

Consolidated Table of Changes to Statement 1.500: August 2010

Notes to Users of the Table:

Statement 1.500 *Continuing Professional Development* is revised to provide new information about certain paragraphs, namely 35, 36 and 37 on the criteria for granting exemption from the Institute's CPD requirements. Appendix 2 is added to provide information about the new criteria which the Institute may take into account in considering applications by members for exemption from CPD compliance. The new guidelines give consistency across all types of circumstances of possible exemption and also provide for a member to undertake additional CPD where, for a significant period, the member has not been working or has had a CPD exemption. There are also changes in wordings in some paragraphs and Annex I of the Statement which improve its clarity. To assist users, this Consolidated Table of Changes outlines these changes.

| Current Statement 1.500 | Revised Statement 1.500 (August 2010) | Notes on changes to the current Statement 1.500 |
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| <p><u>I. Exemptions</u> Statement 1.500 states (at para. number):</p> <p>(35) The Council has the discretion to grant exemptions and/or extension to members for compliance with the CPD requirements. Such extensions and exemptions will only be granted under special circumstances, such as career breaks, serious illness and retirement from full time employment. The Council has also delegated to the Director, Professional Development of the Institute (previously CPD Committee Chairman) this authority to grant extensions and exemptions to members for compliance with the CPD requirements.</p> <p>(36) No exemption will be granted to members holding practising certificates or directorship of listed companies.</p> | <p>Delete: "such as career breaks, serious illness and retirement from full time employment."</p> <p>Delete final sentence commencing: "The Council has also delegated....."</p> <p>Add: "Generally, in order to serve the public interest,"</p> | <p>All exemption applications to be considered by reference to:</p> <p>"The Institute may grant exemption from CPD to a member who, at the time of application, is not carrying out any accountancy or accountancy related work, whether paid or unpaid, and does not plan to do so for a significant period of time." (new Appendix 2 to Statement 1.500)</p> <p>This explains why members holding practicing certificates or directorships of listed companies generally would not be granted CPD exemption.</p> |

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| (37) Application for exemption supported by documentary evidence, if appropriate, should be made in writing to the Institute. All applications will be considered on a case by case basis. The exemption will be valid for the ensuing years unless there are changes in circumstances. | Reference to the new Appendix 2 is added. | Appendix 2 provides information about the criteria which the Institute may take into account in considering applications by members for CPD exemption. |
| <p><u>II CPD Activities</u></p> <p>Appendix 1 states:</p> <ul style="list-style-type: none"> • Participation and work on technical committees | <p>Change to:</p> <ul style="list-style-type: none"> • Participation and work on committees of professional bodies. | <p>To recognize CPD hours for participation in non-technical or other committees. This aims to encourage members' development of soft skills such as communication, presentation, negotiation, etc. which are essential competencies relevant to members' work and professional responsibilities.</p> <p>The maximum CPD hours that may be claimed for a year is 4.</p> |
| <p><u>III Guidance on Exemptions</u></p> <p>No guidance for granting exemptions is provided.</p> | Appendix 2 is newly added. | <p>Guidance on Exemptions includes:</p> <ul style="list-style-type: none"> • Definition of accountancy or accountancy related work. • Additional relevant CPD may be required if member resumes accountancy work after a significant period of not working or of CPD exemption. • Illustrations of circumstances that may be granted exemption and those circumstances that are unlikely to be granted exemption. |

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| <p><u>IV Editorial and other changes</u></p> <ul style="list-style-type: none"> • Statement 1.500 para.(30), (39), (41). • Statement 1.500 para.(33) • Statement 1.500 para.(34) • Statement 1.500 para.(43) • Statement 1.500 para.(44) | <p>"being exempted" is changed to "exempt".</p> <p>"revised October 2008" is changed to "revised August 2010"</p> <p>Delete "The Hong Kong Institute of Certified Public Accountants"; and</p> <p>Revise "Canadian Institute of Chartered Accountants" to "Canadian Institute of Chartered Accountants including its provincial institutes".</p> <p>"year" is changed to "year(s)"</p> <p>"investigate" is changed to "make suitable enquiries".</p> | <p>Editorial changes.</p> <p>Reference to HKICPA is not required.</p> <p>Revised for clarity.</p> <p>Editorial changes.</p> <p>Editorial changes.</p> |