

***IES 5, Initial Professional Development
– Practical Experience (Revised)***

IES Implementation Support Material

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Overview of Presentation

❖ Introduction

- Scope: Who? What? When? Why?

❖ Objective

- IES 5 establishes the practical experience to perform a role as a professional accountant

❖ Requirements & Explanatory Material

- Require practical experience be completed by the end of IPD
- Require sufficient practical experience

Overview of Presentation (continued)

❖ Requirements & Explanatory Material (continued)

- Establish the preferred approach to measure practical experience using one of following 3 approaches: Output-based, Input-based, or Combination approaches
- Requires practical experience to be demonstrated using output measures
- Requires practical experience to be demonstrated using input measures
- Comply with requirements of output- and input-based approaches to implement a combination approach
- Require practical experience be conducted under the direction of a practical experience supervisor

Overview of Presentation (continued)

❖ Requirements & Explanatory Material (continued)

- Require practical experience be recorded in a consistent manner
- Require practical experience supervisor undertake a periodic review of records of practical experience
- Establish appropriate assessment activities to assess that sufficient practical experience has been completed

Introduction - Scope

What?

- ❖ Prescribes the practical experience required by the end of initial professional development

Who?

- ❖ Targets IFAC member bodies, helpful to accountants, providers, employers, regulators, and government authorities

When?

- ❖ Effective date: July 1, 2015

Why?

- ❖ To protect the public interest by prescribing practical experience that applies and integrates the components of professional accounting education, which enhances the competence and judgment of professional accountants.

Objective

IES 5 establishes the practical experience to perform a role as a professional accountant

- ❖ Practical experience serves to
 - Protect the public interest
 - Enhance the quality of work by professional accountants
 - Promote the credibility of the accountancy profession
- ❖ Practical experience required to be achieved by the end of IPD to
 - Perform a role as a professional accountant

Requirements

Require practical experience be completed by the end of IPD

- ❖ Combination of practical experience and education varies according
 - Rules established by individual IFAC member bodies
 - National and local laws
 - Requirements of regulatory authorities
 - Public expectations
- ❖ Appropriate balance between practical experience and professional accounting education considers
 - Program's emphasis on practical application
 - Both study for academic or professional qualification and work experience required
 - Practical experience obtained after or concurrently with program

Requirements

Require sufficient practical experience

- ❖ Sufficient practical experience has
 - Blend of depth and breadth
 - Knowledge and application
 - Integration of different areas
- ❖ Aspiring professional accountants must demonstrate they have gained necessary
 - technical competence
 - professional skills
 - professional values, ethics, and attitudes
- ❖ For performing a role of a professional accountant

Requirements

Establish the preferred approach to measure practical experience using one of following 3 approaches: Output-based, Input-based, or Combination approaches

- ❖ Approaches for practical experience consider
 - Public interest
 - Needs of aspiring professional accountants
 - Needs of employer
 - Needs of IFAC member body

Requirements

Requires practical experience to be demonstrated using output measures

- ❖ Evidence for assessment purposes includes
 - Measurement of learning outcomes achieved against a competency map
 - Review of a research project or reflective essay
 - Work logs compared against a competence map

Requirements

Requires practical experience to be demonstrated using input measures

- ❖ Evidence for measurement purposes includes
 - Attendance records
 - Time sheets
 - Workplace diaries
 - Work log or journal
- ❖ May consider structure and relevance of education completed

Requirements

Comply with requirements of output- and input-based approaches to implement a combination approach

- ❖ Can combine elements of both input- and output-based approaches to implement combination approach
 - Input measures may contribute to professional competence being measured
 - Achievement of particular competences might either be used to verify input, or replace a portion of the input requirement

Requirements

Require practical experience be conducted under the direction of a practical experience supervisor

- ❖ Practical experience supervisor
 - Is a professional accountant
 - Responsible for directing, advising, and assisting in acquiring sufficient practical experience
 - May provide planning practical experience period, guidance, and mentoring support
- ❖ May be assisted in performing the monitoring function by some who may not be a professional accountant

Requirements

Require practical experience be recorded

- ❖ The form in which practical experience is recorded
 - Is prescribed by an IFAC member body or where applicable a regulatory body
 - Is supported by verifiable evidence

Requirements

Require practical experience supervisor undertake a periodic review of records of practical experience

- ❖ Periodic reviews provide opportunities to
 - Check whether requirements are being met
 - Monitor individual's progress
 - Include practical experience supervisor, employer, and aspiring professional accountant in review process
 - Contribute to future development of aspiring professional accountant

Requirements

Establish appropriate assessment activities to assess that sufficient practical experience has been completed

- ❖ Assignment principles of IES 6 apply to design assessment activities
- ❖ Various assessment activities can be used to assess the sufficiency of practical experience (e.g., workplace assessments, work-based simulations)

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