Guidance and checklist for audit engagement partners for compliance with IFAC International Education Standard (IES) 8

IFAC's International Education Standard (IES) 8, *Professional Competence for Engagement Partners Responsible for Audits of Financial Statements (Revised)*, prescribes the professional competence that professional accountants are required to develop and maintain when performing the role of an Engagement Partner responsible for audits of financial statements.

If you hold an ACCA practising certificate and audit qualification, or you are a non-ACCA member statutory auditor in a firm holding an ACCA firm's Irish auditing certificate and/or you are an Engagement Partner, you will demonstrate developing and maintaining your professional competence by the achievement of the learning outcomes specified in Table A of IES 8 and replicated below in the checklist. This is a requirement even if you are currently not acting as an Engagement Partner. You also need to ensure that you continue to maintain your competence in professional ethics, keep your business and finance knowledge up to date and maintain your competence in the specialist areas of your practice – obtaining an appropriate proportion of CPD units in those areas.

WHAT AM I REQUIRED TO DO?

1 Consider the IES 8 learning outcomes when planning your CPD.

2 Identify which of the learning outcomes you will focus on during the year and build these into your wider CPD plan.

3 Select these learning outcomes, and record the date that each learning outcome was selected, on the checklist below.

4 Undertake relevant learning activities which may include practical experience.

5 Complete a CPD record* for each learning activity undertaken.

6 Cross reference the CPD record on the checklist below – remember that you may have worked towards or met more than one learning outcome through a learning activity.

* Using the online evidence recording tool accessed via your *myACCA* account, a paper evidence record that you can download here or a CPD record in your own or your employer's format. Record what you have done, why you selected that activity, what you have learned and how you have or will apply the learning.

You will be required to submit a completed checklist if you are selected for a CPD review. It will also be reviewed during a regulatory or Approved Employer monitoring visit to your firm.

ACCA has produced example CPD records to show how you can demonstrate meeting the learning outcomes through undertaking relevant learning activities. These can be downloaded here.

Additional requirements for Irish statutory auditors
If you are an Irish statutory auditor, you are also required to undertake CPD on an annual basis in the areas specified in the Irish Statutory Auditor section below and reference the relevant CPD record(s) against each area.

YOUR DETAILS

Name

ACCA membership number (if applicable)

Other professional qualifications

YOUR FIRM'S DETAILS*

Name of firm

Firm's ACCA reference number (if known/applicable)   Number of audit clients

Are you responsible for signing audit reports on behalf of this firm?   Yes   No

Number of audit clients for which you are responsible for the signing of audit reports

Your audit clients by sector

Banking	Retail/consumer	Agriculture
Energy and utilities	Transport/distribution	Pension companies
Insurance/investment	Education	Charities
IT/communications	Health	Solicitors
Leisure/tourism/travel	Local government	NGOs
Manufacturing/industry/engineering	National government	Other
Pharmaceuticals/healthcare	Other not for profit	
Professional services	Construction	

Your audit clients by size (see below for information)

Small   Medium   Large

In the UK, the definition of small is contained in sections 382, 383 and 384, medium in section 465, 466 and 467 of the Companies Act 2006.
In Ireland, the definition of small is contained in Article 3(2), medium in Article 3(3) and large in Article in 3(4) of Directive 2013/34/EU.

* Please use a separate sheet if you are a partner or principal or responsible individual in another firm of registered auditors.

YOUR AUDIT CPD

CPD year

Number of units of verifiable audit CPD completed

Number of units of non-verifiable audit CPD completed

Please justify why the number of units of audit CPD you have completed is sufficient for your role. You may consider, for example, the number of audit clients that you are responsible for, upcoming audit engagements, changes to legislation, audit CPD undertaken in the previous year(s), audit CPD planned in future and/or any technical support available to you.

CHECKLIST – IES 8 TABLE A, LEARNING OUTCOMES

Select the learning outcomes you will focus on during the year and enter the date selected. Once you have completed the relevant activities, add a reference to your CPD record(s)

	COMPETENCE AREA	LEARNING OUTCOME	SELECT (✓)	DATE SELECTED (DD / MM / YY)		CPD RECORD REFERENCE
TECHNICAL	**Audit**	Lead the identification and assessment of the risks of material misstatement as part of an overall audit strategy		/	/	
		Evaluate responses to the risks of material misstatement.		/	/	
		Evaluate whether the audit was performed and documented in accordance with applicable auditing standards (eg, ISAs) and relevant laws and regulations.		/	/	
		Develop an appropriate audit opinion and related audit report, including a description of key audit matters as applicable		/	/	
	Finance accounting and reporting	Evaluate whether an entity has prepared, in all material respects, financial statements in accordance with the applicable financial reporting framework and regulatory requirements		/	/	
		Evaluate the recognition, measurement, presentation, and disclosure of transactions and events within the financial statements in accordance with the applicable financial reporting framework and regulatory requirements		/	/	
		Evaluate accounting judgments and estimates, including fair value estimates, made by management		/	/	
		Evaluate the fair presentation of financial statements relative to the nature of the business, the operating environment, and the entity's ability to continue as a going concern		/	/	
	Governance risk and management	Evaluate corporate governance structures and risk assessment processes affecting the financial statements of an entity as part of the overall audit strategy		/	/	
	Business environment	Analyse relevant industry, regulatory, and other external factors that are used to inform audit risk assessments including, but not limited to, market, competition, product technology, and environmental requirements		/	/	
	Taxation	Evaluate procedures performed to address the risks of material misstatement in the financial statements in respect of taxation, and the effect of the results of these procedures on the overall audit strategy		/	/	
	Information Technology	Evaluate the information technology (IT) environment to identify controls that relate to the financial statements to determine the impact on the overall audit strategy		/	/	
	Business laws and regulations	Evaluate identified or suspected non-compliance with laws and regulations to determine the effect on the overall audit strategy and audit opinion		/	/	
	Finance and financial management	Evaluate the various sources of financing available to, and financial instruments used by, an entity to determine the impact on the overall audit strategy		/	/	
		Evaluate an entity's cash flow, budgets, and forecasts, as well as working capital requirements to determine the impact on the overall audit strategy		/	/	

	COMPETENCE AREA	LEARNING OUTCOME	SELECT (✓)	DATE SELECTED (DD / MM / YY)	CPD RECORD REFERENCE
PROFESSIONAL SKILLS	**Intellectual**	Resolve audit issues using inquiry, abstract and logical thought, and critical analysis to consider alternatives and analyze outcomes		/ /	
	Interpersonal and communication	Communicate effectively and appropriately with the engagement team, management, and those charged with governance of the entity		/ /	
		Resolve audit issues through effective consultation when necessary		/ /	
	Personal	Promote and undertake lifelong learning		/ /	
		Act as a role model to the engagement team		/ /	
		Act in a mentoring or coaching capacity to the engagement team		/ /	
	Organisational	Evaluate whether the engagement team, including auditor's experts, collectively has the appropriate objectivity and competence to perform the audit		/ /	
		Manage audit engagements by providing leadership and project management of engagement teams		/ /	

	COMPETENCE AREA	LEARNING OUTCOME	SELECT (✓)	DATE SELECTED (DD / MM / YY)	CPD RECORD REFERENCE
PROFESSIONAL VALUES, ETHICS AND ATTITUDES	**Commitment to public interest**	Promote audit quality in all activities with a focus on protecting the public interest		/ /	
	Professional scepticism and professional judgement	Apply a skeptical mindset and professional judgment in planning and performing an audit and reaching conclusions on which to base an audit opinion		/ /	
	Ethical principles	Apply the ethical principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour in the context of an audit and determine an appropriate resolution to ethical dilemmas		/ /	
		Evaluate and respond to threats to objectivity and independence that can occur during an audit		/ /	
		Protect the confidential information of the entity in accordance with ethical responsibilities and relevant legal requirements		/ /	

IRISH STATUTORY AUDITORS

If you are an Irish Statutory Auditor, you are required to confirm that you have undertaken CPD in the areas specified in the table below and reference the relevant CPD record(s) against each area:

AREA OF KNOWLEDGE	CONFIRM (✓)	CPD RECORD REFERENCE
The Irish auditing framework		
Financial reporting standards in use in Ireland		
Irish and EU legislation relevant to the preparation of financial statements and to statutory audit and auditors		

By signing this form, I confirm that I considered the IES 8 learning outcomes when planning my CPD for the year. I identified the above selected learning outcomes to focus on during the year and have undertaken relevant learning activities, as also referenced above.

Signature   Date