Certified Practising Accountants Papua New Guinea

CPA PNG's Feedback on SMO Project

SMO 1

The removal of the ring fencing principle in the former version of SMO1 is timely as the expectation of stakeholders in entitles for quality assured financial information is gaining prominence after recent upheavals. A uniform approach to quality assurance with some deviations based on the individual jurisdictions.

CPA PNG continues to learn and accept the applications of quality assurance systems as sanctioned by global regulatory and member bodies based on their global standing.

SMO 2

CPA PNG continues to adopt international accounting education standards as sanctioned by IAESB and member bodies based on their global standing.

SMO 3

CPA PNG continues to adopt international auditing standards as sanctioned by IAASB and member bodies based on their global standing.

SMO 4

CPA PNG continues to adopt and apply the code of ethics for professional accountants as issued by IFAC.

SMO 5

The adoption and application of the international public sector accounting standards requires a vigorous consultative process for developing countries. While other countries have adopted these accounting standards, CPA PNG is yet to commence that consultative process for its adoption. Political pressures may wash down the early adoption of these accounting standards.

SMO 6

The restructured SMO 6 is fitting given the different natures of misconduct or actions that warrant different levels of displine on its members.

SMO 7

The continued adoption and application of the international financial reporting standards in financial reporting has the full backing of CPA PNG. Entities (reporting or non reporting) have been continuously reminded to apply the IFRSs in financial reporting. What has been outstanding to date is the adoption and application of the IFRS for SMEs that requires the approval of the in-country accounting standards board that had not convened since.