

GUIDELINES ON CONTINUING PROFESSIONAL DEVELOPMENT (CPD) ACTIVITIES

WHAT IS CPD?

The ever changing technical and professional environment of an accounting personnel demands members must constantly update their knowledge and skills in order to maintain their professional competence.

It is not possible to achieve this purely through work experience, and effective CPD is one way in which members can ensure that they are maintaining, enriching and extending their professional and technical expertise.

Time spent by a member in assimilating knowledge on professional, technical and managerial subjects relevant to his or her own work in the profession of accountancy, is considered to be an indication of CPD achievement.

Normally CPD is of a technical nature. It is recognized, however, that it may be appropriate to include as an element of the CPD programme time spent on the development of business, interpersonal or management skills.

A distinction can be made between "structured" and "unstructured" CPD. Structured CPD can be achieved through interaction with other individuals (not necessarily other members). For example, attendance at technical meetings, seminars and lectures and courses could constitute structured CPD. This may also be achieved through distance learning, where the course is assessed and/or leads to a further qualification. Research for a new piece of work is also considered to be a structured activity since the knowledge gained will be actively applied.

Unstructured CPD will normally be achieved through private reading and study. It will usually be undertaken as part of a regular and gradual development programme.

What is the minimum CPD requirement for members?

All members are required to comply with a minimum of 20 hours of unstructured CPD per year upon renewal of membership. While it is not mandatory for members to undertake any structured CPD programme, however, they are encouraged to do so for their own benefits.

The reporting period for the CPD compliance is a period of 12 months commencing from 1 December each year and ending 30 November of the following year. For those who join in the middle of the year, the CPD requirements are imposed on a pro-rata basis. Those who join in November will be exempted from any CPD requirements for that year.

CHOOSING A CPD PROGRAMME

Members should note that CPD programmes do not need to be pre-approved by the HKIAAT. It is entirely up to the individual member to judge the suitability of a particular programme for themselves. For guidance, this judgement should be based on the following factors:

- whether the programme will contribute to the professional ability of the individual member;
- whether the programme is at the right level and depth for the individual member;
- whether the programme content relates to the individual member's work;
- whether the presenters are technically competent; and
- whether the programme organiser has a good track record of delivering quality programmes.

EXAMPLES OF CPD

The following examples are designed to provide members with a guide to what may and may not constitute unstructured and structured CPD. They are by no means exhaustive. Members should always be aware that the purpose of CPD is to maintain, enrich and extend their own professional competence and technical knowledge, and that CPD should be relevant to their own specific needs.

Activities not considered to be structured or unstructured CPD

Normal working activities (other than research)

- any activities carried out as part of member's daily work.

General reading of the financial press (e.g. daily newspapers)

- in excess of 25 per cent of unstructured CPD in any one year.

Social activities

- e.g. annual dinners

Internal meetings

- held specifically for management and staff, i.e. where the purpose is to acquaint participants with the mechanics and administration of the organisation.

Discussions

- board/partners' meetings, Annual General Meetings, Extraordinary General Meetings and other similar meetings (where the subject matter is not technical).
- of a promotional nature for the business, practice or service concerned.
- audit closing meetings.

Activities carried on outside office hours which are accountancy related and therefore similar to daily work

- preparation of club and charity accounts.
- providing accountancy or taxation services etc.

Subscription to journals or CPD programmes

- relevant reading and appropriate attendance / viewing must accompany this to achieve credit.

Examples of structured learning activities

Subject to the above considerations, the following activities are likely to constitute structured CPD learning activities (to the extent that material prepared or reviewed or participation by the member is relevant to professional development):

- (i) Courses run by or under the auspices of recognised professional bodies within their continuing professional development programmes.
- (ii) Studies for a post-graduate degree or another professional qualification.
- (iii) Suitable courses run by a university or other appropriate institution.
- (iv) Relevant courses run by a member firm in public practice, or by other business organisation.
- (v) Courses run by a private educational establishment of a standard comparable to that described in (i) or (iv) above.

- (vi) Correspondence courses, interactive computer learning training programmes, audiotape or videotape or videotape packages, courses of programmed texts or other individual study programmes, where interaction with other individuals is required and assessment (in the form of a further qualification) is provided.
- (vii) Writing of technical articles, papers or books.
- (viii) Working as a lecturer, instructor or discussion leader on a structured course (repeat presentations of the course should not be considered for this purpose) or preparation of training materials for a structured course briefing session or discussion group.
- (ix) Participation in conferences, briefing sessions or discussion groups.
- (x) Serving as a member of committees and working groups of a professional body or a technical committee of an individual firm.
- (xi) Undertaking technical research for a new piece of work provided the research is subsequently applied to an engagement.

Examples of unstructured learning activities

The following activities are likely to constitute unstructured CPD learning activities:

- (i) Reading technical, professional, financial or business literature

It should be recognised that professional journals and magazines, etc., comprise a mix of both general and technical items. It is for the individual to decide to what extent reading particular items constitutes CPD, and to record those specific items on their CPD form. Mere subscription to a publication does not constitute CPD.

- (ii) Individual home study

Viewing of videos, television programmes, the use of audiotapes, participation in computer based learning programmes, distance learning or any alternative form of learning where there is no interaction with other individuals, and no assessment (in the form of a further qualification) is provided.

- (iii) Reading of the financial press

It is accepted that general reading of the financial press (e.g. daily newspapers) is important but it should not constitute a major part of total CPD undertaken. Credit will only be given for technical articles, and credit for this type of reading is unlikely to account for more than 25 percent of total unstructured CPD.

Recording of Attendance for Structured CPD

The number of hours credited towards the 20 hours requirement will be calculated on an hour-to-hour basis in respect of attending seminars and talks. For such activities, any break time, absence longer than 5 minutes or multiple absents during the talk will not be counted.