Briefing Session on CPD Requirements

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

- Section 28 (2)(c) of the Professional Accountants Ordinance
- Statement 1.500
- Membership renewal is subject to CPD compliance
Why CPD?

• The *maintenance of professional competence* requires a lifelong learning approach – a continuing awareness and understanding of relevant technical, professional and business development
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**
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
Principles to calculate CPD

- Actual hour basis
- Repeated activity counts once
- Normal work activities are excluded
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
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
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
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
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
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
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
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)
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
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
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)
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
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
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
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
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**
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
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
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.
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)
E-learning products

• CPD Learning Resources Centre on HKICPA web-site

• There are 2 types of e-learning products:
  o on-demand online courses – available for learning anytime, no time restriction
  o live e-learning – real-time online courses available at a specific time, allowing interaction with speakers
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
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
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
Any Questions?

Quick Guide (handout)
FAQ (HKICPA website)
i-help (Email us)

Enquiry for CPD matters:

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