

IAESB Exposure Draft (July 2012)

International Education Standard 2

Initial Professional Development—Technical Competence)
(Revised)

Response and Comments

from

The Institute of Certified Public Accountants in Ireland

October 2012

Response to, and Comments on, the IAESB's IES 2 Exposure Draft (July 2012)

Initial Professional Development—Technical Competence (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 the 11 competence areas listed in Paragraph 7 of the proposed IES 2 (Revised) capture the breadth of areas over which aspiring professional accountants need to acquire technical competence? If not, what do you suggest??*

Response 1: This Institute agrees the breadth of areas over which aspiring professional accountants need to acquire technical competence are captured in the in the draft revised IES.

Question 2: *Do the learning outcomes listed in Paragraph 7 of the proposed IES 2 (Revised) capture adequately the minimum levels of proficiency to be achieved by an aspiring professional accountant by the end of IPD? If not, what changes do you suggest?*

Response 2: This Institute suggests the following changes to the minimum levels of proficiency:

- Competence areas b), c) and d) change to Advanced
- Competence area g) change to Intermediate

The Institute recognises that those listed are the minimum levels of proficiency and that it may within its own development programme prescribe more in depth levels for its own aspiring professional accountants.

Question 3: *Does the Appendix provide adequate clarification to assist in the interpretation of the learning outcomes that are listed in Paragraph 7 of the proposed IES 2 (Revised)? If not, what changes do you suggest?*

Response 3: This Institute is of the view that adequate clarification to assist in the interpretation of the learning outcomes is provided in Paragraph 7.

Question 4: *Overall, are the Requirements paragraphs 7, 8, and 9 of the proposed IES 2 (Revised) appropriate for ensuring that aspiring professional accountants achieve the appropriate level of technical competence by the end of IPD? If not, what changes do you suggest?*

Response 4: This Institute is of the view that paragraphs 7, 8, and 9 provide are appropriate for ensuring *aspiring* professional accountants achieve the appropriate level of technical competence by the end of IPD. Perhaps paragraph 9 should include a specific reference to quality assurance? This could be achieved by replacing “...establish appropriate assessment activities ...” with “...establish appropriate quality assured assessment activities ...”

Question 5: 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 2 (Revised)?

Response 5: This Institute does not anticipate any impact or implications for itself, or organizations with which it is familiar, in implementing the new requirements included in this proposed IES 2 (Revised).

Question 6: *Is the objective to be achieved by a member body, stated in the proposed revised IES 2, appropriate?*

Response 6: This Institute agrees with the spirit of the objective and suggests some modification to its wording. As currently written it may suggest or imply that the ‘sole’ objective of an IFAC member body is “...to provide aspiring professional accountants with the technical skills required to perform a role of a professional accountant.” Member bodies have many other objectives.

Recommendation: Modify the wording of the objective to

- (a) “An objective of an IFAC member body is to ...” or
- (b) “The objective of an IFAC member body, with reference to this International Education Standard, is to...”

Question 7: *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 7: This Institute is of the view that the IAESB criteria referred to have been applied appropriately and consistently.

Question 8: *Are there any terms within the proposed IES 2 (Revised) which require further clarification? If so, please explain the nature of the deficiencies.*

Response 8: Further clarification is not required apart from that suggested in Response 6 above.

Miscellaneous Suggestions

Page	Paragraph	Text
11	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
11	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>
11	3	Suggest - replace <i>“...and attitudes achieved during IPD are ...”</i> with <i>and attitudes developed and demonstrated during IPD are ...”</i>
11	4	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>
11	6	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>
18	A6	Suggest – replace <i>“... related learning outcomes can be specified...”</i> with <i>“... related learning outcomes may be specified...”</i>
18	A6	Suggest – replace <i>“... include ethical principles and professional skepticism and professional judgment.”</i> With <i>“...include ethical principles, professional skepticism and professional judgment.”</i>
18	A7	Suggest – add quotation marks to <i>... competent professional service...</i> to read <i>“... competent professional service...”</i>

END