

Dear Sir,

Association of National Accountants of Nigeria is very pleased to comment on the above mentioned Exposure Draft.

Association of National Accountants of Nigeria (ANAN) is a statutorily recognized professional accountancy body in Nigeria. The body is charged among others, with the duty of advancing the science of accountancy.

The Association was formed on 1st January, 1979 and operate under the ANAN Act 76 of 1993(Cap A26 LFN 2004), working in the public interest. The Association regulates its practicing and non-practising members, and is overseen by the Financial Reporting Council of Nigeria.

ANAN members are more than 21,000, they are either FCNA OR CNA and are found in business, practice, academic and public sector in all the States of Nigeria and Overseas. The members provide professional services to various users of their services.

ANAN is a member of the International Federation of Accountants (IFAC), Member of:- The International Association for Accounting Education & Research (IAAER), The Pan African Federation of Accountants (PAFA), and Associate of Accountancy Bodies in West Africa (ABWA).

RESPONSE TO THE EXPOSURE DRAFT ON PROPOSED DRAFTING CHANGES TO INTERNATIONAL EDUCATION STANDARDS, FRAMEWORK FOR INTERNATIONAL EDUCATION STANDARDS FOR PROFESSIONAL ACCOUNTANTS AND ASPIRING ACCOUNTANTS, & IAESB GLOSSARY OF TERMS.

Our comments to Proposed Editorial improvements to IESs, Framework (2015) & IAESB of Terms are set out below:

Comments on Proposed Framework (2015):

1. The Association agrees with the position of IAESB to add "and other" to paragraphs 24 & 31 as an expansion of the activities to be undertaken by the Accountants.
2. The Association also have no objection to the change of the word "can" to "may" in parag.33 because the word "may" is less prescriptive than "can".
3. ANAN agrees with the deletion of the word "that" in parag.50 as this has made it more assertive and the grammar further standardised.
4. The Association disagree with the change from "Recognising the importance of" to "Applying" in Appendix 1 (of the Framework). At foundation level, it is expected that

an Aspiring Professional Accountants should acquire the skill of recognising professional values, ethics and attitudes before applying them.

The Association suggests that the two terms should go together as "Recognising and applying".

5. We align with the replacement of "situation" with "environments" in Appendix 1 of the framework.

Comments on Implementation to changes in IESs Framework in Appendix B (Pages 45 - 46)

The suggested changes in IESs framework (2015) in Appendix A have all been correctly and appropriately implemented in Appendix B. (Pages 45 - 46).

IES 1 - Entry Requirements to Professional Accounting Education Programme.

1. ANAN agrees with the addition of full meaning of IFAC in parag.2 of IES 1 since the acronym is used for the first time in the standards.

2 We also agree with the substitution of the word "will" with "may" in parag.2 of IES 1 because the beneficiaries are in some jurisdiction not bound to use of IESs.

3. The addition of the phrase "and Aspiring Professional Accountants (2015)" in parag.5 of IES 1 aligns with the recent completed IAESB project on the revision of the framework for International Education Standards for Professional Accountants and Aspiring Professional Accountants, April, 2015. the Association therefore agree with that change.

4. ANAN also agrees with the replacement of "of an IFAC member body" with "of this IES" because reference is here made to objective of the standards and not to IFAC member body. The Association therefore agree with all the changes in parag.7.

Comments on Implementation to changes in IES 1 in Appendix B (Pages 58 - 62)

The suggested changes in IES 1 in Appendix A have all been correctly and appropriately implemented in Appendix B. (Pages 58 - 62).

IES 2 - Initial Professional Development - Technical Competence.

1. The Association agree with the suggested replacement of "demonstrate" with "achieve" in parag.1 of IES 2 because prescribed learning outcomes are usually expected to be achieved and not to be demonstrated.
2. Our earlier comments on parag.5 of IES 1 also applies to parag.4 of IES 2.
3. With the deletion of the phrase "by the end of IPD" in parag.6 of IES 2, the Association is concern with the omission of the point in time at which an Aspiring Professional Accountants is expected to demonstrate technical competence as a Professional Accountant.
4. ANAN is of the opinion that the use of the word "assessment" and "assess" is tantamount to tautology and as such the word "assess" in parag.9 of IES 2 should be substituted with "evaluate" as suggested is consisted with its usage in parag.40 of IES Framework, (2015). This suggestion also applies to the last sentence in parag.39 of the IES Framework.
5. We agree with the addition of phrase "builds on" in parag.A1 of IES 2 as it makes the knowledge acquired so far more inclusive and facilitate the application of the standards by IFAC member body.
6. Our earlier comments on parag.1 of IES 2 also applies to parag.6 of IES 2.
7. Our earlier comments on parag.6 of IES 2 also applies to parag. A7 of IES 2.
8. Our earlier comments on parag.1 of IES 2 also applies to parag. 15 of IES 2.
9. Our earlier comments on parag.1 of IES 2 also applies to parag. 16 of IES 2.
10. Our first comments on Appendix 1 of the Framework also applies to Appendix 1 on serial no. 10 of IES 2.
11. Our second comments on Appendix 1 of the Framework also applies to Appendix 1 on serial no. 11 of IES 2.
12. Our second comments on Appendix 1 of the Framework also applies to Appendix 1 on serial no. 12 of IES 2.

Comments on Implementation to changes in IES 2 in Appendix B (Pages 64 - 72)

The suggested changes in IES 2 in Appendix A have all been correctly and appropriately implemented in Appendix B. (Pages 64 - 72).

IES 3 - Initial Professional Development - Professional Skills.

1. Our earlier comments on parag.1 of IES 2 also applies to parag.1 of IES 3.
2. Our first comments on Appendix 1 of the Framework still applies to parag.4 of IES 3.
3. Our earlier comments on parag.6 of IES 2 also applies to parag.4 of IES 3.
4. Our earlier comments on parag.9 of IES 2 still applies to parag.9 of IES 3.
5. Our earlier comments on parag.A1 of IES 2 also applies to parag.A1 of IES 3.
6. The Association agree with a shifting of the first sentence in parag.A3 (new #) of IES 3 to the last sentence of parag.A1 of IES 3. This is because the new sentence concludes the provision on learning and development process of Aspiring Professional Accountants and clearly delineate the end of IPD from point of qualification for IFAC member body.
7. Our earlier comments on parag.1 of IES 2 also applies to parag.A8 of IES 3.
8. Our earlier comments on parag.6 of IES 2 also applies to parag.A9 of IES 3.
9. Our earlier comments on parag.9 of IES 2 also applies to parag.A19 of IES .
10. Our first comments on Appendix 1 of the Framework still applies to Appendix 1 of IES 3.
11. Our second comments on Appendix 1 of the Framework also applies to Appendix 1 on serial nos. 11, 12, & 13 on pages 20-22 of IES 3

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Comments on Implementation to changes in IES 3 in Appendix B (Pages 74 - 81)

The suggested changes in IES 3 in Appendix A have all been correctly and appropriately implemented in Appendix B. (Pages 74 - 81).

IES 4 - Initial Professional Development - Professional Values, Ethics, and Attitudes.

1. Our earlier comments on parag.1 of IES 2 also applies to parag.1 of IES 4. ANAN agrees with the addition made to parag.1 of IES 4 because they are consistent with the newly revised IAESB Glossary of Terms. (April, 2015).
2. Our earlier comments on parag.5 of IES 1 also applies to parag.6 of IES 4.
3. Our earlier comments on parag.6 of IES 2 also applies to parag.8 of IES 4.
4. Our earlier comments on parag.9 of IES 1 also applies to parag.14 of IES 4.
5. Our earlier comments on parag.A1 of IES 2 also applies to parag.A3 of IES 4.
6. Our earlier comments on parag.1 of IES 2 also applies to parag.A11 of IES 4.
7. ANAN agrees with the addition of the word "practical" in parag.A27 of IES 4 because it agrees with the newly revised IAESB Glossary of Terms. (April, 2015).
8. Our earlier comments on parag.9 of IES 2 also applies to parag.A39 of IES 4.
9. Our earlier comments on parag.9 of IES 2 also applies to parag.A40 of IES 4.
10. Our first and second comments on Appendix 1 of the Framework still applies to Appendix 1 of IES 4.
11. Our second comments on Appendix 1 of the Framework still applies to Appendix 1 on serial no. 11 of IES4.
12. Our second comments on Appendix 1 of the Framework still applies to Appendix 1 on serial no. 12 of IES4.

Comments on Implementation to changes in IES 4 in Appendix B (Pages 83 - 94)

The suggested changes in IES 4 in Appendix A have all been correctly and appropriately implemented in Appendix B. (Pages 83 - 94).

IES 5 - Initial Professional Development - Practical Experience.

1. ANAN agrees with the changes made to parag.1 of IES 5 because of the series of activities that constitute the components of practical experience as provided in A8of IES (new item a).
2. Our earlier comments on parag.2 of IES 1 also applies to parag.2 of IES 5 which is parag.33 in Appendix B.
3. Our earlier comments on parag.2 of IES 1 also applies to parag.2 of IES 5 in Appendix A and parag.33 in Appendix B.
4. The Association also have no objection to the change of the word "can" to "may" in parag.2 in serial no. 4 of IES 5 because the word "may is less prescriptive than "can".
5. We agree with the addition in parag.3 of IES 5 in Appendix A and parag.35 in Appendix B because it agrees with the newly revised IAESB Glossary of Terms. (April, 2015)
6. ANAN agrees with the inclusion of the word "professional" in parag.3 of IES 5 in Appendix A and parag.35in Appendix B because it agrees with the IAESB Glossary of Terms. (April, 2015).
7. The Association agree with the changes in parag.4 of IES 5 because of its consistence with the IAESB Glossary of Terms. (April, 2015).
8. We agree with the deletion of parag.5 of IES 5 because the provisions of the paragraph do not add value to the standards.
9. The errors observed in parag.6 of IES 5 in Appendix A had been properly taken care of in parag.37 of Appendix B.
10. Our earlier comments on parag.7 of IES 1 also applies to parag.10 of IES 5.

11. ANAN is of the opinion that the phrase "Combination Approach" in parag.13 of IES 5 should be changed to "Combinatorial Approach". The word "combination" is not an adjective.
12. We agree with the deletion of the second sentence in parag.A1 of IES 5 and substitution of the deleted sentence with an explanation of IPD. This is considered to be logical.
13. We also agree with the re-arrangement of the sentences under parag.A3 of IES 5 because it makes the intention of the IES clearer.
14. The Association also agree with the deletion and substitution of the fourth sentence in parag.A3 of IES 5 because we considered the substitution to be logical.
15. We agree with the right choice of the word "complexity" in parag.A5 of IES 5 to describe the role within the local and national laws of the jurisdiction concerned.
16. ANAN agrees with the deletion of the sentences in parag.A6 of IES that describes the expectation of what an Aspiring Professional Accountants should do to what constitute practical experience that an Aspiring Accountants should complete.
17. The Association agree with the substitution of the term " a work log is a record" with "work logs are records" in parag.A10 of IES 5 because the term as it appears in "c" was used in plural form.
18. We agree with the substitution of the word 'directing" with "guiding" in parag.A15 of IES 5 because it appropriately describes the role of the supervisor.

Comments on Implementation to changes in IES 5 in Appendix B (Pages 96 - 102)

The suggested changes in IES 5 in Appendix A have all been correctly and appropriately implemented in Appendix B. (Pages 96 - 102).

IES 6 - Initial Professional Development - Assessment of Professional Competence.

1. The Association agree with the substitution of the phrase "that need to be achieved" with "are required to demonstrate" in parag.1 of IES 6 because in all the standards the word "achieve" was used in relation to learning outcomes.
2. We also agree with the substitution of the word "will" with "may" in parag.2 of IES 6 because the beneficiaries are in some jurisdiction not bound to use of IESs.
3. ANAN agrees with the deletion of IES 8 from parag.4 of IES 6 because it has no correlation.
4. Our earlier comments on parag.5 of IES 1 also applies to parag.5 of IES 6.
5. Our earlier comments on parag.7 of IES 1 also applies to parag.7 of IES 6.
6. We also agree with the re-arrangement of the sentences under parag.A1 of IES 6 because it makes the intention of the IES clearer.
7. The Association also agree with the deletion and substitution of the sentence in parag.A4 of IES 6 because we considered the substitution to be logical.

Comments on Implementation to changes in IES 6 in Appendix B (Pages 104- 109)

The suggested changes in IES 6 in Appendix A have all been correctly and appropriately implemented in Appendix B. (Pages 104 - 109).

IES 7 - Continuing Professional Development.

1. ANAN agrees with the addition of full meaning of IFAC in parag.2 of IES 7 since the acronym is used for the first time in the standards.
2. Our comments on parag.5 of IES 1 also applies to parag.4 of IES 7.

Comments on Implementation to changes in IES 7 in Appendix B (Pages 106- 114)

The suggested changes in IES 7 in Appendix A have all been correctly and appropriately implemented in Appendix B. (Pages 106 - 114).

IES 8 -Professional Competence for Engagement Partners Responsible for Audits of Financial Statements.

1. The Association agree with the new provisions in parag.A1 Table B of IES 8 because it help to clarify concepts and facilitate implementation by IFAC member body.
2. We also agree with the deletion and substitution of new sentences in parag.A2 of IES 8.
3. We agree with the correction made to parag.A16 of IES 8 because it removes tautology.
4. ANAN agrees with the addition of phrase "achievement of the" in parag.A16 of IES 8 because it has been consistently used in the standards in relation to learning outcomes.
5. We also agree with the substitution of "audited entities" with "audit engagement" in parag.A22 and A23 of IES 8 since it describes the responsibility of the engagement partner.
6. The Association agree to the changes in parag.A31 of IES 8 because it is consistent with the IAESB Glossary of Terms. (April, 2015).

Comments on Implementation to changes in IES 8 in Appendix B (Pages 116- 127)

The suggested changes in IES 8 in Appendix A have all been correctly and appropriately implemented in Appendix B. (Pages 116 - 127).

IAESB Glossary of Terms

1. The Association agree with the deletion of phrase "in the accountancy profession" and substitute with "as a professional accountants" in serial no. 1 of the IAESB Glossary of Terms because it shift emphasis from the profession to individuals.

Comments on IAESB Glossary of Terms (Pages 128- 131)

The suggested changes in IAESB Glossary of Terms have all been correctly and appropriately implemented. (Pages 128 - 131).

General Comment

i. Numbering of paragraphs beginning from IES 3 Appendix B is not consistent with the numbering in Appendix A and this continued to IES 8.

Yours faithfully,

ASSOCIATION OF NATIONAL ACCOUNTANTS OF NIGERIA

DR. SUNDAY A. EKUNE, FCNA

Registrar/Chief Executive