

International Federation of Accountants

"Education for Auditors – International Tendencies"

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- **About IFAC & IAESB**
- **International Education Pronouncements**
- **International Education Standard 8**

IFAC Today

- **Expanding network of 157 member bodies in 123 countries, representing 2.5 million accountants**
- **The IAESB is one of 4 standard-setting bodies designated by, and operating independently under the auspices of IFAC.**

IFAC's Mission:

To serve the public interest, strengthen the worldwide accountancy profession and contribute to the development of strong international economies:

IFAC's Mission (Continued)

- **Establish and promote adherence to high quality professional standards;**
- **Further the international convergence of such standards; and**
- **Speak out on public interest issues where the profession's voice is most relevant.**

International Accounting Education Standards Board (IAESB)

- **Develops standards and guidance for education and development of professional accountants**
- **Transparency in standard-setting process**
- **Members include practicing accountants, academics, representatives from business, the forum of firms and the public**
- **Consultative Advisory Group**
- **Overseen by Public Interest Oversight Board (PIOB)**

The IAESB's objective is to serve the public interest by:

- **Establishing a series of internationally relevant standards and other pronouncements reflecting good practice in the learning, development and assessment of professional accountants;**
- **Developing education benchmarks for measuring the implementation of the International Education Standards; and**
- **Advancing international debate on emerging issues relating to the learning, development and assessment of professional accountants.**

International Education Pronouncements

Types of Pronouncements:

Standards

- **International Education Standards (IESs)**

Guidance

- **International Education Practice Statements (IEPSs)**

Information

- **International Education Information Papers (IEIPs)**
- **Additional Support Material (e.g., tool kits)**

International Education Standards

A set of interlinked Standards covering pre- and post-qualification that:

- **Provide a global framework for education**
- **Prescribe the range of professional knowledge, professional skills, professional values, ethics and attitudes required**
- **Instill an attitude of lifelong learning**
- **Provide a foundation for the application of professional and technical standards**

Focus of Education Standards:

Entry Requirements

- *IES 1, Entry Requirements to a Program of Professional Accounting Education (equivalent to university degree program)*

Content

- *IES 2, Content of Professional Accounting Education Programs (pre-qualification, least two year full time, degree in accounting)*

Focus of Education Standards (continued):

- **IES 3, *Professional Skills & General Education*** (eg *technical skills and personal skills, broad general education*)
- **IES 4, *Professional Values, Ethics and Attitudes*** (*framework in education of professional accounts*)

Practical Experience

- **IES 5, *Practical Experience Requirements*** (*part of pre-qualification program, minimum 3 years, requirement for a mentor*)

Focus of Education Standards (continued):

Assessment

- *IES 6, Assessment of Professional Capabilities and Competence*

Continuing Professional Development

- *IES 7, Continuing Professional Development : A Program of Lifelong Learning and Continuing Development of Professional Competence (min. 120 hours in each rolling 3 years period).*

Specializations

- *IES 8, Competence Requirements for Audit Professionals*

- **International Education Practice Statements**

Assist in the implementation of generally accepted “good practice” in the learning, development, and assessment of professional accountants.

- *IEPS 1, Approaches To Developing And Maintaining Professional Values, Ethics, And Attitudes (October 2007)*
- *IEPS 2, IT for Accounting Professionals (October 2007)*
- *IEPS 3, Practical Experience Requirements- Initial Professional Development For Professional Accountants (December 2007)*

Other IAESB Pronouncements

- **Information Papers**

Promote discussion or debate on education and development issues affecting the accountancy profession

- **Approaches to the Development and Maintenance of Professional Values, Ethics and Attitudes in Accounting Education Programs**
- **Approaches to Continuing Professional Development (CPD) Measurement**

- **International Education Papers**

- **IEP 1 – Recognition of Pre-Certification Education**
- **IEP 2 – Towards Competent Professional Accountants**
- **IEP 3 – Assessment Methods**

- **Tool Kits**

- **Ethics Education**

IES 8 - Competence Requirements for Audit Professionals

- **Audit professional**
 - a professional accountant who has responsibility, or has been delegated responsibility, for significant judgments in an audit of historical financial information.
- **Applies to ALL audit professionals**
 - effective date – 1st July 2008.

Knowledge and Skills Requirements:

- **Qualify as a professional accountant**
- **Hold undergraduate degree or equivalent**
- **Advanced level knowledge**
 - **audit of historical financial information**
 - **financial accounting and reporting**
- **IT knowledge**
- **Professional skills expected of audit professionals**

Practical Experience Requirements:

- **Substantial proportion of practical experience in the area of audit of historical financial information**
- **Usually 3 years in total, of which 2 years in audit of historical financial information**
- **Can be gained before or after qualifying as professional accountant**
- **Experience must be gained under guidance of an engagement partner**

Issues in IES8

- Significant judgement (all auditors)
- Audit professional (eg the problems in France)
- Overlap of IES8 with ISA's
- Education and development program (a big list)
- Advanced level
- Transnational audits

More information

- **IFAC's web site – www.ifac.org – provides access to all standards and a wide range of free guidance for the world's accountants.**
- **Education publications can be found at:**
www.ifac.org/Education/Pronouncements.php