

IAESB Meeting Highlights – April 18-20, 2018

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This summary of decisions focusing on the recent meeting of the International Accounting Education Standards Board™ (IAESB) has been prepared for information purposes only. Except for approval of documents for public exposure and issuance of final pronouncements, decisions reported are tentative and reflect only the current status of discussions on projects which might change after further deliberation by the IAESB.

For more detailed information about IAESB projects, please refer to the project summaries on IFAC's website at [IAESB Projects in Progress](#).

Revision of IES 7, Continuing Professional Development

The IAESB received copies of papers on Analysis of Respondents on IES 7 Exposure Draft, IES 7 Crosswalk of Comments, Marked-up Version of Proposed Wording for IES 7, Clean Version of Proposed Wording for IES 7, as well as an Issues paper that identified questions on significant issues for discussion. As a result of a full discussion of significant issues, the Board concluded to: (i) Retain the input-based, output-based, or both approaches as requirements for CPD measurement and include examples of these approaches in the Explanatory Material section; (ii) Clarify CPD learning and development activities by explaining what are acceptable activities and providing examples of such activities in the Explanatory Material section; and (iii) Identify support for a professional accountant's learning and development by describing a CPD framework and its activities. In addition, the IAESB discussed editorial amendments to clarify the wording of paragraphs in Introduction, Objective, Requirements and Explanatory Material sections.

The IAESB directed the IES 7 task force to prepare a final draft of IES 7 for Board's approval at its July 2018 meeting. Subject to Board's approval and the PIOB approval of due process activities, the revised IES 7, *Continuing Professional Development* would be published in Quarter 4 of 2018.

Information & Communications Technology

The IAESB received copies of papers on ICT survey results, questions used in outreach activities with stakeholders, list of member bodies involved with outreach, and methodology used to evaluate the need of ICT in other SSBs' standards, as well as an Issues paper that identified questions for discussion. As a result of this discussion, the IAESB concluded to: (i) Accept the proposed refinements to the 5 ICT elements because they provide an important lens to evaluate the relevancy and currency of the extant learning outcomes; (ii) Continue the planned work on evaluating other SSBs' standards for an underlying expectation of ICT skills and on information gathering activities, including reaching out to public sector entities, regulators, and non-accounting stakeholders; (iii) Progress the mapping of the 5 ICT elements to determine whether IESs are still responsive to the skills expected of professional accountants; and (iv) Review the project milestones and timeline to ensure enough time for the task force to provide sufficient evidence to evaluate whether extant IESs are fit for purpose and identify standard development activities that are responsive to the needs of stakeholders.

The IAESB directed the ICT task force to prepare an Issues paper that brings recommendations on possible standards development activities for Board discussion at its July meeting.

Professional Skepticism

The IAESB received copies of two personal perspectives articles and two thought leadership articles on professional skepticism, a summary of the professional skepticism survey results, a plan to request examples of good practices, an IESBA consultation paper, *Professional Skepticism – Meeting Public Expectations*, as well as an Issues paper that updated on task force activities since November 2017 IAESB meeting and provided questions for discussion. As a result of this discussion, the IAESB concluded to: (i) Support the IESBA Consultation paper, noting no fatal flaws but suggested that using the IAASB definition of professional skepticism may preclude respondents to engage in an open discussion on defining professional skepticism for all professional accountants; and (ii) support the task force's initiatives on: thought leadership; gap analysis of professional skepticism competence areas and learning outcomes in the IESs; and work plan to request examples of good practices from selected universities and academic networks on approaches to develop skepticism skills as part of IPD and CPD.

The IAESB directed the Professional Skepticism task force to prepare an Issues paper that brings the findings on the gap analysis on learning outcomes in the IESs and any resulting recommendations on possible standards development activities for Board discussion at its July meeting. The IAESB Chair indicated that he will respond to the IESBA Consultation Paper to express the view that "professional skepticism", however defined, applies to every professional accountant and not just to auditors.

Other Discussion Items

Implementation Support

The IAESB broadly agreed with the Implementation Support Work Group's (ISWG) proposed drafting and presentation guidelines for Implementation Support material and suggested that these guidelines be integrated with the Stakeholders Engagement and Communications guidelines on thought leadership and personal perspectives. The IAESB asked the ISWG to bring recommendations to the July meeting on products to withdraw now, replace or refresh, such as implementation support material on IES 4, *Initial professional Development - Professional Values, Ethics, and Attitudes*.

Professional Skepticism – Behavioral Competence

The Board endorsed the Task Force's proposal to continue with a gap analysis of the extant IESs compared to the benchmark materials already assembled. The Board also agreed that this work be merged with the gap analyses being planned by ICT and professional skepticism task forces.

Public Sector Accounting, Reporting, and Assurance

The Board also endorsed the task force's next steps in delineating the project's scope and completing its planned analysis with the aim of updating the Board on its progress in developing a project proposal at its July meeting.

Stakeholders Engagement and Communications

The Board agreed the task force's proposal for a Communications and Engagement Plan that provides structure, prioritisation criteria, and key performance indicators to our efforts in this area. The task force will

bring a draft Communications and Engagement Plan to the July meeting, which also provides an opportunity to engage with IFAC Communications team.

2019-2021 IAESB Work Program

The IAESB requested that the IAESB Steering Committee to refine the proposed outline of the 2019-2021 Work Program before the July meeting, with a view to sharing a fleshed out version showing current projects, possible projects, and any resource needs.

Post Effective Date Implementation Review

The Compliance Advisory Panel's recent report, *International Standards: 2017 Global Status Report*, was viewed as an important source for the Post Effective Date Implementation Review (PEDIR), planned for later part of the IAESB's work program. Mr. Joe Bryson (Director, Quality & Development) will present at the July meeting on this report and will share initial ideas for the PEDIR methodology and what other data the Board may wish to commission.

Next Meeting

The IAESB will hold its next meeting in New York, USA on July 11 and 12, 2018.