Inte rnati onal Educat ion Stan dards
Impl ementat ion Suppor t Mod ule

Notes for Slide Present ation on
IES 1, Entry Requirements to Professional Accoun ting
E ducation Programs (Revised)

The following notes accompany the PowerPoint slides for this module and do not amend or override the International Education Standards (IESs), the text of which alone is authoritative. Reading these notes is not a substitute for reading the IESs. The notes are not meant to be exhaustive and reference to the IESs themselves should always be made.
SLIDE #2: Overview of Presentation

1. As part of its initiative to clarify the suite of 8 IESs, the IAESB agreed a new structure to improve clarity of its IESs, which will improve their readability and provide an appropriate level of explanation to ensure that interested stakeholders understand and apply the standards properly. The new structure includes 4 major sections: introduction, objective, requirements, and explanatory material. These sections place greater emphasis on the obligations and requirements of an IFAC member body in supporting the learning and development of a professional accountant. In addition, the IAESB has also made amendments to the language of its IESs to improve the understanding of the requirements that IFAC member bodies undertake when implementing the IESs.

2. This presentation provides an overview of the content contained within IES 1, Entry Requirements to Professional Accounting Education Programs. The presentation covers the following topics: introduction; objective; and requirements and explanatory material. The introduction describes the scope of IES 1 and answers the following questions:
   - What does IES 1 regulate?
   - Who is IES 1’s target audience?
   - When does IES 1 become effective?
   - Why is IES 1 important from a public interest perspective?

3. This presentation also addresses IES 1’s Objective statement by explaining the aim of fair and proportionate entry requirements for a professional accounting education program and then explaining how IES 1 protects the public interest.

4. Finally, the presentation covers the three requirements of IES 1 and explains the significant issues underlying each of the requirements.

SLIDE #3: Introduction: Scope

What does IES 1 regulate?

5. IES 1 prescribes the principles to be used when setting and communicating educational requirements for entry to professional accounting education programs, while requirements relating to entry to the profession are covered by:
   (a) IES 2, Initial Professional Development—Technical Competence,
       (IES 2 prescribes the learning outcomes for technical competence that aspiring professional accountants are required to demonstrate by the end of Initial Professional Development.)
   (b) IES 3, Initial Professional Development—Professional Skills,
(IES 3 prescribes the learning outcomes for professional skills that aspiring professional accountants are required to demonstrate by the end of Initial Professional Development.)

(c) IES 4, *Initial Professional Development—Professional Values, Ethics, and Attitudes*,

(IES 4 prescribes the learning outcomes for professional values, ethics, and attitudes that aspiring professional accountants are required to demonstrate by the end of Initial Professional Development.)

(d) IES 5, *Initial Professional Development—Practical Experience*,

(IES 5 prescribes the practical experience required of aspiring professional accountants by the end of Initial Professional Development.)

(e) IES 6, *Initial Professional Development—Assessment of Professional Competence*.

(IES 6 prescribes the requirements for the assessment of professional competence of aspiring professional accountants that need to be achieved by the end of Initial Professional Development).

6. Professional accounting education programs are designed to support aspiring professional accountants to develop the appropriate professional competence by the end of Initial Professional Development (IPD). They may consist of formal education delivered through degrees and courses offered by universities, other higher education providers, IFAC member bodies, and employers, as well as workplace training.

**Who is IES 1’s target audience?**

7. This IES is addressed to IFAC member bodies. IFAC member bodies have responsibility for setting and communicating entry requirements for professional accounting education programs. In addition, this IES will be helpful to educational organizations, employers, regulators, government authorities, and any other stakeholders who deliver and support delivery of professional accounting education programs. IFAC member bodies have varying levels of control over entry requirements to professional accounting education programs. For example, in some jurisdictions entry requirements may be set by universities or governments.

**When does IES 1 become effective?**

8. This IES is effective from July 1, 2014.

**Why is IES 1 important from a public interest perspective?**

9. This IES is designed to protect the public interest by setting principles for entry requirements to professional accounting education programs. Entry requirements helps with the efficient use of
resources and assists individuals considering a career as a professional accountant make informed career decisions.

SLIDE #4: Objective

IES 1 establishes educational entry requirements for professional accounting education programs

10. This IES serves the public interest by addressing issues relating to the provision of sufficient numbers of high-quality aspiring professional accountants. It does this by setting out principles for entry requirements for professional accounting education programs that are neither too high (causing unnecessary barriers to entry to the profession), nor too low (causing individuals to believe falsely they have a likelihood of completing the education successfully).

11. Such entry requirements may help with the efficient allocation of resources and assist individuals considering a career as a professional accountant to make informed career decisions.
SLIDE #5: Requirements and Explanatory Material

Specify educational entry requirements for professional accounting education programs

12. This IES sets entry requirements to professional accounting education programs, which are important to help individuals considering a career as a professional accountant make informed decisions about their education choices. Determining a reasonable chance of successful completion is a matter of judgment, depending on number of factors. This may involve taking into account factors such as (a) the economic, business, and regulatory environment, (b) the prerequisite knowledge required, (c) the expected learning to be acquired, (d) the role of the accountant, and (e) any other relevant factors. The intention is to (a) help individuals considering a career as professional accountant be as fully informed as possible when deciding to embark on professional accounting education programs, and to (b) encourage those providing professional accounting education programs to share as much helpful and relevant information as possible. Entry requirements for any professional accounting education program provide individuals considering a career as a professional accountant with the necessary foundations to enable them to develop the required competence of a professional accountant.

13. IFAC member bodies may consider whether they are neither excessive nor trivial. An excessive barrier to entry may include prescribing specific subject qualifications from certain institutions, or a minimum length of specific work experience. The purpose of avoiding such excessive barriers is to allow flexibility of access to professional accounting education programs, not to dilute standards either of professional accounting education programs themselves or of the accounting profession. Rather, there is a range of entry and exit routes for professional accounting education programs, and different ways of achieving IPD.

SLIDE #6: Requirements and Explanatory Material

Explain rationale of principles to be used in setting educational entry requirements

14. Entry requirements may be justified with reference to the technical competence, professional skills, and professional values, ethics, and attitudes needed to successfully complete a professional accounting education program. This does not preclude requiring a university degree, or the qualifications needed to commence a university degree. IFAC member bodies may adopt different entry requirements, because professional accounting education programs vary by jurisdiction and type. For example, some professional accounting education programs may have as entry
requirements only a good level of numeracy and literacy. Conversely, the entry requirements of professional accounting education programs for certain specialized roles may specify that an individual must hold a university degree or equivalent.

15. Aspiring professional accountants may have developed their technical competence, professional skills, and professional values, ethics, and attitudes through various pathways, including work experience, study, or qualifications. The flexibility of pathways to professional accounting education programs in no way dilutes the rigor of that education, nor of the standards required of aspiring professional accountants to complete IPD. IFAC member bodies may reflect these different pathways by adopting flexible entry requirements that accommodate all those with a reasonable chance of successfully completing a professional accounting education program. The purpose of this flexibility is to allow broad access to professional accounting education programs; it is not intended to create different categories of professional accountant. An example of this flexibility can be found where an IFAC member body specifies a prequalification entry requirement (e.g., a university degree or equivalent), but allows direct entrance to its professional accounting education program for those without a university degree if they have, for example, a period of relevant practical experience.

SLIDE #7: Requirements and Explanatory Material

Make relevant information publicly available

16. IFAC member bodies may collect and analyze data on an ongoing basis so that advice to individuals considering a career as a professional accountant can be based on reliable information. The information to be provided by IFAC member bodies may cover:

(a) Varying entry points to professional accounting education programs;

(b) Encouraging individuals considering a career as a professional accountant to commence a professional accounting education program only when they have considered their chances of successful completion;

(c) Pass rates relating to the qualification;

(d) Transparent information regarding the expectations and costs associated with professional accounting education programs; and

(e) Self-diagnostic tools such as competency maps setting out the skills, knowledge, and attitudes to be acquired on successful completion of the professional accounting education program.
An IFAC member body may also prescribe specific criteria used to determine that individuals meet the entry requirements to a professional accounting education program. These may include qualifications, courses, entry tests, or experience. In addition, entry requirements may include the assessment of one (or a combination) of qualifications, experience, or other requirements deemed appropriate by the IFAC member body. This information could be made widely available by, for example, publishing it in the brochures for professional accounting education programs; or by including it on the website of the IFAC member body.

17. IFAC member bodies can help individuals considering a career as a professional accountant consider their chances of successfully completing a professional accounting education program by encouraging them to consider the content covered, its level, and methods of assessment of the program.