

IES 5 Practical Experience Requirements for **Aspiring (prefer the label 'trainee' or 'student')** Professional Accountants

General Overview

We welcome the IAESB's work on reviewing all of the IESs and the objective of the review with regard to this standard, which is:

- To ensure that aspiring professional accountants acquire appropriate and sufficient practical experience to demonstrate competence in **undertaking** the role of a professional accountant before assuming the role.

In response to the specific matters requested by the IAESB, these comments are provided in response to the seven questions given.

Specific Response

Question 1: Do you find that the outcome-based, input-based and combination approaches offer sufficient alternatives for effectively meeting the standard's requirements for IFAC member bodies to establish their preferred approach to measure practical experience?

Yes, this gives a range of options for the professional bodies to undertake a preferred option. CIMA's preferred method is the combination approach. A further suggestion is that work-based experience, which for accountancy professional students can be very varied, should be identified as core and supplementary by nature ; specific periods of each be required within the assessment and drive the content of the competency map, skills assessment and development log.

The combination approach is also good preparation for students in relation to their subsequent input to CIMA's CPD Programme which picks up on the reflective outcomes based element.

Question 2: In considering the role of the supervisor in directing the aspiring professional accountant's practical experience, the IAESB is proposing to define a supervisor as follows: "is a professional accountant who is responsible for guiding and advising aspiring professional accountants and for assisting in the development of the aspiring professional accountant's competence". Do you agree with the definition? If not, what amendments would you propose to the definition?

This definition is insufficient in scope for some of CIMA's students, as they may be employed by the SME sector and be directly supervised by a professional manager, who may not be a qualified professional accountant. These students gain virtual mentoring through the CIMA support services and website and via regional events. The Assessment of all students is also undertaken by a group of Assessors guided by the Membership Panel, all of which are FCMAs (globally recruited Fellows of the Institute).

Question 3: Are the requirements of EIS 5 clear for IFAC member bodies?

Yes, though the additions suggest answers here in Q 1-7 would add to that clarity.

Question 4: Are the examples and explanation in Explanatory Materials section sufficient in explaining the requirement of the standard?

Yes, once any additions here in answering the other questions posed are incorporated into A1-14.

Mention is also required here of the ongoing CPD requirements coming into force immediately after the professional competency has been accepted for all new members, and continuous audit procedures for assessing these requirements should be in place on moving forward.

Question 5:

Is the objective to be achieved by a member body, stated in the proposed revised IES , appropriate?

Yes, subject to amendments set out in responses to Q1, 2 and 4.

Question 6: Have the criteria identified by 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.

Here the potential qualification of the mentor needs to be widened to include management professionals, as potential management accountants have a broader scope generally and particularly when working within SMEs. The Assessor (a qualified accountant) then becomes integral to the decision as to when a potential Member has achieved professional accounting status (whether via an ongoing compiled work experience log or reflective work experience log).

Question 7: Are there any terms within the proposed IES 5 which require further clarification. If so, explain the nature of the deficiencies?

The following terms and highlighted sections could be added to and/or more fully defined within the glossary (as per IAESB):

Cooperative education - A programme of education, generally leading to a degree **or equivalent**, which includes periods of academic **or professional study** and full-time work experience .

Supervisor/mentor – A professional accountant or management professional

Membership Assessor – A professionally qualified accountant with a breadth of work experience and annual assessment training (e.g. Fellow of an Institute)

Work log – A structured, documented core and supplementary work experience log, compiled in an on-going or reflective manner.

Sufficiency – Clear definition of three options and core/supplementary work experience (translated according to IFAC bodies' own methodologies within the confines of the standard).

