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Mr David McPeak
Technical Manager
International Accounting Education Standards Board
International Federation of Accountants
277 Wellington Street West
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Toronto
Ontario M5V 3H2
Canada

24 March 2014

Dear Mr McPeak

Comments on Proposed International Education Standard (IES) 8, Professional Competence for Engagement Partners Responsible for Audits of Financial Statements (Revised)

Chartered Accountants Ireland welcomes the opportunity to comment on the proposed changes to IES 8. We note that this follows the re-exposure of the exposure draft following some significant changes. This response was considered by our Education Training and Lifelong Learning Board at its meeting in March 2014 and the contents of this letter reflect the Board's discussion.

In overall terms we commend the IAESB for the proposed revision which we believe reflects the aims of the new *Framework* and the desire to apply the envisaged "clarity" approach. We note the focusing of the standard on the competence requirements of Engagement Partners rather than audit professionals and that these requirements are to be met by CPD. We consider that this approach is appropriate. However we do note that the audit team is significantly wider than just the audit engagement partner and the education needs for other members of the audit team have been ignored.

In terms of the questions raised we have a number of comments as follows:

Question 1: Is the Objective statement (see paragraph 9) of the proposed IES 8 Exposure Draft (December 2013) appropriate and clear?

The objective as stated in paragraph 9 is clear.

Question 2: Is the Requirement (see paragraph 10) of the proposed IES 8 Exposure Draft (December 2013) appropriate and clear?

The requirement as stated in paragraph 10 is clear. Whilst the proposed standard proposes that its requirements are met by CPD we note that the standard goes well beyond the requirements of other standards. We also note that under IES7 there is a requirement that the achievement of competency is assessed. The proposed standard is silent on this point.



Question 3: Do you agree with the proposed learning outcomes provided in Table A?

Based on our review we concur with the list of learning outcomes in Table A and have no significant suggestions or proposed amendments.

We note that the standard does not provide any guidance on the level of competence required for each learning outcome. This is disappointing. We note the inclusion of learning outcomes regarding communications regarding governance and risk management (competence area (c)) but consider that these communication requirements would apply to a wider range of areas than just this topic. Under the area of professional skills the area of leadership should receive increased emphasis.

Question 4: Do you agree that levels of proficiency for the competence areas should not be included in Table A?

The range and scale of potential audit engagements from unincorporated entities through to major multinational enterprises means that the required level of proficiency may differ. Hence we support the approach and would suggest that any proficiency requirement be left with the Member Body or Regulator in question.

Questions 5: Are there any additional explanatory paragraphs needed to better explain the requirement of the proposed IES 8 Exposure Draft (December 2013)?

We have no suggested additional paragraphs to add at this time.

Question 6: Does figure 1 of Explanatory Material section for the proposed IES 8 Exposure Draft (December 2013) assist in understanding which stakeholders have responsibilities that impact the professional competence of engagement partners?

We consider that figure 1 and the explanation regarding stakeholder responsibilities is clear. We note the re-positioning of the standard within the context of ISQC1 and this is supported.

Question 7: Are there any terms within the proposed IES 8 Exposure Draft (December 2013) which require further clarification? If so, please explain the nature of the deficiencies?

We have no suggested additional terms requiring clarification to add at this time.

Question 8: Do you anticipate any impact or implications for your organization, or organizations with which you are familiar, in implementing the requirement included in this proposed IES 8 Exposure Draft (December 2013)?

We do not anticipate difficulties in implementing this standard as this falls within our existing CPD requirements.

Question 9: What topics or subject areas should Implementation guidance cover?

Given that the standard is based on a CPD requirement we do not consider that additional implementation guidance is needed at this time.





Should further clarification be required please do not hesitate to contact me.

Kind regards

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ronan O'Loughlin'.

Ronan O'Loughlin
Director of Education and Training
Chartered Accountants Ireland
On behalf of the Education Training and Lifelong Learning Board

