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# IES 7 Exposure Draft

Submitted by AAT

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1. The AAT welcomes the opportunity to respond to the current IES 7 exposure draft, and continue to be committed to providing as much useful input to these consultation opportunities as possible. We note that in this instance the IAESB is seeking comments only on changes resulting from the application of the clarity drafting conventions and their effect on the content of IES 7. As such, our responses to the specific questions raised in the exposure draft are detailed below.

2. In response to Question 1: **Is the objective to be achieved by a member body, stated in the proposed redrafted IES 7, appropriate?**

IES 7 outlines that *“The objective of setting requirements for CPD is to ensure that member bodies:*

- (a) Require CPD to be an integral component of a professional accountant's continued membership;*
- (b) Monitor and enforce a systematic process to ensure that their members meet the requirements of the standard; and*
- (c) Assist individual professional accountants to develop and maintain their professional competence.*

*These requirements contribute to the profession's objective of providing high-quality services to meet the needs of clients, employers, and other stakeholders in the public interest.”*

We believe that the objective is appropriate. The role that member bodies should play in maintaining confidence amongst all stakeholder groups through CPD policy, guidance, monitoring and support as detailed in the above paragraph, and supported by the explanatory material, is sufficiently clear.

3. In response to Question 2: **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?**

Our view is that the criteria have been applied appropriately and consistently. Reflecting on the criteria, which have been identified by the IAESB as:

- *The requirement is necessary to achieve the objective stated in the Standard*
- *The requirement is expected to be applicable in virtually all situations to which the Standard is relevant; and*
- *The objective stated in the Standard is unlikely to have been met by requirements of other Standards.*

the AAT has considered its own approach to the mandatory CPD policy we have in place, and we are clear that the content not only helps to underpin the approach we currently take, but additionally provides further clarity that will be of value for when we next conduct a review of our existing policy framework. As the AAT's policy follows an output-based approach, the developments contained within paragraphs A.12 and A.13 in particular are of value in terms of the clarity provided to enable us, and other membership bodies, to evaluate how to ensure our respective members can demonstrate their commitment to CPD.

4. In response to question 3: **Are there any terms within the proposed redrafted IES 7 which require further clarification? If so, please explain the nature of the deficiencies.**

We don't consider that there is anything contained within the proposed redrafted IES 7 that does require further clarification. Our view is that, as there has been time to engage with the existing IES 7, there is sufficient familiarity with the principles and detail behind the existing Standard. Where there have been changes under the redrafting process these have added further clarity and have served to take into account issues around CPD guidance, monitoring and support that have changed in the interim.

There was a minor inaccuracy that we noted within the supplement to the exposure draft, whereby changes listed at numbers 35, 38 and 42 do not appear to relate the correct new paragraph reference (new paragraph references 12,11 and 14 respectively – our view is that these should be paragraphs 13, 12 and 15 respectively).