

# Pronouncement 7

## Continuing Professional Development (CPD)



**IPA** INSTITUTE OF PUBLIC ACCOUNTANTS

### 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 Sub-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 14th September 2016.
- 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. Members must maintain the right skills and develop new skills to ensure they are able to perform their role to the highest professional and ethical standards, whilst exercising integrity, objectivity and due care.

### 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 By-Laws 2.1.3(a) and 3.1.1(e).

### 3. Definitions

*Biennium* is a 2 year period.

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

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

*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 as per 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,
- Student.

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

### **5.1 Existing members:**

Members who are required to complete CPD in accordance with this Pronouncement must complete a minimum of 80 hours CPD over a biennium with a minimum of 10 hours CPD being completed in any calendar year.

Members are permitted to carry forward a maximum of 20 hours CPD into the subsequent biennium if the required 80 hours of CPD has been completed in the previous biennium.

The IPA biennium commences on the 1st of January and ends on the 31st of December the following year. The first biennium for this Pronouncement commenced on the 1st of January 2006 and ended on the 31st December 2007. Subsequent biennium periods are:

- 01/01/2008 – 31/12/2009,
- 01/01/2010 – 31/12/2011,
- 01/01/2012 – 31/12/2013,
- 01/01/2014 – 31/12/2015.

### **5.2 New members:**

Members who join the Institute during the year will be subject to the same biennium periods as existing members, however new members can meet the requirements of this Pronouncement on a pro-rata basis until a new biennium commences.

Members who join the Institute between 1st January and 30th June will be required to complete a minimum of 20 hours CPD if the end of the biennium period is the 31st December of that year, or a minimum of 60 hours CPD if the end of the biennium period is the 31st December in the following year.

Members who join the Institute between 1st July and 31st December will not be required to complete any CPD hours if the closing of the biennium period is the 31st December in the same year as the Member was admitted, or a minimum of 40 hours CPD if the closing of the biennium period is the 31st December in the following year.

A Member may apply for a reduction in CPD hours required to meet this Pronouncement if they have taken leave from their professional duties. Documentation such as work notices and / or pay slips will be required to support an application for a reduction in CPD hours.

## 6. CPD activities that meet this Pronouncement

Members are permitted flexibility in selecting CPD activities that meet the requirements of this Pronouncement, but Members should exercise professional judgement in selecting relevant CPD activities. The maximum amount of CPD hours permitted through relevant technical or professional reading is 25% of the total CPD hours for the biennium. The Institute no longer categorises CPD activities into structured and unstructured training.

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 CPD activities that meet the requirements of this Pronouncement are:

- Conferences, congresses and seminars,
- Workshops, discussion groups and webinars,
- Studies undertaken with an IPA recognised educational provider,
- Research, writing or presentation of technical material,
- Serving on a technical committee (maximum of 10 hours per biennium),
- A mentor for the IPA Mentor Experience Program (maximum of 40 hours per biennium),
- Participation in a PPQA review (maximum of 10 hours per biennium).

## 7. Recording of Member CPD activities

Members are required to keep a record of their CPD activity and maintain this record for a minimum of 5 calendar years after the end of each biennium.

Members can maintain their own records for CPD substantiation. The Institute also offers members a web based CPD recording facility on its website.

## 8. Auditing of Member CPD activities

All Members are subject to a CPD audit and those that hold a Professional Practice Certificate (PPC) are subject to a PPQA review. Both the CPD audit and PPQA review require Members to show 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.

## 9. 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.

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