



October 2012

For submission via IAESB website

ACCA's response to the IAESB Exposure Draft: Proposed Revised International Education Standard IES 4, Initial Professional Development - Professional Values, Ethics, and Attitudes (Revised)

ACCA (the Association of Chartered Certified Accountants) welcomes the opportunity to comment on the above. ACCA is the largest and fastest-growing global body for professional accountants with over 154,000 members and 432,000 students in 170 countries.

We aim to offer the first choice qualifications to people of application, ability and ambition around the world who seek a rewarding career in accountancy, finance and management. ACCA works to achieve and promote the highest professional, ethical and governance standards and advance the public interest.

General comments

ACCA is fully supportive of the move to use consistent terminology with that already defined in IAASB and other standards, and in general of the clarity project. The revised exposure draft has helped in understanding the learning outcomes listed in Appendix 1.

Specific Comments

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

ACCA agrees with the tabular format for learning outcomes as this helps with clarity and consistency across all the IESs.

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

ACCA agrees with the competency areas identified for ethics education.

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

ACCA is surprised that, given the importance of professional scepticism, ethical principles and commitment to the profession, that the suggested minimum level of proficiency is only intermediate in all cases. Should at least some skills be developed to a higher level? There may be a perception that the bar has been set too low in all cases

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

In the areas covered by this IES, there is a very big difference between knowing what the rules are and (firstly) recognising a problem and then dealing with it. The guidance notes recognise that there is a need for practical experience, but it is probably also important that the educational system distinguishes between knowledge and behaviour aspects of the learning outcomes.

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?

Yes. The clarification within this revised draft exposure, together with the tabular format for the learning outcomes has made it easier to interpret those outcomes.

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?

No.

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

No. ACCA already reviews and updates regularly its professional accounting education program and will ensure that it engages with this IES to achieve the learning outcomes identified.