



NEW ZEALAND  
INSTITUTE OF  
CHARTERED  
ACCOUNTANTS

## SUBMISSION

to the INTERNATIONAL ACCOUNTING EDUCATION STANDARDS BOARD

# Exposure Draft IES 7: Continuing Professional Development: A Program of Lifelong Learning and Continuing Development of Professional Competence

Prepared by the New Zealand Institute of Chartered Accountants

28 February 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 7***

The New Zealand Institute of Chartered Accountants (the Institute) welcomes the opportunity to comment on the Exposure Draft (ED) of the proposed redrafted IES 7, *Continuing Professional Development: A Program of Lifelong Learning and Continuing Development of Professional Competence*.

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 7 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,



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 2004 version, and clarified in line with the Board's revised Framework.

## 2. Request for Specific Comments

### ***1. Is the objective to be achieved by a member body, stated in the proposed redrafted IES 7, appropriate?***

We consider the objective, as outlined in paragraph 7, to be appropriate. Furthermore, we consider it does not pose any significant change to the objective of the original IES 7.

### ***2. 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?***

We consider the proposed redrafted standard represents clear expectations and benchmarks for member bodies, and as such should promote consistent implementation by IFAC's member bodies. The flexibility offered in the standard with the three different approaches to CPD measurement (output, input and combination) will continue to promote and encourage member body innovation. While this was an objective of the existing standard, we believe the redrafted standard clarifies this.

### ***3. Are there any terms within the proposed redrafted IES 7 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.

One anomaly we did find was in the explanation of the role of CPD. The proposed redrafted IES 7 refers to, "CPD is learning and development that takes place after IPD, and that maintains and develops competences to enable professional accountants to continue to perform their roles competently" – refer paragraph 3. However, the IAESB Framework document refers to "maintaining and developing *capabilities*" (emphasis added) – refer paragraph 28. We recommend the Board uses consistent terms.