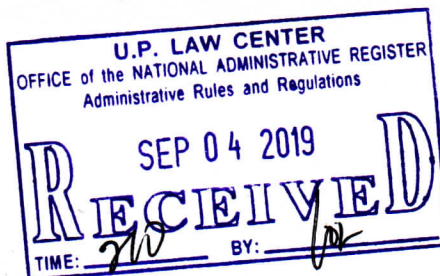




COOPERATIVE DEVELOPMENT AUTHORITY

827 Aurora Blvd., Service Road, Brgy. Immaculate Conception, 1111 Cubao, Quezon City, Philippines
http://www.cda.gov.ph helpdesk@cda.gov.ph CDA @CDAPHils PH Cooperatives



MEMORANDUM CIRCULAR NO. 2019-10

Series of 2019

TO : ALL CONCERNED

SUBJECT : REVISED GUIDELINES ON THE ACCREDITATION OF COOPERATIVE EXTERNAL AUDITORS

Pursuant to Section 3 (f) of Republic Act 6939, an Act creating the Cooperative Development Authority (CDA) and Article 80 of Republic Act 9520, otherwise known as the Philippine Cooperative Code of 2008, the following guidelines are issued to govern the accreditation of cooperative external auditors:

SECTION 1. Definition of Terms

ACCREDITATION- refers to the act of giving official authorization or approval to a qualified auditor to conduct financial audit to cooperatives.

COOPERATIVE DEVELOPMENT AUTHORITY or CDA – refers to the only government agency granting juridical personality to cooperatives, herein referred to as the Authority.

AUDITING FIRM - refers to either the partners of a firm providing audit services or a sole practitioner providing audit services, as appropriate.

AUDITOR-IN-CHARGE – refers to the team leader of the audit engagement.

COOPERATIVE EXTERNAL AUDITOR – refers to an independent Certified Public Accountant (CPA) accredited by the CDA, whose relationship to the client is to express an opinion on the financial statements. He/she may be the signing partner in an auditing firm or a sole practitioner.

FRAUD – refers to an intentional act by one or more individuals among management, employees, or third parties that result in a misrepresentation of financial statements. It may involve:

- Manipulation, falsification or alteration of records or documents.
- Misappropriation of assets.
- Suppression or omission of the effects of transactions from records or documents.
- Recording of transactions without substance.
- Intentional misapplication of accounting policies.
- Omission of material information
- And any other instance/factor which may be classified as fraud.



PARTNER – refers to all members of a partnership or an audit firm but not necessarily conducting audit to cooperatives.

PARTNERSHIP - refers a professional partnership engaged in the practice of public accountancy duly registered with the Securities and Exchange Commission. [Art 1, Sec 1(g), Board of Accountancy Resolution No. 69, Series of 2003]

AUDIT ENGAGEMENT LETTER – refers to a letter that informs the cooperative of an upcoming audit. It details the audit objectives, the timeline, and the audit team members. It also covers the pre-audit meeting, expected deliverables, and the audit team’s mission.

SECTION 2. Application Requirements for Initial Accreditation

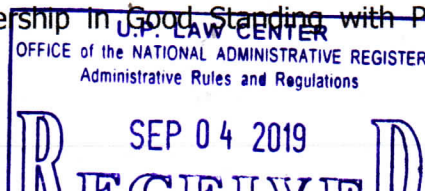
An individual Certified Public Accountant (CPA) who seeks to be accredited as Cooperative External Auditor must accomplish and file the following documents directly to the Cooperative Development Authority – Extension Office (CDA-EO) where such CPA/ Partnership/Auditing Firm is based:

1. For Individual CPA

- i. Letter application (Annex 1.1)
- ii. Profile of the Applicant with attached 2 x 2 colored ID picture; (Annex 2.1)
- iii. Valid Professional Regulation Commission Identification Card (PRC ID);
- iv. Valid Certificate of Accreditation with the Professional Regulation Commission – Board of Accountancy (PRC-BOA);
- v. Current Professional Tax Receipt (PTR) issued by the local government;
- vi. Valid Certificate of Membership in Good Standing with the Philippine Institute of Certified Public Accountants (PICPA); or Certification of Life Sustaining Membership issued by the PICPA
- vii. Certificate of Attendance to training equivalent to a minimum of 24 hours of required training as provided in Section 4 of this Guidelines; and
- viii. Other documents that may be required by the CDA in case of inconsistencies in the submitted documents.

2. For Partnership/Auditing Firm

- i. Application letter (Annex 1.2)
- ii. Profile of the Firm/Partnership (Annex 2.2);
- iii. Profile of the signing partners with 2 X 2 colored ID picture (Annex 2.3);
- iv. SEC Registration Certificate of Partnership;
- v. Articles of Partnership and/or its amendment;
- vi. Partnership’s Valid Certificate of Accreditation with the PRC BOA;
- vii. PTR of individual signing partner/s;
- viii. Valid Certificate of Membership in Good Standing with PICPA of the signing partners;



- ix. Certificate of Attendance to training of signing partner/s equivalent to a minimum of 24 hours of required training as provided in Section 4 of this Guidelines; and
- x. Other documents that may be required by the CDA in case of inconsistencies in the submitted documents.

SECTION 3. Application Requirements for Renewal of Accreditation

Interested party must accomplish the following documents and file application for renewal directly to the CDA EO where such CPA/Partnership/Auditing Firm is based:

1. For Individual CPA

- i. Application letter (Annex 1.3)
- ii. Updated profile of the applicant with updated 2 x 2 colored ID picture (Annex 2.1)
- iii. Valid PRC ID;
- iv. Valid Certificate of Accreditation with the PRC-BOA;
- v. Current PTR issued by the local government;
- vi. Valid Certificate of Membership in Good Standing with PICPA or its Chapter;
- vii. Certificate of Training equivalent to 24 hours of required training for renewal as provided in Section 4 of this Guidelines;
- viii. Previous Certificate of Accreditation issued by the CDA;
- ix. List of cooperative-clients and years audited (Annex 3.1)
- x. Sworn statement by the cooperative external auditor that she/he has engaged in Cooperative External Audit or Preparation of financial statement to at least one (1) micro cooperative that is free of charge as part of his/her social responsibility, duly supported with Certification from cooperatives that received such services; and
- xi. Sworn statement by the Cooperative External Auditor that he/she has observed the conditions prescribed under Sec. 9 of these guidelines.

2. For partnership/Firm

- i. Letter application (Annex 1.4);
- ii. Updated profile of the audit firm (Annex 2.2);
- iii. Updated profile of the individual signing partners with updated 2 x 2 colored ID picture (Annex 2.3);
- iv. SEC Registration Certificate;
- v. Articles of partnership and/or its amendment;
- vi. Partnership's valid Certificate of Accreditation with the PRC BOA;
- vii. Current PTR of signing partners;
- viii. Certificate of Membership in Good Standing with PICPA of the signing partners;
- ix. Certificate of Training of signing partners equivalent to 24 hours of required training for renewal as provided in Section 4 of this Guidelines;
- x. Latest Certificate of Accreditation issued by the CDA;
- xi. List of cooperative-clients and years audited (Annex 3.1)
- xii. Sworn statement by the cooperative external auditor that she/he has engaged in Cooperative External Audit or Preparation of financial statement to at least one

- (1) micro cooperative that is free of charge as part of his/her social responsibility, duly supported with Certification from cooperatives that received such services; and
- xiii. Sworn statement that the partnership/firm has observed the conditions prescribed under Section 9 of this Guidelines.

The above requirements for accreditation either for initial or renewal, shall be submitted in complete set with presentation of ORIGINAL COPIES, for authentication. Otherwise, applications will not be accepted/processed.

SECTION 4. Training Requirements

The training requirements for the Accreditation of Cooperative External Auditors shall be equivalent to a minimum of 24 hours of training both for initial and renewal.

These trainings shall be conducted by the PICPA in coordination with CDA in accordance with the prescribed training course outlines attached in this Circular (Annex 4.1 and 4.2). The PICPA Chapter in coordination with the PICPA National may conduct the training for the accreditation of cooperative external auditors.

Further, the training attended by the CPA is valid for five (5) years from the date of issue of the Certificate of Attendance to Training. Moreover, Certificate of Training for renewal can only be used once by the applicant. This means that Certificates of Training which were already used for renewal of Accreditation to CDA cannot be used for succeeding renewals.

SECTION 5. Accrediting Body

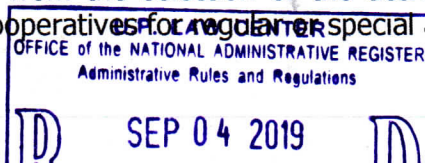
The accreditation of Cooperative External Auditor shall be approved by the CDA Board of Administrators (CDA-BOA) upon recommendation of the CRITD/IDD of the CDA-CO through the Executive Director.

SECTION 6. Validity of Accreditation and Inclusion in CDA List

The accreditation of external auditor shall be valid for a period of three (3) years from the date of issue.

The CDA accredited cooperative external auditors may apply for the renewal of their accreditation within three (3) months prior to the expiration. The provisions of Section 3 of this Accreditation Criteria shall likewise apply.

The CDA will circularize to all cooperatives the list of accredited cooperative external auditors periodically through its website. The CDA, however, shall not be held liable for any damage or loss that may arise from the selection of the accredited cooperative external auditors to be engaged by the cooperatives for regular or special audit engagements.



SECTION 7. Accreditation Fees

For Initial

Individual - Two Thousand Pesos (P2, 000.00)
Partnership or Firm – Five Thousand Pesos (P5, 000.00)

For Renewal

Individual - One Thousand Pesos (P1, 000.00).
Partnership or Firm – Three Thousand Pesos (P3, 000.00)

For Re-application

Individual - Two Thousand Pesos (P2, 000.00).
Partnership or Firm – Five Thousand Pesos (P5, 000.00)

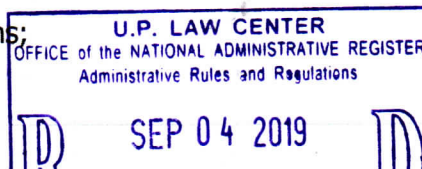
In case of denial/non-approval of application, any fees paid shall be non-refundable.

SECTION 8. Audit Coverage

Accredited cooperative external auditors may accept audit engagement from cooperatives in different regions and are not be limited to the region where he/she applied for accreditation.

SECTION 9. Conditions for Engagement of an External Auditor

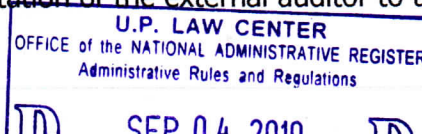
- a) No external auditor may be engaged/qualified in the audit of a cooperative and any of its subsidiary if he/she or any member of his/her immediate family had or has committed to acquire any direct or indirect financial interest in the cooperative, or if his/her independence is considered impaired under the circumstances specified in the Code of Professional Ethics for Certified Public Accountants. In the case of a partnership, this limitation shall apply to all the partners, associates, and the auditor-in-charge of the engagement and members of their immediate family up to 3rd degree of consanguinity or affinity.
- b) The external auditor and the members of the audit team do not have/shall not have outstanding loans or any credit accommodations with the cooperative at the time of signing of the engagement and during the engagement. In the case of partnership, this prohibition shall apply to all the partners and the auditor-in-charge of the engagement.
- c) The external auditor must not be currently engaged nor was engaged during the past 3 years in providing the following services to the Cooperative:
 - i. Internal audit functions:



- ii. Information systems design, implementation, and assessment; and
 - iii. Such other services, which could affect his/her independence as, may be determined by the CDA.
- d) The external auditor, auditor-in-charge, and members of the audit team must adhere to the highest standards of professional conduct and shall carry out services in accordance with relevant ethical, auditing and reporting standards, such as the Code of Professional Ethics for Certified Public Accountants; Philippine Standards on Auditing (PSA); and the Philippine Financial Reporting Framework for Cooperatives
 - e) For the immediate past three years, the external auditor must not have held a position relevant to the conduct of audit such as, but not limited to, Chief Executive Officer, Chief Financial Officer, Comptroller, Accountant, Bookkeeper, Audit Committee, etc;
 - f) For the immediate past three years, the external auditor must not have been a member/officer of the cooperative or employee/officer of a federation/union to which the cooperative being audited is affiliated;
 - g) The external auditor must not be related to any officer and employee of the cooperative up to the fourth degree of consanguinity or affinity; and
 - h) The external auditor, whether on his/her individual capacity or as partner of a firm, may undertake the external audit of the concerned cooperative for five (5) consecutive years, provided that the external auditor may be allowed to audit the same client after a rest period or cooling off of two (2) years. Provided further that in case of the firm/partnership, rotation among the signing partners is not allowed.

SECTION 10. Reportorial Requirements

- a) The External Auditor shall prepare the audited financial statements in accordance with Philippine Financial Reporting Framework (PFRF) for Cooperatives taking into consideration cooperative laws, rules and regulations. At the minimum, the report shall meet the following requirements:
 - a.1) Standard presentation of the audited financial statements with comparative figures of the immediately preceding year, which will include the following:
 - Auditors' Report
 - Statements of Financial Condition
 - Statements of Operations
 - Statements of Cash Flows
 - Statements of Changes in Equity (to include changes in Statutory Funds)
 - Notes to Financial Statements
 - a.2) Statement of Management Responsibility
 - a.3) Statement of representation of the external auditor to the Authority



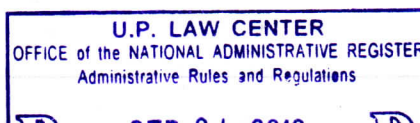
- a.4) Audit findings and recommendations
 - a.5) Ratios using Cooperative Financial Standards (STEPS/PESOS)
- b) Disclosure of external auditor's adverse findings
- b.1. To enable timely and appropriate remedial action, the external auditor must report to the CDA EOs where the cooperative being audited is registered, within thirty (30) calendar days after discovery, the following cases:
 - b.1.1. Any material findings involving fraud or dishonesty including cases that were resolved during the period of audit;
 - b.1.2. Any potential losses the aggregate of which amounts to at least five percent (5%) of the total asset; and
 - b.1.3. Insufficiency of the cooperative's assets to cover claims of creditors.
 - b.2. The external auditor shall report directly to the CDA EO where the cooperative being audited is registered, within fifteen (15) calendar days after the occurrence of the following:
 - b.2.1. Termination or resignation as external auditor, prior to the completion of audit engagement, and stating the reason thereof;
 - b.2.2. Discovery of a material breach of cooperative laws or these rules and regulations such as, but not limited to;
 - b.2.2.1. Net worth to risk assets ratio; Loans and other risk assets review and classification using portfolio at risk; and
 - b.2.2.2. Findings on matters of cooperative governance that may require urgent action by the Authority.
 - b.3. The external auditor shall inform and/or discuss with the management of the cooperative details of the adverse findings with the corresponding corrective measures.

SECTION 11. Signing of Audit Report done by an Audit firm/Partnership

For financial audit conducted by an Accredited Audit firm/partnership, only the partner/s of the audit firm/partnership who have attended the training requirements and have submitted the necessary documents to the CDA shall sign the audit report of the cooperatives to ensure that the requirement of the Authority on financial audit of cooperatives are substantially complied with.

SECTION 12. Working Paper Retention

In all cases, accredited external auditor shall maintain the audit working paper for a minimum period of seven (7) years.



SECTION 13. Updating of Records

Records of the Accredited Cooperative External Auditors submitted to the CDA shall be valid/updated at all times. In case the effectivity/validity of these records have lapsed, the cooperative external auditor must submit the valid documents to update his/her records to the CDA. Failure to do so shall prompt the CDA to suspend/invalidate his/her accreditation.

SECTION 14. Grounds for non-approval of renewal:

1. Non-conduct of audit service or preparation of financial statement to at least one (1) micro cooperative free of charge as part of his/her social responsibility;
2. Non-observance of the five (5) year limitation of audit engagement to a particular cooperative as provided in Section 9 of this Guidelines and further clarified in MC 2014-02;
3. Conduct of audit with invalid accreditation with CDA and PRC BOA, and with expired PRC ID;
4. Failure to adopt of the Standard Chart of Accounts, Philippine Financial Reporting Framework for Cooperatives and other standards for cooperatives; and
5. Non-disclosure of adverse findings to cooperatives as provided in Section 10 (b) of this Guidelines.

The External Auditors who have committed the above violations may re-apply for accreditation after a period of three (3) years following the initial accreditation process.

SECTION 15. Revocation/Cancellation of Accreditation

The following shall be the grounds for revocation and/or cancellation for accreditation:

1. Misrepresentation of Financial Statements which are used by the cooperatives in fraudulent acts;
2. Allowing the use of Accreditation number by any unauthorized external auditor; and
3. Other acts analogous to the foregoing.

The procedures for revocation/cancellation of accreditation shall be in accordance with the rules of procedure to be promulgated by the Authority.

An external auditor who found to have committed the above mentioned violations which resulted to the detriment of the cooperatives shall be barred from conducting audit to cooperatives.

SECTION 16. Repealing Clause

Memorandum Circular No. 2009 – 03 dated September 14, 2009 and all other issuances inconsistent with these guidelines shall be deemed repealed and/or modified accordingly.

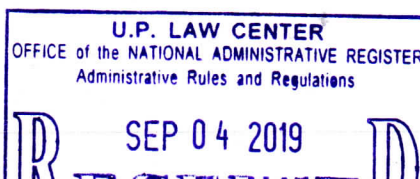
SECTION 17. Effectivity

This Circular shall take effect fifteen (15) days following its filing three (3) copies hereof with the Office of National Administration Register (ONAR), University of the Philippines Law Center, Diliman, Quezon City pursuant to Presidential Memorandum Circular No. 11 dated 09 October 1992.

Approved per CDA Board Resolution No.309, S-2019 dated July 15, 2019.

August 28, 2019


ORLANDO R. RAVANERA
Chairperson 



PRO-FORMA APPLICATION FOR INITIAL ACCREDITATION
(Individual CPA)

Cooperative Development Authority

Extension Office

Dear Sir/Madam:

This is to signify my interest to apply for Accreditation as a Cooperative External Auditor pursuant to CDA Memorandum Circular on the Revised Guidelines on the Accreditation of Cooperative External Auditors.

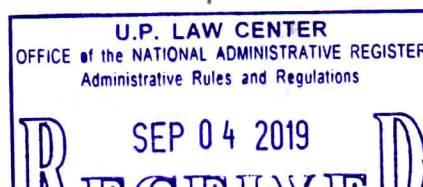
In compliance to the said Memorandum Circular, I am attaching herewith the following documents:

- i. Profile of the Applicant with attached 2 x 2 colored ID picture;
- ii. Valid Professional Regulation Commission Identification Card (PRC ID);
- iii. Valid Certificate of Accreditation with the Professional Regulation Commission – Board of Accountancy (PRC-BOA);
- iv. Current Professional Tax Receipt (PTR) issued by the local government;
- v. Valid Certificate of Membership in Good Standing with the Philippine Institute of Certified Public Accountants (PICPA); or Certification of Life Sustaining Membership issued by the PICPA, if any;
- vi. Certificate of Attendance to training equivalent to a minimum of 24 hours of required training as provided in Section 4 of the Revised Guidelines; and
- vii. Other necessary documents.

Thank you for your favorable consideration.

Very truly yours,

Name



PRO-FORMA APPLICATION FOR INITIAL ACCREDITATION
(Partnership/Audit Firm)

Cooperative Development Authority

Extension Office

Dear Sir/Madam:

Our Partnership/Audit Firm would like to apply for accreditation as a Cooperative External Auditor pursuant to CDA Memorandum Circular on the Revised Guidelines on the Accreditation of Cooperative External Auditors.

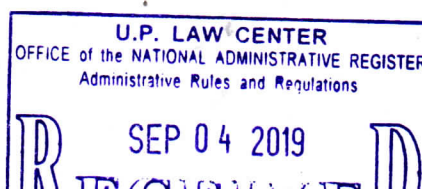
In compliance to the said Memorandum and in behalf of _____ (name of firm), I am attaching herewith the following documents:

- i. Profile of the Firm/Partnership;
- ii. Profile of the signing partners with 2 X 2 colored ID picture;
- iii. SEC Registration Certificate of Partnership;
- iv. Articles of Partnership;
- v. Partnership's Valid Certificate of Accreditation with the PRC BOA;
- vi. PTR of individual signing partner/s;
- vii. Valid Certificate of Membership in Good Standing with PICPA of the signing partners;
- viii. Certificate of Attendance to training of signing partner/s equivalent to a minimum of 24 hours of required training as provided in Section 4 of the Revised Guidelines; and
- ix. Other necessary documents.

Thank you very much.

Very truly yours,

Managing Partner



PRO-FORMA APPLICATION FOR RENEWAL OF ACCREDITATION
(Individual CPA)

Cooperative Development Authority

Extension Office

Dear Sir/Madam:

This is to signify my interest to apply for renewal of accreditation as a Cooperative External Auditor pursuant to CDA Memorandum Circular on the Revised Guidelines on the Accreditation of Cooperative External Auditors.

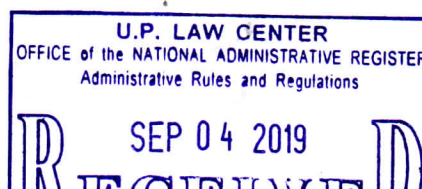
In compliance to the said Memorandum, I am submitting herewith the following documents:

- i. Updated profile of the applicant with updated 2 x 2 colored ID picture;
- ii. Valid PRC ID;
- iii. Valid Certificate of Accreditation with the PRC-BOA;
- iv. Current PTR issued by the local government;
- v. Valid Certificate of Membership in Good Standing with PICPA or its Chapter;
- vi. Certificate of Training equivalent to 24 hours of required training for renewal of Accreditation;
- vii. Previous Certificate of Accreditation issued by the CDA;
- viii. List of cooperative-clients and years audited;
- ix. Sworn statement that I have engaged in Cooperative External Audit or Preparation of financial statement to at least one (1) micro cooperative that is free of charge as part of his/her social responsibility, duly supported with Certification from cooperatives that received such services; and
- x. Sworn statement that I have observed the conditions prescribed under Sec. 9 of the Revised Guidelines; and
- xi. Other necessary documents.

Thank you very much.

Very truly yours,

Name



PRO-FORMA APPLICATION FOR RENEWAL OF ACCREDITATION
(Partnership/Audit Firm)

Cooperative Development Authority

Extension Office

Dear Sir/Madam:

Our Partnership/Audit Firm would like to apply for renewal of accreditation as a Cooperative External Auditor pursuant to CDA Memorandum Circular Revised Guidelines on the Accreditation of Cooperative External Auditors.

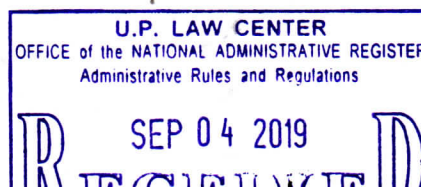
In compliance to the said Memorandum and in behalf of our firm, I am submitting herewith the following documents:

- i. Updated profile of the audit firm;
- ii. Updated profile of the individual signing partners with updated 2 x 2 colored ID picture;
- iii. SEC Registration Certificate;
- iv. Articles of partnership and/or its amendment;
- v. Partnership's valid Certificate of Accreditation with the PRC BOA;
- vi. Current PTR of signing partners;
- vii. Certificate of Membership in Good Standing with PICPA of the signing partners;
- viii. Certificate of Training of signing partners equivalent to 24 hours of required training for renewal;
- ix. Latest Certificate of Accreditation issued by the CDA;
- x. List of cooperative-clients and years audited;
- xi. Sworn statement that our firm has engaged in Cooperative External Audit or Preparation of financial statement to at least one (1) micro cooperative that is free of charge as part of his/her social responsibility, duly supported with Certification from cooperatives that received such services; and
- xii. Sworn statement our firm has observed the conditions prescribed under Section 9 of Revised Guidelines.

Thank you very much.

Very truly yours,

Authorized Representative
of Partnership/Audit Firm



PROFILE OF THE APPLICANT
INDIVIDUAL CPA

NAME OF THE APPLICANT

BUSINESS ADDRESS

DATE OF BIRTH	CONTACT NUMBER	EMAIL ADD
Month / Day / year		

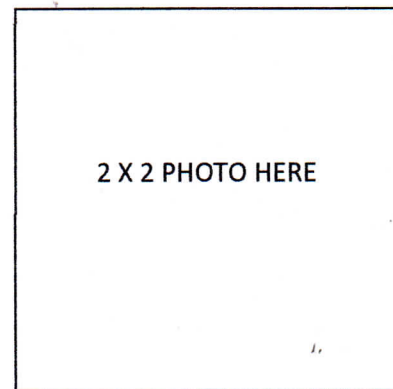
CPA NO.	VALIDITY	
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PRC BOA ACCREDITATION NO.	VALIDITY	
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PICPA CHAPTER AFFILIATION	VALIDITY OF CGS	
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OTHER ACCREDITATION/S, PLEASE SPECIFY:

SIGNATURE OVER PRINTED NAME OF THE APPLICANT



PROFILE OF THE APPLICANT
AUDIT FIRM/PARTNERSHIP

NAME OF THE AUDIT
FIRM/PARTNERSHIP _____

ADDRESS _____

CONTACT NUMBER _____
SEC REGISTRATION
NUMBER _____
PRC BOA
ACCREDITATION NO. _____

EMAIL ADD _____
DATE
REGISTERED _____
VALIDITY _____

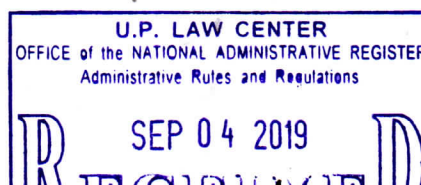
NAME OF PARTNERS:

Managing Partner _____

Signing Partners _____

OTHER
ACCREDITATION/S,
PLEASE SPECIFY: _____

SIGNATURE OVER PRINTED NAME
OF MANAGING PARTNER



PROFILE OF THE SIGNING PARTNER

NAME OF THE SIGNING PARTNER _____

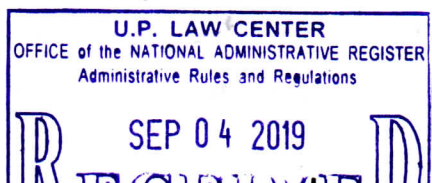
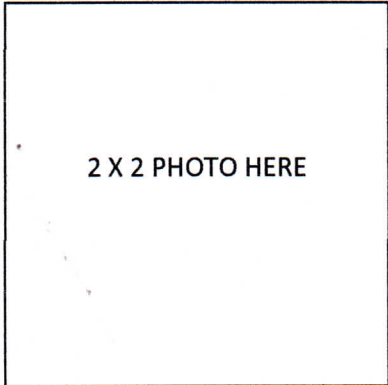
BUSINESS ADDRESS _____

DATE OF BIRTH	CONTACT NUMBER	EMAIL ADD
_____	_____	_____
Month / Day / year		

CPA NO.	VALIDITY
_____	_____

PICPA CHAPTER AFFILIATION	VALIDITY OF CGS
_____	_____

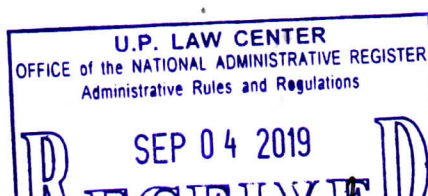
SIGNATURE OVER PRINTED NAME OF THE SIGNING PARTNER



LIST OF COOPERATIVE-CLIENTS
FOR INDIVIDUAL CPA
As of _____

NAME OF COOPERATIVES	ADDRESS	YEAR AUDITED	TOTAL ASSET	REMARKS
Coop 1	Quezon City	e.g. 2011 - 2015		
Coop 2	Manila	2016		

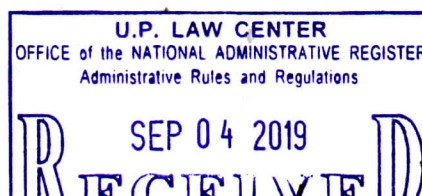
SIGNATURE & PRINTED NAME
OF THE AUDITOR



LIST OF COOPERATIVE-CLIENTS
FOR AUDIT FIRM/PARTNERSHIP
As of _____

NAME OF COOPERATIVES	ADDRESS	YEAR OF AUDIT	TOTAL ASSET OF THE COOP	SIGNING PARTNER	REMARKS
Coop 1	Quezon City	e.g. 2011 - 2015		Pedro Cruz	
Coop 2	Manila	2016		Juan Mercado	

SIGNATURE & PRINTED NAME
MANAGING AUDITOR



**PRESCRIBED TRAINING COURSE OUTLINE FOR
COOPERATIVE EXTERNAL AUDITORS (CEAs)**

For the 24-hour training requirements
INITIAL ACCREDITATION

	TOPIC/SUBJECT MATTER	OBJECTIVE	TOPIC OUTLINE	REQUIRED NUMBER OF HOURS	REFERENCE
1	Basic of Cooperatives	To equip the participants with working knowledge on cooperatives as business entity- their organization and business operation	<ul style="list-style-type: none"> • Definition of Cooperatives • Co-op principles, purposes and objectives • Types of Co-ops • Powers and capacities of Co-ops • Co-op Organizational Structure • Co-op as Business Entity 	2	RA 9520
2	Rules and Regulations on Cooperatives	To orient the participants on the rules and regulations on co-ops and the latest issuances of the CDA and other regulatory agencies relative to cooperatives	<ul style="list-style-type: none"> • Philippine Cooperative Laws and Regulations <ul style="list-style-type: none"> - Salient features of RA 9520 <ul style="list-style-type: none"> • Accounting and auditing related provisions • Allocation of net surplus • Issuances of CDA <ul style="list-style-type: none"> - Accreditation of CPA as Cooperative External Auditors with emphasis on the consideration on materiality of findings - Cooperative Annual Performance Report (CAPR) - Cooperative Social Audit - Other Issuances • Implementing rules and regulation of RA 9520 related to accounting and auditing 	6	RA 9520 CDA Memorandum Circulars IRR of RA 9520 Joint Regulations on accounting related issuances <ul style="list-style-type: none"> • BIR • IC • BSP • NWRB • DAR Issuances of other LGUs/ Agencies (e.g. BIR, SSS, DOLE, etc)

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 • Taxation on cooperatives
 • Other relevant topics

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	TOPIC/SUBJECT MATTER	OBJECTIVE	TOPIC OUTLINE	REQUIRED NUMBER OF HOURS	REFERENCE
3	Standard Chart of Accounts for Cooperatives	To equip the participants on the knowledge on SCA for Cooperatives	<ul style="list-style-type: none"> • Memorandum Circular on SCA 	4	CDA MC
4	Performance Standards for Cooperatives	To orient the participants on the use/ application of PERFORMANCE AUDIT REPORT	<ul style="list-style-type: none"> • Memorandum Circular on Performance Standards (Financial & Non-Financial) 	4	
5	Cooperative Audit	To impart among the participants the practical approaches and application of PSA to Cooperatives	<ul style="list-style-type: none"> • Practical approaches in the conduct of audit for cooperatives • Application of PSA to coop entities, highlighting coop peculiarities and their related risk - Objective and general principles governing an audit of financial statements - Auditor's responsibility to consider fraud, error and noncompliance - Conducting an audit of financial statements - Audit Evidence 	5	Audit Manual
6	Philippine Financial Reporting Framework for Cooperatives	To familiarize the participants on the Financial Reporting Framework to be used for cooperatives with emphasis on the peculiar accounts for cooperatives	<ul style="list-style-type: none"> • Phil. Financial Reporting Framework for Cooperatives 	3	CDA MC
	TOTAL			24	

**PRESCRIBED TRAINING COURSE OUTLINE FOR
COOPERATIVE EXTERNAL AUDITORS (CEAs)**

For the 24 hour training requirements
RENEWAL OF ACCREDITATION

	TOPIC/SUBJECT MATTER	OBJECTIVE	TOPIC OUTLINE	REQUIRED NUMBER OF HOURS	REFERENCE
1ST RENEWAL					
1	CDA UPDATES on Rules, Regulations and issuances for Cooperatives	To provide the participants with knowledge and information on the latest issuances of the Authority which are relevant in the preparation of Financial Statement of the Cooperatives, including the Authority's observation in the submitted Audited Financial Statements by the cooperatives	CDA Updates: <ul style="list-style-type: none"> ▪ Memorandum Circulars and Issuances issued by the Authority ▪ Distribution of Net Surplus ▪ Authority's Observation on Common Errors of Auditors ▪ Accounting for Equity ▪ Other CDA issuances that affect the financial operations of the cooperatives 	8	RA 9520 CDA MEMO CIRCULARS
2	Cooperatives Standards	To brief the participants on the standard reports of cooperatives and on SCA.	<ul style="list-style-type: none"> ▪ CAPR ▪ Cooperative Social Audit Report ▪ Cooperative Performance Audit Report 	4	CDA MEMO CIRCULARS as stated in the topics
			<ul style="list-style-type: none"> ▪ Standard Chart of Accounts (SCA) 	4	
		To familiarize the participants on the Financial Reporting Framework used for cooperatives with emphasis on the peculiar accounts for cooperatives	<ul style="list-style-type: none"> ▪ Philippine Financial Reporting Framework for Cooperatives 	4	CDA MEMO CIRCULAR
3	Audit Related Practices		<ul style="list-style-type: none"> ▪ Internal Control System for Cooperatives 	4	

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	TOPIC/SUBJECT MATTER	OBJECTIVE	TOPIC OUTLINE	REQUIRED NUMBER OF HOURS	REFERENCE
SUCCEEDING RENEWALS					
1	CDA UPDATES on Rules, Regulations and issuances for Cooperatives	To provide the participants on the latest issuances of the CDA	CDA issuances that affect the financial operations of the cooperatives		RA 9520 CDA MEMO CIRCULARS
2	Cooperatives Standards	To brief the participants on the PFRF and standard reports of cooperatives and on SCA.	<ul style="list-style-type: none"> ▪ CAPR ▪ Cooperative Social Audit Report ▪ Cooperative Performance Report 	4	CDA MEMO CIRCULARS
			<ul style="list-style-type: none"> ▪ Standard Chart of Accounts (SCA) 	4	CDA MEMO CIRCULAR
			<ul style="list-style-type: none"> ▪ Philippine Financial Reporting Framework for Cooperatives 	4	CDA MEMO CIRCULAR
3	Audit Related Practices	To familiarize the participants on the audit related practices applicable to cooperatives	<ul style="list-style-type: none"> ▪ Internal Control System for Cooperatives 	4	Accounting Books and related references
			<ul style="list-style-type: none"> ▪ Working Paper Preparation ▪ Pro-Forma Financial Report 	4	
			<ul style="list-style-type: none"> ▪ Risk based audit for coops 	4	
			<ul style="list-style-type: none"> ▪ Fraud Audit for coops 	4	
			<ul style="list-style-type: none"> • Audit Procedures for Cooperatives 	4	
			<ul style="list-style-type: none"> • Cooperative Taxation 	4	
			<ul style="list-style-type: none"> • Internal Audit Report and Management Letter Writing 	4	
			<ul style="list-style-type: none"> • Ethical considerations in the Audit of Cooperatives 	4	
			<ul style="list-style-type: none"> • PICPA Cooperative Day 	8	
			<ul style="list-style-type: none"> • External Auditors' Forum 	8 hours per day	
	TOTAL	A total of 24 hours from these selection of trainings shall be completed			

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