

SUBMISSION  
to the INTERNATIONAL ACCOUNTING EDUCATION STANDARDS BOARD

Exposure Draft IES 4: Professional Values, Ethics  
and Attitudes

Prepared by the New Zealand Institute of Chartered Accountants

July 2011

4 July 2011

Technical Manager  
International Accounting Education Standards Board  
International Federation of Accountants  
277 Wellington Street West, 4<sup>th</sup> Floor  
Toronto, Ontario M5V 3H2  
CANADA

Dear David

***Submission on the Proposed Redrafted IES 4***

The New Zealand Institute of Chartered Accountants (the Institute) welcomes the opportunity to comment on the Exposure Draft (ED) of the proposed redrafted IES 4, *Professional Values, Ethics, and Attitudes*.

The Institute supports the aims and objectives of the International Accounting Education Standards Board (IAESB) in producing this ED and considers the objective of the standard as set out in paragraph 6 as appropriate.

The Institute thanks the IAESB for the opportunity to comment on the ED. We trust our comments are of value to the IAESB's deliberations.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'B. Bennett', with a long horizontal flourish extending to the right.

Bruce Bennett  
General Manager – CA Program & Admissions

## **1. General comments**

The Institute welcomes the opportunity to comment on the ED and supports IFAC in its endeavour to offer further clarification and elaboration to assist interpretation and enhance understanding of the work of the IAESB and the IESs. We support the focus of the proposed redrafted standard, which we consider to be in keeping with the original 2003 version, and clarified in line with the Board's revised Framework.

## **2. Request for Specific Comments**

### ***1. Is the proposed requirement for reflective activity in relation to ethics education appropriate?***

We consider the proposed requirement for reflective activity in relation to ethics education reflects good practice in accounting education, and therefore we consider it is appropriate to introduce this in IES 4.

### ***2. Does this requirement raise implementation issues?***

Member bodies may struggle with the implementation of this requirement. We would encourage the IAESB to consider developing further implementation guidance in this area, revising IEG 10.

### ***3. Is the objective to be achieved by a member body, stated in the proposed revised IES 4, appropriate?***

We consider the objective, as outlined in paragraph 6, to be appropriate. Furthermore, we consider it does not pose any significant change to the objective of the original IES 4.

### ***4. 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?***

In our opinion, we consider this has been applied appropriately and consistently.

### ***5. Are there any terms within the proposed IES 4 which require further clarification? If so, please explain the nature of the deficiencies.***

We consider the terms used in the proposed redrafted standard to be sufficiently explained and widely understood. We would caution the IAESB to ensure consistent use of the terms *aspiring professional accountant*, *student*, and *trainee* as it proceeds to revise all IESs.

## **Other comments**

We support the IAESB's use of learning outcomes in paragraph 10.

In addition, we support the introduction of a formal requirement for the assessment of the elements of professional values, ethics and attitudes, as specified in paragraph 12. We would recommend to the IAESB that such a requirement also be specified in other IESs to ensure consistency.

The Institute notes the Board's proposed effective date to be 12-15 months after approval of the final revised standard. To provide member bodies with sufficient time to make alternations to their programmes, we would urge the Board to adopt an effective date 15-18 months after approval of the final revised standard.