
**UNCTAD-ISAR and IFRS Foundation
Accounting Education Forum**

Tuesday, 30th October 2012
Room XIX, Palais des Nations, Geneva
Morning Session

**Capacity-building in corporate financial reporting:
Framework-based teaching of International Financial
Reporting Standards**

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Geneva, October 2012

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Subject and Focus

General subject to consider:

- Sharing of information in the area of accountancy education

Focus of the presentation:

- Integrated approach to accountancy education development
- Building human capacity through accountancy education
- Education on international accounting, auditing and related standards and codes
- International Education Standards as benchmarks for development

Balance between international standards and country characteristics

Integrated Approach to Learning

Personal Development

- University entrance and exit level (IES 1 and IES 2)
- Professional skills and general education (IES 3)
- Professional values, ethics and attitudes (IES 4)

Professional Accountancy Education (IES 2)

- Accounting, Finance & Related Knowledge
- Organizational & Business Knowledge
- Information Technology

Professional Development

- Practical experience requirements (IES 5)
- Assessment of professional capabilities and competence (IES 6)
- Continuing professional development (IES 7)

Competence for Audit Professionals (IES 8)

Country Characteristics

Certification Requirements:

- program of professional accountancy education; practical experience requirement; final assessment of professional capabilities; continuing professional development

Providers of Professional Education:

- professional accountancy organizations; universities and/or education institutes; government bodies

Responsibility for Education Requirements:

- government or government agency; government with the profession; professional accountancy organization; universities

Licensing Requirements for Auditors:

- academic study; practical experience; examination; CPD

IES as Country Benchmarks for Development

Consideration of IES as benchmarks for accountancy education in 39 countries:

- every year in 23 countries; every two years in 4 countries; every five years in 6 countries
- no consideration in 4 countries; not applicable for 2 countries

In general countries in which the accountancy profession has a major influence on accountancy education, use the IES more frequently as benchmarks

Areas for past and future development:

- accounting and auditing education
- accounting and auditing certification
- accounting and auditing CPD

In general almost all countries show substantial improvement over the last three years for all three areas with a focus on education. The perceived need for substantial changes in the near future is related to the level that is already achieved.

Competency Framework

General Characteristics	Considerations
Country Characteristics Professional Characteristics Qualification Characteristics	Legal system, economic position, region Professional regulation and recognition Practice rights of accountants and auditors International recognition of qualifications
Accountancy Education	Standards and Implementation Guidance
<i>Conceptual Framework</i> <i>Pre-Qualification</i> Entry Requirements Knowledge, Skills and Attitudes Practical Experience Assessment <i>Post-Qualification</i> Life-Long Learning Specialization	IAESB Framework for IES IES 1 – Entry Requirements Prof. Accounting Education IES 2 – Content of Professional Accounting Education IES 3 – Professional Skills and General Education IES 4 – Professional Values, Ethics and Attitudes IES 5 – Practical Experience Requirements IES 6 – Assessment of Prof. Capabilities and Competence IES 7 – Continuing Professional Development IES 8 – Competence Requirements for Audit Professionals

Examples of High-Level Benchmarks

- Accounting, Finance & Related Knowledge develops and integrates knowledge, skills and professional values, ethics and attitudes at least at the level of an accounting degree
- Organizational & Business Education equips prospective professional accountants with knowledge of the environment in which employers and clients operate and provides the context for the application of all professional skills
- Practical experience should be long enough and intensive enough to achieve the professional knowledge, professional skills, and professional values, ethics and attitudes required for professional competence
- Audit professionals are required to qualify as a professional accountant, to hold an undergraduate degree or its equivalent, and to satisfy the advanced requirements of IES 8

International Standards and Codes

Considerations:

- International Standards and Codes should be integrated in the accountancy curriculum
- Knowledge without hands-on experience will not lead to the desired competence
- Case studies are an important education tool but can not replace workplace experience, either before or after qualification
- An integrated approach to accountancy education is necessary to achieve higher level skills and competences

Requirements:

- Cooperation between stakeholders is a necessary condition for sustainable development

Some Opportunities and Challenges

- Accountancy education should have high priority for the development of human capacity
- Influence of IES is increasing, but there is a need for a more structured participation and acceptance by stakeholders from outside the accountancy profession (governments, regulators, education and training providers)
- There is an increasing importance of accountancy education for the global financial infrastructure (for example ISA 600), but it is difficult to compare accountancy education systems between countries
- Cooperation between providers of accountancy education should be further promoted
- IES can be used to enhance comparability of qualifications between countries and to promote recognition agreements