Securities and Exchange Commission
PHILIPPINES

SEC Memorandum Circular No.21
Series of 2016

SUBJECT : ADOPTION OF NEW AND REVISED AUDITING STANDARDS AND STANDARDS ON ASSURANCE ENGAGEMENTS AND OTHER RELATED SERVICES

The Commission, in its Resolution No. 847, Series of 2016, approved the adoption of the following new and revised auditing standards and standards on assurance engagements and other related services as part of SEC's rules and regulations on financial reporting:

Philippine Standard on Auditing (PSA) 610 (Revised), *Using the Work of Internal Auditors and Related Conforming Amendments*	The revised standard shall be effective for audits of financial statements for periods ending on or after December 15, 2013, except for provisions highlighted (see copy of the standard) pertaining to the use of internal auditors to provide direct assistance, which is effective for audits of financial statements for periods ending on or after December 15, 2014.
PSA 260 (Revised), *Communication with Those Charged with Governance*	The revised standard shall be effective for audits of financial statements for periods ending on or after December 15, 2016.
PSA 570 (Revised), *Going Concern*	The revised standard shall be for audits of financial statements for periods ending on or after December 15, 2016.
PSA 700 (Revised), *Forming an Opinion and Reporting on Financial Statements*	The revised standard shall be effective for audits of financial statements for periods ending on or after December 15, 2016.
PSA 701, *Communicating Key Audit Matters in the Independent Auditor's Report*	The revised standard shall be effective for audits of financial statements for periods ending on or after December 15, 2016.
PSA 705 (Revised), *Modifications to the Opinion in the Independent Auditor's Reports*	The revised standard shall be effective for audits of financial statements for periods ending on or after December 15, 2016.

Published:
Philippine Daily Inquirer, December 23, 2016
Manila Times, December 23, 2016

PSA 706 (Revised), ***Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor's Report***	The revised standard shall be effective for audits of financial statements for periods ending on or after December 15, 2016.
PSA 720 (Revised), ***The Auditor's Responsibilities Relating to Other Information***	The revised standard shall be effective for audits of financial statements for periods ending on or after December 15, 2016.
Philippine Standard on Assurance Engagements (PSAE) 3410, ***Assurance Engagements on Greenhouse Gas Statements***	This PSAE shall be effective for assurance reports covering periods ending on or after September 30, 2013.
Philippine Standard on Related Services (PSRS) 4410 (Revised), ***Compilation Engagements***	The revised PSRS shall be effective for compilation engagement reported dated on or after July 1, 2013
Philippine Standard on Review Engagements (PSRE) 2400 (Revised), ***Engagements to Review Historical Financial Statements***	The revised PSRE shall be effective for reviews of financial statements for periods ending on or after December 31, 2013.

All of the foregoing new and revised auditing standards and standards on assurance engagements and other related services have been adopted by the Auditing and Assurance Standards Council and approved by the Board of Accountancy and Professional Regulation Commission and published in the Official Gazette.

Issued this 09 December 2016 at Pasay City, Philippines.

TERESITA J. HERBOSA
Chairperson