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March 4, 2016

Mr. David McPeak
Technical Manager
International Federation of Accountants
545 Fifth Avenue, 14th Floor
New York, New York 10017
U.S.A.

Dear David:

CPA Canada is pleased to provide its comments on “Response to Meeting Future Expectations of Professional Competence: A Consultation on the IAESB’s Future Strategy and Priorities”.

The new Canadian designation, Chartered Professional Accountant (CPA), is now used by Canada’s accounting profession across the country. The profession’s national body, Chartered Professional Accountants of Canada (CPA Canada), is one of the largest in the world with more than 200,000 members, both at home and abroad. The Canadian CPA was created with the unification of three legacy accounting designations (CA, CGA and CMA).

CPA Canada enhances the influence, relevance and value of the Canadian CPA profession by:

- acting in the public interest
- supporting our members
- contributing to economic and social development

We believe that strong, competency building education programs are paramount to achieving this mission.

CPA Canada would like to thank the members of the IAESB for their significant efforts in considering the best way for the IAESB and IFAC to guide IFAC member bodies in developing sound education programs.

Yours truly,

Tashia Batstone, FCPA, FCA, MBA
Vice President, Education Services
Chartered Professional Accountants of Canada



RESPONSES TO QUESTIONS:

1. What enhancements, if any, do you feel should be made to the existing International Education Standards (IESs)?

We do not believe that any enhancements should be made to the existing IESs. As the Board noted in its Executive Summary “time is needed to allow IFAC member bodies to implement fully the revised IESs before assessing whether the aims of the revised IESs are being achieved.” We believe that it is very important to give member bodies time to consider the effectiveness of the current IESs. Changing education standards takes significant time because of the number of players that are involved in professional education and we question, given IFAC’s limited resources, whether standard setting is the best focus for the IAESB (we return to this point in question 5 below). There needs to be a period of steady state to properly evaluate whether the aims of the revised IESs are being achieved.

We would support consultation with IFAC member bodies to determine what implementation issues member bodies are experiencing as well as asking what approach for the IAESB going forward would be most useful. The information gained through that exercise should drive the IAESB agenda going forward.

2. How can the IAESB align the requirements of IES 7, *Continuing Professional Development (2014)* to support the learning outcomes approach of the other IESs, including IES 8, *Professional Competence for Engagement Partners Responsible for Audits of Financial Statements (Revised)*?

Whereas we are aware that IES 7 does not align with a learning outcome approach it is important to note that most professional accounting bodies have regulators who have based continuing professional development regulations on an input approach. Accordingly we would not support burdening professional bodies with additional requirements merely for the sake of consistency with the philosophy of other standards.

In addition, having gone through the exercise on a number of occasions, we believe that, given the diversity of roles that are played by accountants in the myriad of post designation careers, the learning outcome approach to lifelong learning will necessitate generic learning outcomes that will provide little additional guidance to professional bodies. We further believe that the IAESB needs to concentrate on pre-certification education and let post-certification education be left to the national professional accounting bodies and employers in their jurisdictions who best understand the landscape and who are better positioned to determine the learnings that will allow professional accountants to perform their jobs at the highest level.

3. What action, if any, should the IAESB take to improve professional competence related to the appropriate exercise of professional skepticism and professional judgement?

It is our understanding that the IAASB is in consultation on “A Focus on Professional Scepticism, Quality Control and Group Audits”. We believe that the IAESB should stand back until the IAASB has completed that consultation and determined whether revised or new standards are required. The IAESB can then use that information to determine the best way to assist member bodies implement any new IAASB requirements.

Accordingly it is premature to establish this area as a strategic priority at this time. At most we would possibly see a future role for IAESB in thought leadership and guidance in this area and not in standards.

4. What new IESs, if any, do you suggest be developed to address emerging matters related to the education of aspiring professional accountants and professional accountants?

We do not believe that any new IESs should be developed. As stated earlier we believe a period of stability is needed to allow for the impact of the current IESs to be fully assessed. The principles espoused in the current IESs reflect the importance of the development and maintenance of high quality and relevant education programs for both initial and continuing professional education. These principles, combined with the fact that many member bodies need to comply with the requirements of local regulators, clearly indicate the need for member bodies to ensure their education programs remain current by addressing emerging matters. In addition, many of the mature member bodies undertake significant research activities. The IAESB should be reviewing the relevance of the research currently being undertaken by the member bodies as part of the IAESB’s work plan.

Therefore, we do not support any revision of existing standards or the development of new standards. We do believe that the IAESB should be collecting best practices and developing guidance around those best practices to assist developing accounting bodies.



5. What other activities, if any, do you suggest the IAESB prioritize for the period 2017-2021 (for example, implementation support; guidance; communications; thought leadership publications)?

We believe that IAESB and IFAC can play a significant role in education going forward. The education of our members is a vital factor in ensuring the successful maintenance and development of a profession that operates with integrity and high quality. To that end we believe the IAESB and IFAC would have a much more significant impact if it focused its endeavors on thought leadership and best practice guidance in the education area. Indeed a specific area of focus should be on reviewing best practices throughout the IFAC membership and assisting developing countries improve their education systems in conjunction with the Professional Accountancy Organization Development Committee (PAODC). In reviewing its work plan in consultation with stakeholders the IAESB and IFAC should consider whether the IAESB's focus should be entirely in this area and not on standard setting.