Mr David McPeak
IAESB Technical Director
International Accounting Education Standards Board

4 March 2019

Dear David

Exposure Draft: Proposed Revisions to IES2,3, 4 & 8 – Information & Communications Technologies & Professional Skepticism

The Institute of Chartered Accountants of Scotland (ICAS) welcomes the opportunity to comment on the IAESB's Exposure Draft: Proposed Revisions to IES2,3, 4 & 8 – Information & Communications Technologies & Professional Skepticism.

Background

ICAS is a professional body for more than 21,000 world class business men and women who work in the UK and in more than 100 countries around the world. Our members have all achieved the internationally recognised and respected CA qualification (Chartered Accountant). We are an educator, examiner, regulator, and thought leader.

Almost two thirds of our working membership work in business; many leading some of the UK's and the world's great companies. The others work in accountancy practices ranging from the Big Four in the City to the small practitioner in rural areas of the country.

We currently have around 3,400 students striving to become the next generation of CAs under the tutelage of our expert staff and members. We regulate our members and their firms. We represent our members on a wide range of issues in accountancy, finance and business and seek to influence policy in the UK and globally, always acting in the public interest.

ICAS was created by Royal Charter in 1854.

Question 1

Yes, ICAS supports the proposed revisions to learning outcomes related to the areas of Information Communications & Technologies (ICT) and Professional Skepticism subject to the following clarifications on specific learning outcomes:

P14 IES2 Management Accounting b)iii) suggest retaining "relevant" rather than using "meaningful" as "relevant" is an accepted definition and term and appears to be more appropriate in the context of the learning outcome. In addition, to be consistent with A2, E2 "relevant" is used.

P15 & 16 IES2 Information & Communications Technologies h i), ii) & iii) The proposed changes remove the context for these learning outcomes and are too open ended. To provide context, these learning outcomes need a reference to financial or business matters.

P16 IES2 Information & Communications Technologies h vi) This learning outcome would be better positioned in IES3 than IES2 as it is a skill rather than a knowledge requirement

P17 IES2 Information & Communications Technologies h ii) the rationale provided for this change overstates the proposed learning outcome. If the rationale provided is correct, the verb needs to be changed from "explain"

P19 IES3 a) Intellectual ii) It is suggested that this learning outcome would be more meaningful if the following phrase was retained "to reach well-reasoned conclusions based on all relevant facts & circumstances".

P19 & 20 IES 3 The five outcomes under Intellectual at 7A contain the verbs "evaluate" and "recommend" (2 at Advanced level), "demonstrate" and "apply" (2 at intermediate) and one "identify" (at Foundation) – the balance of outcomes in this section is Advanced not Intermediate.

P20 IES 3 c) Personal ii) Suggest replacing "reflection" with "Reflective activity" as this is more active than reflection and ties into the language used in IES4.

P20 & P21 a) v), and b) ii) & vii) these learning outcomes need a business context as are too general as currently drafted

P24 IES 4 Professional Skepticism & Professional Judgement a) ii) Should this be "intellectual" curiosity and this learning outcome needs a business context.

Question 2

We are pleased to see the introduction of learning outcomes in the areas of Data and bias, however, we note the absence of broad learning outcomes on quantitative skills. It is recognised that the scope of work undertaken was on ICT and Professional Skepticism, however, the research undertaken by ICAS in this area suggests the ability to understand the data output and its limitations requires an intermediate level of quantitative skills. We would have expected to see the inclusion of learning outcomes in the areas of quantitative skills.

We appreciate the clarity of using ICT as a broad definition within the revised IESs but might have expected to see the mention of digital, cyber, AI and other digital and technology changes in the new information age. The proposed definition appears to have a heavy focus on data.

Given the fast-moving nature of technological changes, we would have expected to see a learning outcome within IES3 which emphasised the need to continue to develop knowledge & skills around digital technology and to address any knowledge or skills gaps identified. This would also provide a link into IES7.

Question 3

Yes, we agree with the proposed definition for Intellectual Agility, however, as we referred to in our response to Question 2, the definition of ICT does not appear to cover emerging digital technologies.

Question 4

No changes required for other terms.

Yours sincerely

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Executive Director, Education and International