Briefing Session on CPD Requirements

Date	**:**	**10 September 2013**
Time	**:**	**12:30pm to 1:30pm**
CPD hour	**:**	**1 hour**
Speakers	**:**	**Phoebe Wong**

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Summary

- **Introduction**
- **CPD Requirements**
- **CPD Requirements for SD**
- **3-year Rolling Cycle**
- **Verifiable CPD Activities**
- **CPD Exemption**
- **Annual Declaration**
- **Annual Audit**
- **GAA Recognition and Block Declaration**
- **E-learning Products**
- **Questions**

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Mandatory Compliance

- Section 28 (2)(c) of the Professional Accountants Ordinance

- Statement 1.500

- Membership renewal is subject to CPD compliance

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Why CPD?

- The *maintenance of professional competence* requires a lifelong learning approach – a continuing awareness and understanding of relevant technical, professional and business development

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Why CPD?

- CPD develops and maintains the capabilities that enable a professional accountant to ***perform competently*** within the professional environment

CPD Requirements

- Minimum of **20** CPD hours each year (either verifiable or non-verifiable) ☑

- Complete at least **120** hours in each rolling three-year period ☑

- of which at least **60** hours are **verifiable** ☑

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CPD Requirements for Specialist Designation (SD)

- HKICPA's SD holder are required to complete at least 5 verifiable CPD hours per year in the subject of the SD, e.g. Insolvency, as part of the total requirement for 60 hours in the rolling 3-year period

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Principles to calculate CPD

- Actual hour basis

- Repeated activity counts once

- Normal work activities are excluded

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Acceptable CPD Activities

- Activities that are expected to
  - Develop the professional knowledge, skills, values, ethics and attitudes of members
  - Relevant to their current and future work and professional responsibilities
- HKICPA relies on members' professional judgment to decide

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Training by other service providers

- It is up to members to decide what learning activities are relevant and appropriate to their work and professional responsibilities

- Training activities provided by any service providers can also be counted for CPD hours

- Remember to record, track and measure learning activities

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3-Year Rolling Cycle

30 November 2013 marks the end of the sixth 3-year rolling cycle

For members who joined the Institute before 1 Dec 2010:

➢120 CPD hours, of which minimum 60 hours are verifiable

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3-Year Rolling Cycle

Members joined HKICPA on/before 30 Nov 2010

- **2013 CPD declaration: 1 Dec 10 – 30 Nov 13**

- **2014 CPD declaration: 1 Dec 11 – 30 Nov 14**

- **2015 CPD declaration: 1 Dec 12 – 30 Nov 15**

- **……….. etc**

Require total 120 hours CPD in each 3-year rolling cycle

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First 3-Year Rolling Cycle

For members who joined between **1 Dec 2010 – 30 Nov 2011****:**

➢ minimum 20 CPD hours per year, verifiable or non-verifiable, for 2013 CPD declaration

➢ 1st rolling cycle starts on 1 Dec 2011 and ends 30 Nov 2014

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3-Year Rolling Cycle

Members joined HKICPA between 1 Dec 2010 – 30 Nov 2011

- **2013 CPD declaration: 1 Dec 10 – 30 Nov 13 = min. 20 CPD/yr**

- **2014 CPD declaration: 1 Dec 11 – 30 Nov 14 = 1st cycle**

- **2015 CPD declaration: 1 Dec 12 – 30 Nov 15 = 2nd cycle**

- **……….. etc**

Require total 120 hours CPD in each 3-year rolling cycle

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3-Year Rolling Cycle

Members joined HKICPA between 1 Dec 2011 – 30 Nov 2012

- **2013 CPD declaration: 1 Dec 11 – 30 Nov 13 = min. 20 CPD/yr**

- **2014 CPD declaration: 1 Dec 11 – 30 Nov 14 = min. 20 CPD/yr**

- **2015 CPD declaration: 1 Dec 12 – 30 Nov 15 = 1st cycle**

- **……….. etc**

Require total 120 hours CPD in each 3-year rolling cycle

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Verifiable and Non-verifiable CPD Activities

- **Verifiable activities:**

  Objectively verifiable by a competent source
  - **Examples:** attendance records; **written confirmation by organizer, employer, instructor, mentor, trainer;** certificate of achievements; **examination result**

- **Non-verifiable activities:**

  Activities that have no evidence to substantiate the CPD hours claimed such as reading journals; newspapers (claim max. 5 hours per year); A-PLUS; networking, observation, feedback and reflection (claim max. 5 hours per year from 1 Dec 2013 onwards)

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No Territorial Boundary for Meeting CPD Requirements

Examples of CPD Activities, anytime, anywhere:

- **E-learning, e.g. e-Seminars (verifiable)**

- **Study MBA (or other award bearing) course overseas or local (verifiable)**

- **CPD on CD-Rom training pack (verifiable)**

- **Online resources, e.g. Free Courseware offered by Open U (non-verifiable)**

- **Reading technical articles, newspaper, A-PLUS (non-verifiable)**

- **Financial and business news on TV / newspapers / Internet etc.**

- **Relevant documentaries or educational programmes on TV, Now HK and university websites**

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Examples of Verifiable CPD Activities

CPD programmes organized by HKICPA

- Evening Seminars and forums
- Technical workshops and management skills workshops
- Annual Update Conferences
- Technical Update Evenings (TUE)
- Interest group forums / study trips / site visits
- e-Seminars, e-Manager and e-Finance courses
- CPD on CD-Rom

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Examples of Verifiable CPD Activities (Cont'd)

HKICPA's free of charge/attractively priced CPD activities

- Free well-being and stress management programmes
- Free support programme (for members seeking to return to workforce)
- Ethics seminars ($60 for 1.5 CPD hours)
- Audit practice manual application workshop, ($420 for 7 hours)

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Examples of Verifiable CPD Activities (Cont'd)

Other free of charge CPD activities

- Participation as QP facilitator
- Participation as Authorized Supervisor , External Authorized Supervisor or Counselor of an Authorized Employer
- Participation as a speaker or chairman in seminars, conferences, briefing sessions or discussion groups
- Participation and work on Institute's committees
- IAS Plus Deloitte on HKICPA web-site

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Examples of Verifiable CPD Activities (Cont'd)

Other free of charge CPD activities

- Self-learning modules or organized on-the-job training for new software, systems, procedures or techniques for application in professional role

- Published professional or academic writing, technical articles, papers or books

- Research including reading journals, professional literature, for application in a professional role

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CPD Exemptions

- Statement 1.500 Revised in August 2010
- CPD exemption criteria no longer refer to career break, serious illness and retirement
- The Institute may grant exemption from CPD if member:

  (i) is not carrying out any accountancy or accountancy related work, whether paid or unpaid; and

  (ii) does not plan to do so for a significant period of time
- Generally, no exemption for PC holders, SD holders and directors of companies

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CPD Exemptions

- Members already granted exemption from CPD compliance before August 2010 continue to be exempt unless and until there is a change in the circumstances which gave rise to their exemption.

- More information about CPD exemption guidelines in Appendix of Statement 1.500 Guidance on Exemptions

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Annual CPD Declaration

- File your CPD Declaration during Membership Renewal by 15 December

- Update "MyCPA" **≠** CPD Declaration

- You have to **Submit** your CPD Declaration through Annual Return of membership renewal 2014 by hardcopy or **ONLINE**

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Annual CPD Audit

- Randomly picked in May of every year

- Members selected for audit will usually not be picked again in the next 2 years

- What do you need to do?

    - Need to reply within one month

    - Submit CPD Record Form and a detailed record of the CPD activities

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Annual CPD Audit

- Pursuant to Statement 1.500 of Member's Handbook, members are required to maintain records and documentary evidence of their verifiable CPD hours for **a minimum of five years**

- You will be asked to produce such documentations if you are selected for the CPD audit

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Recognition of GAA Institutes' CPD Requirements

- HKICPA member, except PC or SD holders, who is also a holder of an active license issued by a State Board of Accountancy of USA or a member of a GAA institute may fulfill the CPD compliance requirements of that State Board or GAA institute

- Must still make an annual CPD declaration to HKICPA

- Exemptions of State Board or other GAA bodies from CPD compliance are not recognized by the Institute

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Block Declaration

- Firms or organisations may, provided they meet certain criteria, make block declarations to the Institute of the CPD compliance of their staff

- The criteria includes a system keeping records of CPD which demonstrates compliance with the Institute's CPD requirements

- Still the responsibility of individual member to file declaration and ensure that this is done (whether through block declaration or otherwise)

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E-learning products

- CPD Learning Resources Centre on HKICPA web-site

- There are 2 types of e-learning products:

  - on-demand online courses – available for learning anytime, no time restriction

  - live e-learning – real-time online courses available at a specific time, allowing interaction with speakers

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E-learning products – on-demand online course

- e-Seminars – archived video webcasts of some hot seminars, e.g. Annual update conferences (some also in CD-ROM version)

- e-Manager – soft skills, offer bundle discounts

- e-Finance – financial market/products, offer bundle discounts

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E-learning products – live online course

- Webinars – audio presentation synchronized with powerpoint slides, i.e. a virtual classroom, offered in both single user and multiple-user license

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E-learning products – single and multiple-user license

- Multiple-user license

  o Aims for internal training for firm/corporation /organization

  o For members purchasing only

  o Allows several users (up to 5 or 10 users) to take the online course together

  o Attendance to be verified by in-house trainer on HKICPA's CPD verification forms

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Any Questions ?

Quick Guide (handout)

FAQ (HKICPA website)

i-help (Email us)

Enquiry for CPD matters:

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