

IAESB Exposure Draft (July 2012)

International Education Standard 4

***Initial Professional Development – Professional Values, Ethics,
and Attitudes (Revised)***

Response and Comments

from

The Institute of Certified Public Accountants in Ireland

October 2012

Response to, and Comments on, the IAESB's IES 4 Exposure Draft (July 2012)

Initial Professional Development – Professional Values, Ethics, and Attitudes (Revised)

The comments and / or suggestions of the Institute of Certified Public Accountants in Ireland (CPA Ireland) are in sequence below with the Consultation Paper issued in July 2012.

The Institute of Certified Public Accountants in Ireland is one of the main Irish accountancy bodies with in excess of 5,000 members and students working in 40 countries around the world. The Institute is active in the profession at national and international levels participating in the Consultative Committee of Accountancy Bodies – Ireland – CCAB (I) and, together with other leading accountancy bodies, was a founding member of the International Federation of Accountants (IFAC). The Institute is also a member of the Fédération des Experts Comptables Européens (FEE), the representative body for the main accountancy bodies in 25 European countries.

Question 1: *Do you agree with the tabular format adopted for learning outcomes?*

Response 1: This Institute agrees the tabular format adopted for learning outcomes in the draft revised IES.

Question 2: *Do you agree with the competence areas identified for ethics education?*

Response 2: This Institute agrees with the competence areas identified for ethics education in the draft revised IES.

Question 3: *Do you agree with the minimum levels of proficiency as identified for each competence area?*

Response 3: This Institute is of the view that the levels of proficiency should not be lower than the levels of proficiency identified for each competence area. It also notes that these are the minimum levels of proficiency that must be demonstrated and that member bodies may require more in-depth levels as part of their IPD programmes.

Question 4: *Do you agree that the learning outcomes related to professional skepticism and professional judgment identified are appropriate for ethics education?*

Response 4: The learning outcomes related to professional skepticism and professional judgment identified in the revised IES are considered by this Institute as being appropriate for ethics education.

Question 5: *Does Appendix 1 of the proposed IES 4 Exposure Draft (June 2012) provide adequate clarification to assist in the interpretation of the learning outcomes that are listed in Paragraph 11 of the proposed IES 4 Exposure Draft (June 2012)? If not, what changes do you suggest?*

Response 5: This Institute is of the view that adequate clarification is provided to assist in the interpretation of the learning outcomes that are listed in Paragraph 11 of the proposed IES 4 Exposure Draft (June 2012).

Question 6: *Are there any terms within the proposed IES 4 Exposure Draft (June 2012) which require further clarification? If so, please explain the nature of the deficiencies?*

Response 6: There are no terms requiring further clarification.

Question 7: *Do you anticipate any impact or implications for your organization, or organizations with which you are familiar, in implementing the new requirements included in this proposed IES 4 Exposure Draft (June 2012)?*

Response 7: This Institute does not anticipate any impact or implications in implementing the new requirements included in this proposed IES 4 Exposure Draft (June 2012).

Question 8: *Overall, are the requirements clear and appropriate? If not what changes would you like to see?*

Response 8: The requirements with respect to learning outcomes, review of professional accounting education programmes, and assessments are clear and appropriate.

Question 9: *Do you anticipate any impact or implications for your organization, or organizations with which you are familiar, in implementing the new requirements included in this proposed revised IES 3 (Revised)?*

Response 9: This Institute has already adopted a learning-outcomes approach to the initial professional development of aspiring professional accountants. The regular review of its education programme and assessment methodologies is an essential part of the Institute’s quality assurance processes and, therefore, no implications arising from the adoption of this proposed IES are anticipated.

Question 10: *Are there any additional explanatory paragraphs needed to better explain the requirements of the proposed IES 3 (Revised)?*

Response 10: Additional explanatory paragraphs are not required.

Question 11: *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?*

Response 11: The objective, as stated in the standard may infer that IFAC member bodies have only one objective. This Institute suggests that the objective be reworded - please see Response 3 on the previous page.

Miscellaneous Suggestions

Page	Paragraph	Text
12	1	<p>Suggest – replace</p> <p><i>“This International Education Standard (IES) prescribes the learning outcomes that demonstrate the professional values, ethics, and attitudes required of aspiring professional accountants by the end of Initial Professional Development (IPD).”</i> With</p> <p><i>This International Education Standard (IES) prescribes the learning outcomes that aspiring professional accountants are required to demonstrate in professional values, ethics, and attitudes by the end of Initial Professional Development (IPD).</i></p>

Page	Paragraph	Text
12	2	Suggest - replace <i>“This IES is addressed to International Federation of Accountants (IFAC) member bodies. IFAC member bodies have responsibility for ensuring that IPD meets the requirements of this IES.”</i> With <i>“This IES is addressed to International Federation of Accountants (IFAC) member bodies all of which have responsibility for ensuring that IPD meets the requirements of this IES.”</i>
12	3	Suggest - replace <i>“...and attitudes achieved during IPD are ...”</i> with <i>and attitudes developed and demonstrated during IPD are ...”</i>
12	4	Suggest – replace <i>“This IES integrates ...”</i> with <i>“The purpose of this IES is to ensure the integration of ...”</i>
12	5	Suggest – replace <i>“This IES specifies ...”</i> with 1. <i>“Specified in this IES are...”</i>
12	6	Suggest – replace <i>“... Additional terms obtained from IAASB pronouncements...”</i> with <i>“... Additional terms obtained from The International Auditing and Assurance Standards Board (IAASB) pronouncements...”</i>
12	8	Suggest – replace <i>“The objective of an IFAC member body is to provide aspiring professional accountants with the professional values, ethics, and attitudes required to perform a role of a professional accountant.”</i> with <i>“The objective of an IFAC member body is to ensure aspiring professional accountants develop and demonstrate the professional values, ethics, and attitudes required of a professional accountant.”</i>
12	9	Suggest – replace <i>“... for aspiring accountants a) to exercise...”</i> with <i>“... for aspiring accountants to a) exercise...”</i>
12	9	Suggest – replace <i>“... and b) to act...”</i> with <i>“...and b) act ...”</i>
14	Table A, (c) (iv)	Suggest - replace <i>“Compare the consequences of unethical behavior to the individual, to the profession, and to society at large”.</i> with <i>“Reflect upon the consequences of unethical behavior on the individual, the profession, and society at large”.</i>
15	A5	Suggest – replace <i>“... that are more restrictive.”</i> With <i>“... not included therein.”</i>
16	A8	Suggest – replace <i>“... related learning outcomes can be specified...”</i> with <i>“... related learning outcomes may be specified...”</i>
16	A8	Suggest – replace <i>“... include ethical principles and professional skepticism and professional judgment.”</i> With <i>“...include ethical principles, professional skepticism and professional judgment.”</i>
16	A9	Suggest – add quotation marks to <i>... competent professional service...</i> to read <i>“... competent professional service...”</i>

Page	Paragraph	Text
16	A10	Suggest – replace “... may be established by...” with “... based upon...”
16	A11	Suggest – replace “Under relevant ...” with “In observing... “
17	A16	Suggest – replace “... to be achieved by an aspiring professional accountant...” with “...to be achieved by aspiring professional accountants...”
18	A21 (f)	Suggest - replace “... Seminars using speakers...” with “...Seminars involving speakers with
18	A22	Suggest - replace “... potential conflicts for individuals and businesses...” with “... potential conflicts for individuals and organisations ...”
18	A27	Suggest – replace “... consult employers, mentors, or supervisors...” with “... consult employers, mentors or supervisors...”
19	A29	Suggest – replace “... rapidly-changing ...” with rapidly changing...”
19	A33	Suggest – replace “... For example certain ethical situations could be sensitive and subject to legal or disciplinary actions, and are therefore not suitable for aspiring professional accountants to document and discuss.” with “... For example certain ethical situations could be sensitive and subject to legal and / or disciplinary actions. Therefore they would not be suitable situations for aspiring professional accountants to document and discuss.
19	A36	Suggest – replace “... Various activities can be used ...” with “... Various activities may be used...”
20	A37 (d) and A38	Suggest – replace “... decision-making” with “... decision making”
21	2 nd paragraph	Suggest – replace “...IESs none of the learning outcomes are...” with “...IESs none of the learning outcomes is ...”
21	Foundation	Suggest – replace “Defining, explaining, summarizing, and interpreting...” in first bullet with “Define, explain, summarize, and interpret ...”
21	Foundation	Suggest – replace “Performing...” in second bullet with “Perform...”
21	Foundation	Suggest – replace “Recognizing...” in third bullet with “Recognize...”
21	Foundation	Suggest – replace “Solving problems and referring...” in fourth bullet with “Solve problems and refer...”
21	Foundation	Suggest – replace “Providing...” in fifth bullet with “Provide...”
21	Intermediate	Suggest – replace “...applying, comparing and analyzing...” in first bullet with “...apply, compare and analyze...”
21	Intermediate	Suggest – replace “Combining...” in second bullet with “Combine...”
21	Intermediate	Suggest – replace “Applying...” in third bullet with “Apply...”
21	Intermediate	Suggest – replace “Assessing...” in fourth bullet with “Assess...”
22	Intermediate	Suggest – replace “Presenting information and explaining ideas in a clear manner, using oral and written communications to accounting and non-accounting stakeholders” in the fifth bullet with “Use written and oral communications skills to present information and explain

Page	Paragraph	Text
		<i>ideas in a clear manner to both accounting and non-accounting stakeholders.”</i>
22	Advanced	Suggest – replace “ <i>Selecting and integrating...</i> ” in first bullet with “ <i>Research, select and integrate...</i> ”
22	Advanced	Suggest – replace “ <i>Integrating...</i> ” in second bullet with “ <i>Integrate...</i> ”
22	Advanced	Suggest – replace “ <i>Making judgments...</i> ” in third bullet with “ <i>Make judgments...</i> ”
22	Advanced	Suggest – replace “ <i>Anticipating, consulting appropriately and developing...</i> ” in fourth bullet with “ <i>Anticipate, consult appropriately and develop...</i> ”
22	Advanced	Suggest – replace “ <i>Consistently presenting and explaining relevant information in a persuasive manner to a wide range of stakeholders</i> ” in the fifth bullet with “ <i>Present and explain, in a persuasive manner, relevant information tailored to the prior technical knowledge of groups of stakeholders.</i> ”
23	Mastery	Suggest – replace “ <i>Integrating...</i> ” in the first bullet with “ <i>Integrate...</i> ”
23	Mastery	Suggest – replace “ <i>Acting...</i> ” in the second bullet with “ <i>Act...</i> ”
23	Mastery	Suggest – replace “ <i>...profession by behaving...</i> ” in the second bullet with “ <i>profession and behave at all times ...</i> ”
23	Mastery	Suggest – replace “ <i>Communicating...</i> ” in the fourth bullet with “ <i>Communicates ...</i> ”

END