

## CIPFA response to IAESB consultation on the IES 1 Exposure Draft

### Introduction

In general, The Chartered Institute of Public Finance and Accountancy (CIPFA) welcomes the redrafting of International Education Standard 1, Entry Requirements to Professional Accounting Education. In particular, the emphases on transparency and on providing information that assists potential entrants to make informed decisions are features that enhance the overall impact of the standard.

### Request for specific comments

Question	Comment
<p>Question 1: Is the requirement in Paragraph 7 clear, particularly the concept of 'a reasonable chance of successfully completing' balanced with 'not putting in place excessive barriers to entry'?</p> <p>If not, what changes would you suggest?</p>	<p>The paragraph is clear, but the content raises some issues in linking <i>entry requirements</i> directly to <i>successful completion</i> of their professional accounting education.</p> <p>One issue is whether each member body has relevant and reliable data on the relationship between entry qualifications and successful completion. It may be helpful to indicate that such data should be collected and analysed on an ongoing basis, so that entry requirements and advice to potential entrants can be based on reliable information. Paragraph A11 suggests member bodies should provide information on factors such as pass rates, but for this to be meaningful to potential entrants, this information would need to be broken down by entry route.</p> <p>A further issue is whether the timing of the acquisition of previous qualifications needs to be taken into account. CIPFA does not place requirements on potential entrants in terms of how recently their entry qualifications have been acquired. CIPFA does, however, restrict the granting of exemptions to candidates who have acquired the relevant qualification within the previous 10 years.</p> <p>Thirdly, it may be helpful to indicate whether it is appropriate for member bodies to specify that entry requirements must include particular subjects. CIPFA requires that both Mathematics and English are included in entry requirements (except for potential entrants with 3 years' relevant work experience). CIPFA regard this as an appropriate requirement to ensure that entrants have a reasonable level of numeracy and language skills (and not an 'excessive barrier').</p> <p>CIPFA would advise against specifying accounting</p>

	<p>or other 'relevant' qualifications as a pre-requisite for entry. We have found that non-relevant graduates perform equally well (if not better) than relevant graduates. Relevant graduates are eligible for exemption from specific modules on the education programme.</p> <p>It should be noted that CIPFA offers all stages of the professional qualification. In other jurisdictions, candidates may be expected to acquire the knowledge stages via university before registering with the professional body for a final test.</p>
<p>Question 2: Do you envisage any difficulties in complying with the requirements of IES 1?</p> <p>If so, how would you propose addressing them?</p>	<p>No. In order to ensure compliance with paragraph 8, CIPFA may need to include additional information in its communications to ensure that the rationale for its entry requirements is clear and transparent, but that does not present any difficulties.</p>
<p>Question 3: What is the impact in implementing the requirements of IES 1 to your organisation?</p>	<p>The content of the revised IES 1 is consistent with the current CIPFA policy on entry requirements for the professional qualification, so there is no direct impact on implementation.</p>
<p>Question 4: Are the explanatory materials sufficiently clear and comprehensive?</p> <p>If not, what changes do you suggest?</p>	<p>Yes.</p>
<p>Question 5: Is the objective to be achieved by a member body, stated in the proposed IES 1 appropriate?</p>	<p>Yes.</p>
<p>Question 6: 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?</p>	<p>Yes.</p>
<p>Question 7: Are there any terms within the proposed IES 1 which require further clarification? If so, please explain the nature of the deficiencies.</p>	<p>'Reasonable chance of successful completion': Paragraph 4 states that the IES explains this concept, but it does not do so, despite using the term in several places. Paragraph A6 states that the term may be understood differently in each jurisdiction, and highlights various factors that affect an entrant's chances of being successful, which really confirms that the term is subject to wide interpretation.</p> <p>For example, should the context be assumed to be that the aspiring accountant has a supportive</p>

	<p>employer, access to college or other academic support, and access to relevant learning materials at an affordable price?</p> <p>Crucially, there are varying levels of pass rates across different member bodies, suggesting that the interpretation of 'reasonable' will consequently be different.</p> <p>We would suggest that this term needs further explanation in the standard as it is of fundamental importance.</p>
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**Further comments**

Paragraph A7 – the words 'overly' and 'unduly' are unnecessary and can be deleted.