



## 1. Preamble

- 1.1 The Board of Directors of the Institute of Public Accountants issues Pronouncement 7 Continuing Professional Development (“the Pronouncement”). The following Pronouncement is issued pursuant to clause 53.2(a) of the Constitution of the Institute of Public Accountants. In accordance with By-law 2.1.3(e), Members of the Institute of Public Accountants are obligated to abide by this Pronouncement.
- 1.2 Pronouncement 7 is effective as at the 6 September 2018.
- 1.3 This Pronouncement is promulgated to enhance the knowledge of IPA Members and promote life-long learning.

IPA Members are at the forefront of the business and accounting community and are considered to be a client’s trusted advisor. With recognition comes responsibility. The Regulators, standard setters, government and the public all rely on the professional expertise, competence and ethics of IPA Members. Members must maintain the right skills and develop new skills to ensure they are able to deliver in their role as the trusted advisor.

## 2. Scope and Application

- 2.1 This Pronouncement sets out the requirements for Members to maintain their CPD activity and comply with clause 4.6 of the Constitution and clauses 2.1.3(a) and 3.1.1(e) of the By-laws

## 3. Definitions

*Institute* and *IPA* mean the Institute of Public Accountants.

*CPD* is Continuing Professional Development (also referred to as Continuing Professional Education).

*Member* means a Member of the Institute who has paid all fees and subscriptions due or who has fees and subscriptions monies outstanding to the Institute.

*PPQA review* is Professional Practice Quality Assurance review.



## 4. Members required to complete CPD

The following Members are required to complete CPD under this Pronouncement:

- Associate IPA
- Graduate Associate
- Member IPA
- Fellow IPA
- Joint
- Academic.

The following Members are not required to complete CPD as per this Pronouncement:

- Retired
- Honorary
- Life
- Student.

## 5. Transitional arrangements under this Pronouncement

### 5.1 Shift from calendar year to financial year and a two year to three year period:

The CPD requirements under this Pronouncement have changed to align with IPA membership renewals and industry standards. The new CPD requirements are:

- Based on a financial year – previously based on a calendar year
- Based on a period of three years – previously based on a period of two years (biennium).

The first three year CPD period will commence on the 1 July 2018 and finish on the 30 June 2021.

Under Pronouncement 7 v2.1, the CPD biennium period was 1 January 2016 to 31 December 2017. As a transitional arrangement, this CPD period will be increased from 2 years to 2.5 years. It will still commence on 1 January 2016, but will finish on 30 June 2018.

### 5.2 Transitional CPD requirements:

The CPD requirements for the 2.5 year transitional period will be:

- Members must have completed a minimum of 100 hours of CPD prior to 30 June 2018.
- Members must complete a minimum of 10 hours CPD in each of the two calendar years and a minimum of 5 hours of CPD for the 6 month period 1 January 2018 to 30 June 2018.



- Members are permitted to carry forward a maximum of 25 hours of CPD into the new three-year period if the required 100 hours of CPD has been completed in the previous 2.5-year transitional period.

## **6. Hours of CPD required to meet this Pronouncement**

### **6.1 Existing Members:**

Members who are required to complete CPD in accordance with this Pronouncement must complete a minimum of 120 hours of CPD over a three-year period with a minimum of 20 hours of CPD being completed in any single financial year.

Members are permitted to carry forward a maximum of 30 hours of CPD into a subsequent 3 year period if the required 120 hours of CPD has been completed in a previous three-year period.

### **6.2 New Members:**

New Members will be subject to the same CPD three-year period as existing members, however new Members will be permitted to meet the requirements of this Pronouncement on a pro-rata basis until a new three-year period commences.

The first 3 year CPD period under this Pronouncement is 1 July 2018 – 30 June 2021.

#### **6.2.1 Members who join the IPA between 1 July 2018 - 31 December 2018:**

Members who join the IPA during this period will be required to complete a minimum of 100 hours of CPD prior to the 30 June 2021 with a minimum of 10 hours of CPD being completed in the financial year in which the member joined the IPA and a minimum of 20 hours of CPD completed in each of the remaining two financial years.

#### **6.2.2 Members who join the IPA between 1 January 2019 - 30 June 2019:**

Members who join the IPA during this period will be required to complete a minimum of 80 hours of CPD prior to the 30 June 2021 with a minimum of 20 hours CPD completed in each of the remaining two financial years.



### **6.2.3 Members who join the IPA between 1 July 2019 - 31 December 2019:**

Members who join the IPA during this period will be required to complete a minimum of 60 hours of CPD prior to the 30 June 2021 with a minimum of 10 hours of CPD being completed in the financial year in which the member joined the IPA and a minimum of 20 hours of CPD completed in the remaining financial year.

### **6.2.4 Members who join the IPA between 1 January 2020 - 30 June 2020:**

Members who join the IPA during period will be required to complete a minimum of 40 hours of CPD prior to the 30 June 2021 with a minimum of 20 hours CPD being completed in the remaining financial year.

### **6.2.5 Members who join the IPA between 1 July 2020 - 31 December 2020:**

Members who join the IPA during this period will be required to complete a minimum of 20 hours of CPD prior to the 30 June 2021.

### **6.2.6 Members who join the IPA between 1 January 2021 - 30 June 2021:**

Members who join the IPA during this period will be not be required to complete CPD until the commencement of the new CPD three-year period which commences on the 1 July 2021.

## **7. CPD activities that meet this Pronouncement**

Members are permitted flexibility in selecting CPD activities that meet the requirements of this Pronouncement, but Members may be required to demonstrate how an activity has enabled a Member to maintain the right skills or develop new skills in their profession.

CPD activities are classified into structured and non-structured activities. Structured activities are those that have a defined outline of the content to be covered with learning outcomes to be achieved and usually a time period specified for the activity to be completed. Unstructured activities are informal learning tasks that are achieved through reading or self-study that does not have a defined time period for the activity to be completed. The maximum amount of unstructured learning permitted under this Pronouncement is 30 hours (25%) over the three-year CPD period.

Regulators such as the Tax Practitioner Board (TPB), the Australian Securities and Investments Commission (ASIC) or other professional accounting bodies may require specific CPD activities to be undertaken by a Member. These CPD activities may also meet the requirements of this Pronouncement.

Examples of structured CPD activities that meet the requirements of this Pronouncement are:

- Conferences, congresses and seminars
- Formal in-house training
- Workshops, Discussion Groups, and Divisional Advisory Committee meetings
- Webinars and on-line delivered events
- Studies undertaken with an IPA recognised educational provider
- Participation as a Mentor for the IPA Mentor Experience Program (max 40 hours per three-year period)
- Completing in a Professional Practice Quality Assurance (PPQA) review (max 10 hours per three-year period)

Examples of unstructured CPD activities that meet the requirements of this Pronouncement are:

- Research, writing and presentation of technical papers (max 30 hours per three-year period)
- Serving on a technical committee or working group (max 15 hours per three-year period)
- Participation in self-paced audio, visual or computer aided learning (max 30 hours per three-year period)
- Self-paced learning (max 30 hours per three-year period)
- Technical and professional reading (max 30 hours per three-year period)

## 8. Recording of Member CPD activities

Members are required to keep a record of their CPD activities and maintain these records for a minimum of five years after the end of each three-year period.

Members can maintain their own records for CPD substantiation. The IPA also offers Members a web based CPD recording feature at: <https://www.publicaccountants.org.au/events/cpd-records-feature>

## 9. Auditing of Member CPD activities

All Members are subject to a CPD audit and Members that hold a Professional Practice Certificate are also subject to a PPQA review. Both the CPD audit and PPQA review require Members to demonstrate compliance with the CPD requirements of this Pronouncement. Failure to comply with the CPD requirements of this Pronouncement may result in a Member being suspended or forfeiture of membership as detailed under Pronouncement 12.



## **10. Dispute resolution process**

If a member is in dispute with the IPA over the validity of the CPD completed, the member has the right to escalate the dispute to the CEO for a final determination.