

# SUBMISSION

to the INTERNATIONAL ACCOUNTING EDUCATION STANDARDS  
BOARD

## Exposure Draft IES 3: Initial Professional Development – Professional Skills

Prepared by the New Zealand Institute of Chartered Accountants

November 2012

1 November 2012

Technical Manager  
International Accounting Education Standards Board  
International Federation of Accountants  
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CANADA

Dear David

**Proposed Revision of International Education Standard (IES) 3: Initial Professional Development – Professional Skills**

The New Zealand Institute of Chartered Accountants (NZICA) thanks you for the opportunity to comment on the Exposure Draft of the proposed revised IES 3: Initial Professional Development – Professional Skills.

Our responses to the Request for Specific Comments are set out below.

**Request for Specific Comments**

*1. Do you support the definition of professional skills?*

Yes, we support the definition of professional skills as set out in Paragraph 1 of IES3 (Revised).

*2. Do you support the removal of General Education from this IES?*

Yes, we support the removal of General Education from this IES.

*3. Is the objective to be achieved by an IFAC member body, stated in the proposed IES3 (Revised), appropriate?*

We consider that the objective is appropriate.

*4. Do you agree with the adoption of a learning outcomes approach?*

Yes, the NZICA supports the adoption of a learning outcomes approach.

*5. Table A of the proposed IES 3 (Revised) provides learning outcomes for various competence areas of professional skills, are there any additional learning outcomes that you would expect from an aspiring professional accountant?*

We offer several additional suggested learning outcomes for consideration by the IAESB, as follows:

### Intellectual skills

- Synthesise knowledge

We consider the synthesis of knowledge from a range of disciplines to be an essential skill for all aspiring professional accountants. The synthesis of knowledge across a range of disciplines is required to solve a number of common business problems faced by professional accountants and should be part of the skills to be developed and assessed through IPD. This is identified in the existing IES 3, and we wonder why this has been removed in the revised version.

### Personal skills

- Behave in an ethical manner upholding the required professional values and attitudes required of a professional accountant.
- Display professional skepticism

While there is a separate standard of Professional Values, Ethics and Attitudes, we strongly believe this is a relevant personal skill to be developed and assessed by all aspiring professional accountants. Our preference would have been to see these included as a combined standard (IES 3 and IES 4) – we do not understand the benefit of keeping them separated.

Displaying professional skepticism is a key skill required of many professional accountants.

Both of these personal skills were included in the existing IES 3, and again we wonder why this has been removed in the revised version.

### Organisational skills

- Demonstrate professional judgement
- Use effective project management and strategic management skills

Once again, these skills are identified in the existing IES 3 and we consider these to be vital skills for all professional accountants.

6. *For Table A of the proposed IES 3 (Revised) are there any learning outcomes that you do not think are appropriate?*

No.

7. *Are the minimum levels of proficiency included in the proposed IES 3 (Revised) appropriate for each professional skills competence area?*

We consider that the proposed levels of proficiency are appropriate.

8. *Overall, are the requirements clear and appropriate? If not what changes would you like to see?*

Yes, the requirements are clear and appropriate.

9. *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 3 (Revised)?*

None envisaged.

*10. Are there any additional explanatory paragraphs needed to better explain the requirements of the proposed IES 3 (Revised)?*

No.

*11. 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?*

In our opinion, we consider this has been applied appropriately and consistently.

*12. Are there any terms within the proposed IES 3 (Revised) which require further clarification? If so, please explain the nature of the deficiencies.*

We do not believe there are other terms which require further clarification.

#### Other comments

This proposed standard sets the minimum requirements for professional accountants. NZICA interprets this as being applicable for our Chartered Accountant (CA) and Associate Chartered Accountant (ACA) members. Based on the proficiency levels identified in this standard we cannot apply this to our Accounting Technician (AT) members. The Board appears to have missed the opportunity to have addressed setting standards for this group of accounting professionals, which forms a large proportion of the profession throughout the world, including in developing and emerging economies.

We consider that the effective date for this standard should be no less than 18 months following the approval of the final version of this standard to enable member bodies and other interested parties time to consider and start to implement any changes necessary.

The NZICA supports the aims of the redrafting project and in particular the approach for all IESs to be consistently drafted, and subject to a single statement of their authority and effect.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Bruce Bennett', with a stylized, flowing script.

Bruce Bennett  
General Manager – Education – CAANZ CA Program