

Cotabato Light participates on Aboitiz wide Accounting Forum

Written by Mary Mae Uy Siang

Just recently, an Aboitiz wide Accounting Forum was conducted and facilitated by SGV & Co. One of the objectives of the event was to “give a high level summary of revised standards in Philippine Financial Reporting Standards (PFRS), amendments and interpretations applicable and subsequent to 31 December 2011”.

The two-day activity which was held from Sept 1-2, 2011 at Marriot Hotel Convention Cebu City was attended by different Accounting specialist from Cotabato Light, Davao Light, Subic Enerzone, MEZ/BEZ, Balamban, VECO, AboitizPower Co., Pilmico, and other company from Aboitiz group.

The Speakers from SGV & Co. were Mr Tan, Mr. Ladislao Avila, Jr. and Ms. Armin Tulio who discussed briefly the business implications of implementing the new pronouncements of PFRS and clarify potential implementation issues.

In day one, Mr. Tan explains the Phil. Accounting Standard (PAS) 24 and revised Related Party Disclosure. The amended standards provide the following changes: Definition of a related party requires disclosure for commitments, partial exemption for government-related entities, and consequential amendment to PFRS 8. PAS 32 (Amendment) – classification of rights issues denominated in a foreign currency. To acquire a fixed number of entity’s own equity instruments for a fixed amount of any currency.

He also presented the Philippine Interpretation IFRIC 19, Extinguishing Financial Liabilities with Equity Instruments, improvements to PFRSs (issued 2010) this includes the PFRS 3-Business combinations (revised), PFRS 7- Financial Instrument Disclosure, PAS 1- Presentation of Financial Statements, and PAS 34 – Interim Financial Reporting.

On the other hand, Mr. Avila, Jr. discussed the PFRS 13 which is about the Fair Value Measurement. It clarifies the definition of fair value, how to measure fair value, increase disclosure about fair value measurements, applies to financial and non-financial assets and liabilities, and applies to recurring and non-recurring measurements.

While Ms. Tulio talked about the updates on current accounting developments, the IASB Work

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Plan, Leases Project, and Revenue recognition proposal.

On the second day, the discussions focused on updates about Income tax, Value-added tax, Expanded and Final Withholding taxes, Withholding tax on wages/fringe benefits tax, documentary stamp taxes, Local taxes, administrative requirements, and BIR examination and assessments.

The accounting forum was indeed educational with the Accounting refresher and updates that made the discussions productive. It ended up by providing answers to frequently asked questions on selected key standards.