



Hong Kong Institute of  
Certified Public Accountants  
香港會計師公會



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# Information Session for Authorized Employers ("AE") and Authorized Supervisors ("AS")

16 November 2018





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## Agenda

- Overview of the Practical Experience Framework
- Roles and Responsibilities of AE/ AS
- AE/ AS Enhancement Programme
- AE/ AS Renewal and Annual Record Update
- Training Process for HKICPA Registered Students/  
Prospective Members
- The Practical Experience Framework Requirements
- Common Issues
- Useful Information Available on the Institute's Website
- Q & A Session

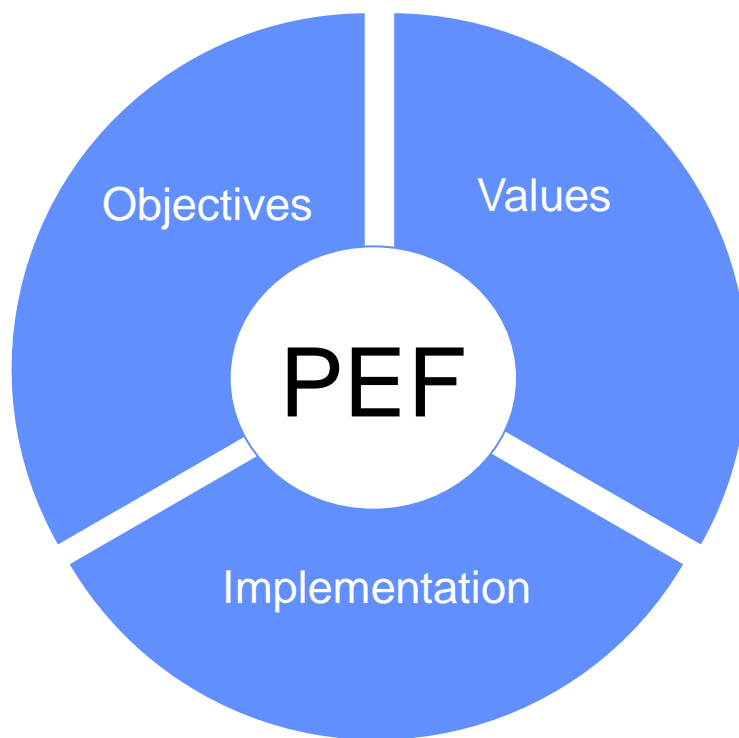


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## Overview of the Practical Experience Framework





## Overview of the Practical Experience Framework

### Objectives

- A Framework for prospective CPAs to be *guided* through their practical training for HKICPA membership admission purpose
- To train these future members to the *highest quality* for professional accountants



## Overview of the Practical Experience Framework

### Implementation

- HKICPA registered students#/ prospective members\* are required to acquire practical experience under the supervision of an AE/ AS from 2005

# HKICPA registered student(s): HKICPA QP student(s)

\* Prospective member(s): Member(s)/ student(s) of other accountancy bodies or those prospective student(s) intending to enrol in the QP, who are required to acquire practical experience under an AE/ AS for HKICPA membership admission.



## Overview of the Practical Experience Framework

<b>Values</b>	AE/ AS	<ul style="list-style-type: none"><li>■ Access to a pool of accounting talents during recruitment</li><li>■ Eligible to claim 5 CPD hours per annum for supervising a HKICPA registered student (max. 20 CPD hours can be claimed per year)</li></ul>
	Students	<ul style="list-style-type: none"><li>■ Practical experience accredited for HKICPA membership admission</li><li>■ Receive proper professional training and guidance</li></ul>



# Overview of the Practical Experience Framework

## AE vs AS

AE	<ul style="list-style-type: none"><li>■ AE is accredited by the Institute on a corporate level, e.g. CPA practice, government department, education institute, commercial or not-for-profit organization</li><li>■ AE should have a training framework in place to ensure that HKICPA registered students/ prospective members attain the appropriate type and level of practical experience for HKICPA membership admission</li></ul>
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# Overview of the Practical Experience Framework

## AE vs AS

### AS

- AS is accredited by the Institute on an individual level
- To cater to the needs of HKICPA registered students/prospective members not working for an AE





# Roles and Responsibilities of AE/ AS

## 1. Member-In-Charge ("MIC") of an AE

- Overall responsibility for AE registration
- Nominate and assign Counselors to students
- Ensure students in the organization can receive properly structured training under the assigned Counselors' supervision and comply with the practical experience requirements
- Inform the Institute for changes in training personnel

## 2. Scheme Co-ordinator ("SC") of an AE

- Communication channel with HKICPA
- Co-ordinate the AE scheme within the organization



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## Roles and Responsibilities of AE/ AS

### 3. AE-Counselor/ AS

- Ensure the students have a reasonable mix of the required competencies
- Assess whether the students have attained the appropriate practical experience components (type & level)
- Meet with the students to review and sign off the Prospective Member's Record of Practical Experience for Membership Admission ("Training Records") at least once a year
- Ensure information provided by the students is authentic and accurate
- Supervise up to **8** HKICPA registered students/ prospective members at any point of time



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## Roles and Responsibilities of AE/ AS

Note:

- AE-MIC or AS should notify the Institute if
    - there is any change in
      - AE training personnel (MIC, SC and Counselors)
      - own employment status
- within one month**
- a training personnel in an AE or the AS has been subject to disciplinary/ regulatory action by HKICPA or other accountancy bodies ASAP



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# AE/ AS Enhancement Programme

## Objectives

- Enhance the communication with AE/ AS
- Obtain feedback directly from AE/ AS
- Provide guidance to assist AE/ AS in complying with the framework requirements

A light blue ribbon graphic with a white border, featuring a central rectangular box with rounded corners and two vertical tails extending downwards. The text is centered within the box.

Launched  
for AE in  
Oct 2008  
and AS in  
Dec 2010



# AE/ AS Enhancement Programme

Institute's representatives to conduct  
site visit at the AE/ AS office

## Site Visit

1. Meet with AS/ AE-MIC and Counselor to understand the training system
2. Review appraisal form/ training plan/ supporting documents of Training Records
3. Interview HKICPA registered students
4. Discuss related matters

## Completion Stage

1. Provide feedback/ suggestions
2. Maintain communication with AE/ AS



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## AE/ AS Renewal and Annual Record Update

### ■ **Renewal of Registration**

- AE/ AS Registration may not be renewed if an AE/ AS:
  - fails to fulfil their responsibilities or is unfit to provide structured training
  - abuses their AE/ AS status
  - misuses the Institute's logo
  - refuses to co-operate in any enquiry, briefing, interview or investigation conducted by the Institute
  - is subject to disciplinary/ regulatory action by HKICPA or other accountancy bodies
- In some cases, AE/ AS registration may be suspended before expiry of the registration period



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## AE/ AS Renewal and Annual Record Update

### ▪ Annual Record Update

- An update form is sent to AE/ AS once a year
- AE-MIC/ AS to provide updated information on:
  - Change in own employment status
  - Change in AE training personnel (MIC, SC and Counselors)
  - Particulars of HKICPA registered students/ prospective members under supervision



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# Training Process for HKICPA Registered Students/ Prospective Members

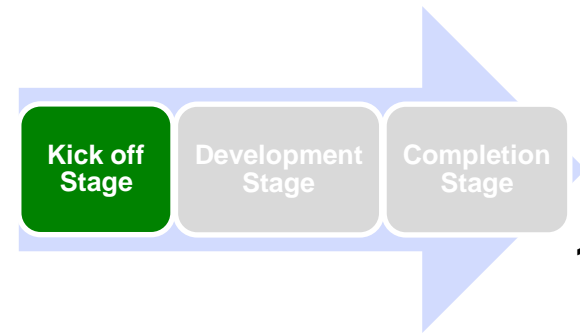




# Training Process

## 1. Kick off Stage

- Understand previous practical experience gained by the student
- Identify the student's required competencies
- Set and ensure the student has the required training and work opportunities
- Student to document the training plan

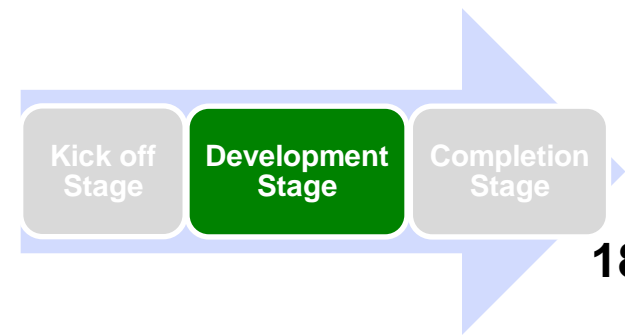




# Training Process

## 2. Development Stage

- Assign appropriate work based on the training plan
- Observe the student's progress and provide supervision and feedback
- Student to record the working days and the competencies achieved in the Training Records

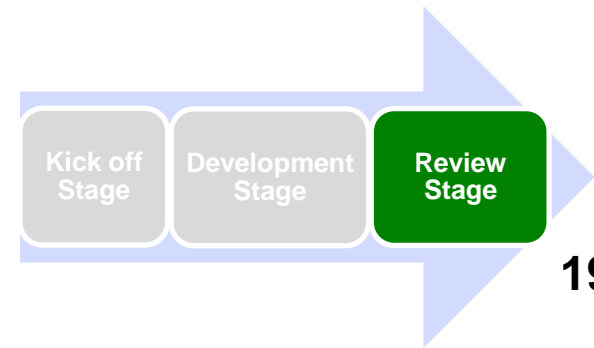




# Training Process

## 3. Review Stage

- Student to submit the completed Training Records with supporting evidence (e.g. appraisal form, timesheet) for AE-Counselor/ AS to review
- Meet with the student to review progress at least once a year
- Verify and sign off the Training Records against the competencies achieved
- Work out the areas for improvement in the student's training plan, if necessary

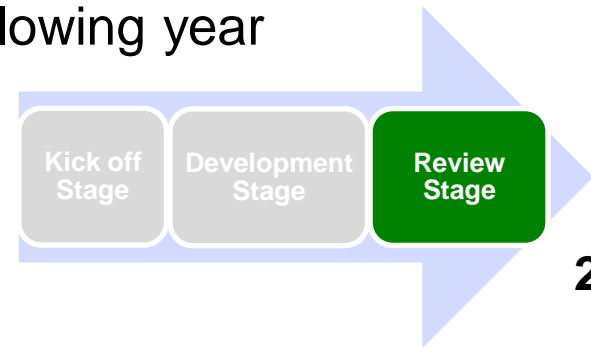




# Training Process

## Annual sign-off

- Benefits of annual sign-off of the Training Records:
  - Facilitate the review process while the student's performance and achievement of competencies are still fresh in mind
  - Provide an opportunity for AE-Counselor/ AS to discuss the student's progress
  - The student has a better understanding on how far he/ she has fulfilled the competency requirements and the areas of improvement for the following year





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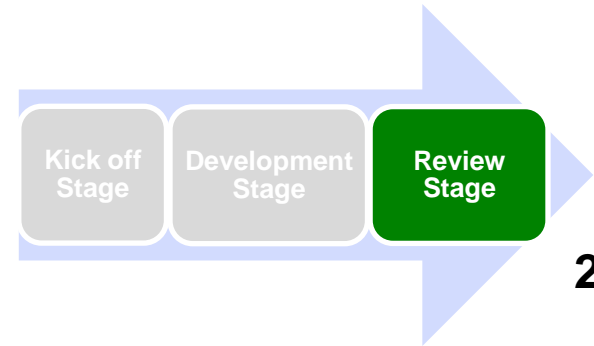
# Training Process

## Annual sign-off

- Cut-off date for annual sign-off of the Training Records can be from:
  - Employment commencement date

OR

- Annual performance appraisal date





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# The Practical Experience Framework Requirements



## Length of Experience Requirement

	<b>Min. length of full-time practical experience</b>	<b>Total working days</b>	<b>Max. no. of employments</b>	<b>Max. no. of employments which are less than 12 months</b>
Approved degree holders or HKIAAT graduates who have passed the QP	3 years	min. 600 working days	4	2
Approved accountancy diploma holders	4 years	min. 800 working days	5	2

- Meet **BOTH** length of experience and working days requirements.



## Working Days Requirements

- Definition of working days: at least **7 working hours** per day
- **Working hours** (including overtime) can be accumulated
- **Full-time** experience only
- **Min. 150 working days** per annum
- Students can
  - complete the QP examinations first and then acquire practical experience or vice versa, **or**
  - enrol for the examinations and acquire experience concurrently





# Technical and Generic Competencies

Technical Competencies (8)		Generic Competencies (5)
Basic (5) – foundation skills	Principal (7) – more advanced	
Fundamentals of Accounting *		Creative thinking, reasoning & analysis
Financial Accounting & External Reporting		
Auditing & Internal Auditing		
Financial Management		
Taxation		
	Management Accounting	Communications and interpersonal relationships
	Information Management & Technology	
	Insolvency	
		Organization-specific competencies
		Personal and behavioural
		Information technology

**Min. 100 days\* Min. 100 days in each selected competency (3 out of 4 units)**

**Min. 300 days**      **Min. 300 days (at least 3 units in each selected component)**

**Must complete ALL generic competencies**

\* Since "Fundamentals of Accounting" has the SAME competency units as Basic "Financial Accounting & External Reporting", students can complete either one to meet the relevant mandatory requirement.



## Examples of Adequate Experience


Examples		Competency	Days of experience
1	Candidate A (Commercial)	Fundamentals of Accounting (Basic)	300
		Financial Accounting and External Reporting (Principal)	<u>300</u>
		Total	<u>600</u>
2	Candidate B (CPA Firm)	Fundamentals of Accounting (Basic)	100
		Auditing and Internal Auditing (Basic)	100
		Taxation (Basic)	<u>100</u>
			300
		Financial Management (Principal)	100
		Management Accounting (Principal)	100
		Insolvency (Principal)	<u>100</u>
			300
Total	<u>600</u>		
3	Candidate C (Tax Consulting)	Fundamentals of Accounting (Basic)	100
		Taxation (Basic)	<u>200</u>
			300
		Taxation (Principal)	<u>300</u>
Total	<u>600</u>		



## Demonstration of Training Records

Samples of the Training Records can be referred in the Institute's website.

Areas in the Training Records are highlighted for AE/ AS's attention, as follows:

To be completed by the representative of the Employer of the prospective member	
Name of Representative: <u>Paul Wu</u>	Signature & Company Chop: <u>Paul</u> 
Title: <u>HR Director</u>	Date: <u>30/9/xxxx8</u>

**Signed off with organization chop by the Employer to evidence the employment of the registered student at the end of the supervision period.**



## Demonstration of Training Records

To be completed by the Authorized Supervisor or a Counselor of the Authorized Employer during the employment of the prospective member with the above employing organization. (Note 5)

If there is/was a change of Authorized Supervisor or Counselor during the employment of the prospective member, each of them should fill in his/her own details.

I confirm that the above-named person was under my supervision for the period as stated;

In my opinion, the above-named person:

has acquired his/her practical experience by achieving the required competency units of the relevant Basic and/or Principal Practical Experience components as recorded; and

has achieved a reasonable level of skills in each of the Generic Competencies as recorded.

I declare that, to the best of my knowledge and belief, the information provided in the following pages is true and correct as at this date.

Name of Authorized  
Supervisor/Counselor: #  
(Full Name in BLOCK LETTER)

*Wong Wai Ting, Denise*

Signature:

*Denise*

Initial  
(as the same that  
signing in the  
Training Record)

*D. Wong*

HKICPA member  Membership No.: *Axx123*

Period of  
Supervision:  
(mmm/yy to mmm/yy)

*1/8/2005 to present*

Title: *Financial Controller*

Date: *30/9/xx8*

# Please delete as appropriate.

**Signed off by the AE-Counselor/  
AS to evidence his/ her  
supervision on the registered  
student for the whole supervision  
period.**



# Demonstration of Training Records

**BASIC PRACTICAL EXPERIENCE COMPONENTS**  
 (Please use one sheet for each employment if more than one employer)

Name of Prospective Member: Chan Tai Man, Robert

Name of Organization: Asia Properties Group

Name of Counselor/Authorized Supervisor: Wong Wai Ting, Denise

**PRINCIPAL PRACTICAL EXPERIENCE COMPONENTS\***  
 (Please use one sheet for each employment if more than one employer)

Name of Prospective Member: Chan Tai Man, Robert

Name of Organization: Asia Properties Group

Name of Counselor/Authorized Supervisor: Wong Wai Ting, Denise

**GENERIC COMPETENCIES (Continued)**  
 (Please use one sheet for each employment if more than one employer or in case there is a change of Counselor or Authorized Supervisor)

Name of Prospective Member: Chan Tai Man, Robert

Name of Organization: Asia Properties Group

Name of Counselor/Authorized Supervisor: Wong Wai Ting, Denise

Training Year	Year 1	Year 2
No. of working days attained for this Component:	160	130
Counselor/Authorized Supervisor's Initial#:	D. Wong 3/9/xxxx6	D. Wong 31/8/xxxx7

**Counselor/AS annual sign off**

Counselor/Authorized Supervisor's initial	D. Wong
No. of sheets	10 of 10
Total no. of sheets submitted	10



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# Common Issues



## Common Issue 1

**Can internship  
be counted as  
part of the  
relevant  
experience for  
HKICPA  
membership  
admission?**

- Internship can be counted provided it is under full-time employment and meets the competency requirements under the Institute's Practical Experience Framework.



## Common Issue 2

**If a registered student has already acquired sufficient practical experience under the AE/ AS supervision, would it be necessary for the AE-Counselor/ AS to continue to sign the Training Records for this registered student?**

- No, if the AE-Counselor/ AS signed off sufficient practical experience (e.g. 600 working days in not less than 3 years) for the registered student.





## Common Issue 3

**If a registered student has been transferred to another group company of an AE, would a Counselor of this AE be able to continue to sign the Training Records for the registered student?**

- **No** until the AE applied for group registration and the application has been approved by the Institute.
- **AE Group Registration** may be allowed if the entities are operating under a centralized HR function and their training systems are under the influence and control of the AE-MIC.
- Similarly, **AS Group Registration** may be allowed if the entities are operating under a centralized accounting function.



## Common Issue 4

**How can the AE-Counselor/ AS verify the contents of the Training Records prepared by a registered student of the AE/ AS organization?**

- Obtain evidence from the registered student to facilitate the review, e.g. performance appraisal form, job engagement report, etc.
- Discuss with the registered student's immediate supervisor, if applicable



## Common Issue 5

**If a registered student has been seconded to your organization, would you as an AE-Counselor/ AS be able to sign the Training Records for this registered student?**

- An AE-Counselor/ AS can only supervise and train the registered students employed by the same organization under the AE/ AS scheme.
- Notify the Institute for further arrangement when a registered student is employed by a job agency and seconded to the AE/ AS organization.



## Other common issues identified

- Registered students are not aware of their responsibilities of completing and submitting their Training Records and maintaining supporting documents on an annual basis.
- AE-Counselors/ AS may not review and sign off the Training Records on an annual basis.
- AE-Counselors/ AS only review technical competencies.
- Not all generic competencies are achieved.
- Insufficient internal training documentation to record the training (e.g. in-house training, experience sharing, etc.) provided to the registered students.
- AS forgets to inform the Institute of his/ her change of employment within one month.



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## **Useful Information Available on the Institute's Website**



# Practical Experience Framework



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Information Paper on  
Enhancements to the  
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## Practical Experience Framework

In addition to completing the Qualification Programme, students need to acquire at least three years of relevant experience under an Institute-authorized employer or supervisor complying with the Institute's requirements in order to qualify for membership.

- [Practical experience requirements for membership admission](#)
- [Competency-based Practical Experience Framework](#)
- [Authorized Employer Scheme](#)
- [Authorized Supervisor Scheme](#)
- [External Authorized Supervisor Scheme](#)
- [Practical Experience Framework Consultation](#)
- [Lists of Authorized Employers and Authorized Supervisors](#)

### For information

<https://www.hkicpa.org.hk/en/Become-a-Hong-Kong-CPA/Qualification-Programme/Practical-Experience-Framework>



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# Q & A Session



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# Thank You

Enquiries: [pef@hki CPA.org.hk](mailto:pef@hki CPA.org.hk)