

PRACTICE DIRECTION NO. 3 OF 2022

REVISED CONTINUING PROFESSIONAL EDUCATION SYLLABUS AND REQUIREMENTS FOR REGISTRATION AS A PUBLIC ACCOUNTANT AND RENEWAL OF CERTIFICATE OF REGISTRATION

Aim

1. This practice direction sets out the changes to the Continuing Professional Education (CPE) syllabus to include sustainability reporting standards¹ and the related assurance² as core expertise areas under Category 1 and Category 3 of the CPE syllabus.

Background

2. All public accountants must undertake CPE in accordance with the CPE syllabus approved by the Public Accountants Oversight Committee (PAOC) for the purposes of registration as a public accountant and renewal of certificate of registration. The CPE requirements are set out in paragraph 1 of the Third Schedule (on renewal) and paragraph 4 of the Second Schedule (on registration) to the Accountants (Public Accountants) Rules.

Changes to the CPE Syllabus

3. Risks associated with Environmental, Social and Governance matters can have a material impact on an entity's business model, cash flow, financial position and financial performance. As sustainability reporting gains traction, there will also be demand for auditors to provide assurance on these sustainability reports. The profession including public accountants will have to keep abreast of the developments in this space and must stand ready to upskill and adapt, including undertaking courses in sustainability related fields to build up competencies.

4. Given the potential direct impact of sustainability reporting on financial statements and audits, the PAOC has approved to regard courses undertaken by public accountants in the areas of sustainability reporting standards and related assurance as core expertise areas under Category 1 and Category 3 of the CPE syllabus respectively, for purposes of fulfilling the CPE requirements for the renewal of their certificate of registration. Accordingly, Category 1 and Category 3 of the CPE Syllabus will be amended to "Financial and Sustainability Reporting Standards and Pronouncements" and "Auditing and Assurance Standards, Pronouncements and Methodology" respectively.

Implementation

5. The above changes to the CPE syllabus will take effect from 1 January 2023.

Legal Provisions

6. The legal provisions relevant to this Practice Direction are:

- (a) Section 13 of the Accountants Act, Cap. 2; and

¹ Sustainability reporting standards include: (i) Global Reporting Initiatives Standards (ii) Task Force on Climate-Related Financial Disclosures Framework and (iii) International Sustainability Standards Board's IFRS Sustainability Disclosure Standards.

² Sustainability assurance standards include: (i) Singapore Standard on Assurance Engagements (SSAE) 3000 Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and (ii) SSAE 3410 Assurance Engagements on Greenhouse Gas Statements.

- (b) Second Schedule and Third Schedule to the Accountants (Public Accountants) Rules, Cap.2, R 1.

Further Clarification

7. If you need further clarifications, please submit your enquiries through <https://www.acra.gov.sg/enquiry/>.

Issued on 28 December 2022

Ong Khiaw Hong

Chief Executive and Registrar of Public Accountants
Accounting and Corporate Regulatory Authority