional Regulation Commission  
Manila

Board of Accountancy

MEMORANDUM

TO : All Schools, Colleges and Universities offering BSA Program, CPA Review Centers and Examinees in the October 2010 and subsequent CPA Licensure Examination

FROM : Eugene T. Mateo, Chairman, Board of Accountancy

SUBJECT : Philippine Accounting Standards (PASs), Philippine Financial Reporting Standards (PFRSs), Philippine Standards on Auditing (PSAs), Philippine Standards on Quality Control (PSQCs), Philippine Auditing Practice Statements (PAPs), Philippine Standards on Review Engagements (PSREs), Philippine Standards on Assurance Engagements (PSAEs), Philippine Standards on Related Services (PSRSs) to be covered in the October 2010 and subsequent Certified Public Accountants (CPA) Licensure Examination

DATE : February 15, 2010

We wish to inform you that the following will be included in the *October 2010* CPA Licensure Examination.

**Philippine Accounting Standards (PASs) and  
Philippine Financial Reporting Standards (PFRSs)  
(Including ALL Related SIC, IFRIC and PIC Interpretations and  
CONSEQUENTIAL AMENDMENTS as a result of the revision of PASs and PFRSs)  
*Approved as of January 31, 2010***

NO.	TITLE
	Introduction to PFRS (approved in January 2007)
	Preface to PFRSs (approved in January 2007)
	Framework for the Preparation and Presentation of Financial Statements (approved in January 2007)
PAS 1	Presentation of Financial Statements (Revised 2007) (effective January 1, 2009)
PAS 2	Inventories
PAS 7	Cash Flow Statements
PAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
PAS 10	Events After the Balance Sheet Date
PAS 11	Construction Contracts
PAS 12	Income Taxes
PAS 16	Property, Plant and Equipment
PAS 17	Leases

	NO.	TITLE
PAS	18	Revenue
PAS	19	Employee Benefits
PAS	20	Accounting for Government Grants and Disclosure of Government Assistance
PAS	21	The Effects of Changes in Foreign Exchange Rates
PAS	23	Borrowing Costs (Revised 2007) (effective January 1, 2009)
PAS	24	Related Party Disclosures
PAS	26	Accounting and Reporting by Retirement Benefit Plans
PAS	27	Consolidated and Separate Financial Statements (revised 2008)
PAS	28	Investments in Associates
PAS	29	Financial Reporting in Hyperinflationary Economies
PAS	31	Interests in Joint Ventures
PAS	32	Financial Instruments: Disclosure and Presentation
PAS	33	Earnings per Share
PAS	34	Interim Financial Reporting
PAS	36	Impairment of Assets
PAS	37	Provisions, Contingent Liabilities and Contingent Assets
PAS	38	Intangible Assets
PAS	39	Financial Instruments: Recognition and Measurement
PAS	40	Investment Property
PAS	41	Agriculture
PFRS	1	First-Time Adoption of Philippine Financial Reporting Standards (Revised 2008)
PFRS	2	Share-based Payment
PFRS	3	Business Combination (revised 2008)
PFRS	4	Insurance Contracts
PFRS	5	Non-current Assets Held for Sale and Discontinued Operations
PFRS	6	Exploration for and Evaluation of Mineral Resources
PFRS	7	Financial Instruments: Disclosures
PFRS	8	Operating Segments (effective January 1, 2009)
PFRS on SMEs		
Interpretations		TITLE
		Preface to Interpretations
SIC - 7		Introduction to the Euro
SIC - 10		Government Assistance - No Specific Relation to Operating Activities



Interpretations	TITLE
SIC - 12	Consolidation - Special Purpose Entities Amendment to Interpretation SIC - 12 Scope of SIC - 12: Special Purpose Entities
SIC - 13	Jointly Controlled Entities - Non-Monetary Contributions by Venturers
SIC - 15	Operating Leases - Incentives
SIC - 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
SIC - 25	Income Taxes - Changes in Tax Status of an Enterprise or its Shareholders
SIC - 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
SIC - 29	Disclosure - Service Concession Arrangements
SIC - 31	Revenue - Barter Transactions Involving Advertising Services
SIC - 32	Intangible Assets - Web Site Costs
IFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
IFRIC 2	Members' Shares in Co-operative Entities and Similar Instruments
IFRIC 4	Determining Whether an Arrangement Contains a Lease
IFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
IFRIC 6	Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment
IFRIC 7	Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economics
IFRIC 8	Scope of IFRS 2
IFRIC 9	Reassessment of Embedded Derivatives
IFRIC 10	Interim Financial Reporting and Impairment
IFRIC 11	IFRS 2—Group and Treasury Share Transactions
IFRIC 12	Service Concession Arrangements
IFRIC 13	Customer Loyalty Programmes
IFRIC 14	PAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
IFRIC 15	Agreements for the Construction of Real Estate
IFRIC 16	Hedges of a Net Investment in a Foreign Operation
IFRIC 17	Distributions of Non-cash Assets to Owners
IFRIC 18	Transfers of Assets from Customers

***PHILIPPINE INTERPRETATIONS COMMITTEE (PIC)  
QUESTIONS AND ANSWERS (Q&As)***

Q&A No. 2006 - 01

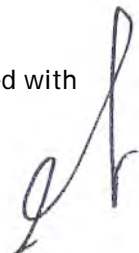
PAS 18, Appendix, paragraph 9-Revenue recognition for sales of property units under pre-completion contracts



- Q&A No. 2006 - 02  
PAS 27.10(d) - Clarification of criteria for exemption from presenting consolidated financial statements
- Q&A No. 2007 - 01 (revised)  
PAS 1.103(a) - Basis of Preparation of Financial Statements If an Entity Has Not Applied PFRSs in Full
- Q&A No. 2007 - 03  
PAS 40.27 - Valuation of Bank Real and Other Properties Acquired (ROPA)
- Q&A No. 2007 - 04  
PAS 101.7 - Application of Criteria for a Qualifying NPAE
- Q&A No. 2008 - 02  
PAS 20.43 - Accounting for government loans with low interest rates under the amendments to PAS 20
- Q&A No. 2009 - 01  
Framework, paragraph 23 and PAS 1.23 - Financial statements prepared on a basis other than going concern

<b>PSQCs, Framework, PSAs, PAPSS, PSREs, PSAEs &amp; PSRSs</b> <i>Approved as of January 31, 2010</i>
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NO.	TITLE
Preface (Dec 2006)	Preface to the International Standards on Quality Control, Auditing, Review, Other Assurance and Related Services and Preface to the Philippine Standards on Quality Control, Auditing, Review, Other Assurance and Related Services
-	Philippine Framework for Assurance Engagements
-	Glossary of Terms (December 2002) [ <i>amended by PSA 220 (Revised)</i> ]
<b>Philippine Standard on Quality Control (PSQC)</b>	
1 (Redrafted)	Quality Control for Firms That Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements
<b>Philippine Standards on Auditing (PSAs)</b>	
120	Framework of Philippine Standards on Auditing
200 (Revised and Redrafted)	Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Philippine Standards on Auditing
210 (Redrafted)	Agreeing the Terms of Audit Engagements
220 (Redrafted)	Quality Control for an Audit of Financial Statements
230 (Redrafted)	Audit Documentation
240 (Redrafted)	The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements
250 (Redrafted)	Consideration of Laws and Regulations in an Audit of Financial Statements
260 (Revised and Redrafted)	Communication with Those Charged with Governance
265	Communicating Deficiencies in Internal Control to Those Charged with Governance and Management



NO.	TITLE
300 (Redrafted)	Planning an Audit of Financial Statements
315 (Redrafted)	Identifying and Assessing the Risks of Material Misstatements Through Understanding the Entity and Its Environment
320 (Revised and Redrafted)	Materiality in Planning and Performing an Audit
330 (Redrafted)	The Auditor's Responses to Assessed Risks
402 (Revised and Redrafted)	Audit Considerations Relating to an Entity Using a Service Organization
450 (Revised and Redrafted)	Evaluation of Misstatements Identified during the Audit
500 (Redrafted)	Audit Evidence
501 (Redrafted)	Audit Evidence - Specific Considerations for Selected Items
505 (Revised and Redrafted)	External Confirmations
510 (Redrafted)	Initial Audit Engagements--Opening Balances
520 (Redrafted)	Analytical Procedures
530 (Redrafted)	Audit Sampling
540 (Revised and Redrafted)	Auditing Accounting Estimates, Including Fair Value Accounting Estimates and Related Disclosures
550 (Revised and Redrafted)	Related Parties
560 (Redrafted)	Subsequent Events
570 (Redrafted)	Going Concern
580 (Revised and Redrafted)	Written Representations
600 (Revised and Redrafted)	Special Considerations - Audits of Group Financial Statements (Including the Work of Component Auditors)
610 (Redrafted)	Using the Work of Internal Auditors
620 (Revised and Redrafted)	Using the Work of an Auditor's Expert
700 (Redrafted)	Forming an Opinion and Reporting on Financial Statements
705 (Revised and Redrafted)	Modifications to the Opinion in the Independent Auditor's Report
706 (Revised and Redrafted)	Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor's Report
710 (Redrafted)	Comparative Information - Corresponding Figures and Comparative Financial Statements
720 (Redrafted)	The Auditor's Responsibility in Relation to Other Information in Documents Containing Audited Financial Statements
800 (Revised and Redrafted)	Special Considerations - Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks



NO.	TITLE
805 (Revised and Redrafted)	Special Considerations - Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement
810 (Revised and Redrafted)	Engagements to Report on Summary Financial Statements
<b>Philippine Auditing Practice Statements (PAPSs)</b>	
1000	Inter-Bank Confirmation Procedures
1000Ph	Audit Evidence - Practical Problems in an Audit of Financial Statements
1001Ph	Guidance in Dealing with "Tentative Financial Statements"
1002Ph	The Auditor's Report on General Purpose Financial Statements Prepared in Accordance with a Philippine Financial Reporting Framework other than PFRS
1003Ph	Guidance in Dealing with Reports Required by the SEC Relating to Increase in Capital Stock of a Corporation
1004	The Relationship Between Bangko Sentral ng Pilipinas (BSP) and Banks' External Auditors
1005 (Revised)	The Special Consideration in the Audit of Small Entities
1006	Audits of the Financial Statements of Banks
1010	The Consideration of Environmental Matters in the Audit of Financial Statements
1012	Auditing Derivative Financial Instruments <i>[amended by PSA 220 (Revised)]</i>
1013	Electronic Commerce - Effect on the Audit of Financial Statements
1014	Reporting by Auditors on Compliance with International Financial Reporting Standards
<b>Philippine Standards on Review Engagements (PSREs)</b>	
2400	Engagements to Review Financial Statements <i>(amended in 2008)</i>
2410	Review of Interim Financial Information Performed by the Independent Auditor of the Entity <i>(amended in 2008)</i>
<b>Philippine Standards on Assurance Engagements (PSAEs)</b>	
3000 (Revised)	Assurance Engagements Other Than Audits or Reviews of Historical Financial Information
3400	The Examination of Prospective Financial Information
<b>Philippine Standards on Related Services (PSRSs)</b>	
4400	Engagements to Perform Agreed-Upon Procedures Regarding Financial Information
4410	Engagements to Compile Financial Information

*Revised Code of Ethics for Professional Accountants in the Philippines  
(effective June 30, 2008)*

*Rules on Advertising and Promotion for the Practice of Accountancy in the  
Philippines (effective August 9, 2008)*



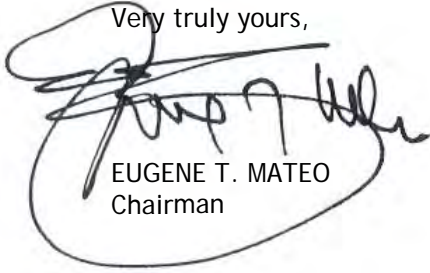
***Rules and Regulations for the Accreditation of Accounting Teachers  
(effective June 20, 2008)***

The new standards / rules and regulations are available at

- [www.prboa.com](http://www.prboa.com)
- [www.aasc.org.ph](http://www.aasc.org.ph)
- [www.picpa.com.ph](http://www.picpa.com.ph)

Please be guided accordingly.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Eugene T. Mateo', is written over a large, hand-drawn oval. The signature is fluid and cursive.

EUGENE T. MATEO  
Chairman