

## The South African Institute of Professional Accountants

### Comments on IES 1

**Question 1: Is the requirement in Paragraph 7 clear, particularly the concept of “a reasonable chance of successfully completing” balanced with “not putting in place excessive barriers to entry”? If not, what changes would you suggest?**

The requirement in Paragraph 7 is clear. However, not all PAO's offer their own qualifications and are dependent on tertiary institutions to provide the educational training. These tertiary institutions / universities have their own entry requirements which are not easily influenced by the PAO's. This itself is a barrier to entry.

As far as the South African Institute of Professional Accountants is concerned, we have different levels of entry to becoming an accounting professional.

Firstly, we allow students to enter our learnerships (training programme) straight from secondary school. However, since we do not offer our own qualification, these students would have to obtain their educational qualification from a SAIPA accredited university, whilst completing their training. A SAIPA accredited university is a university that has been accredited by SAIPA to offer its qualification. SAIPA has developed a curriculum together with syllabi and different universities apply to be accredited service providers for this qualification. On completion of the educational qualification together with the training programme, these students would qualify to sit for the SAIPA Professional Evaluation Examination.

Secondly, students with a completed qualification but not meeting the SAIPA requirements, are also allowed to enter the training program and a gap assessment is performed on them. They then have to complete the subjects/courses required, again at a SAIPA accredited university, whilst training. On completion of the educational component and the training requirement, these students would be ready to sit for the Professional Evaluation Examination.

Finally, students who have met the SAIPA educational requirements may enter the training programme. On completion of the training programme, these students may sit for the Professional Evaluation Examination.

SAIPA, therefore, subscribes to the concept of “a reasonable chance of successfully completing” balanced with “not putting in place excessive barriers to entry”.

**Question 2: Do you envisage any difficulties in complying with the requirements of IES 1? If so, how would you propose addressing them?**

As described in (1) above, SAIPA does not envisage any difficulties in complying with the requirements of IES 1.

**Question 3: What is the impact in implementing the requirements of IES 1 to your organization?**

SAIPA is already compliant with IES 1 and the impact in implementing the requirements of this standard will be minimal to the organisation.

However, for those PAO's dependent on tertiary institutions for providing the educational component, it would be difficult for the PAO to determine the entry requirements at these tertiary institutions. So whilst the PAO itself does not have entry barriers, these barriers are put in place by the tertiary institution.

**Question 4: Are the Explanatory Materials sufficiently clear and comprehensive? If not, what changes do you suggest?**

The Explanatory Materials are sufficiently clear and comprehensive.

**Question 5: Is the objective to be achieved by a member body, stated in the proposed revised IES 1, appropriate?**

The objective to be achieved by a member body as stated in the proposed revised IES 1 is appropriate.

**Question 6: Have the criteria identified by the IAESB for determining whether a requirement should be specified been applied appropriately and consistently, such that the resulting requirements promote consistency in implementation by member bodies?**

The criteria identified by the IAESB for determining whether a requirement should be specified have been appropriately and consistently applied, such that the resulting requirements promote consistency in implementation by member bodies.

**Question 7: Are there any terms within the proposed IES 1 which require further clarification? If so, please explain the nature of the deficiencies.**

There are no terms within the proposed IES 1 that require further clarification.