



1. Preamble

- 1.1 The Board of Directors of the Institute of Public Accountants (**IPA**) issues Pronouncement 7 *Continuing Professional Development (Pronouncement)* pursuant to clause 53.2(a) of the Constitution of the IPA. In accordance with By-law 2.1.3(e), Members of the IPA are obligated to abide by this Pronouncement.
- 1.2 Pronouncement 7v4.0 was approved by the IPA Board on 11 May 2021 and will become effective from 1 July 2021. Pronouncement 7v3.1 remains in place until 30 June 2021.
- 1.3 The next three-year Continuing Professional Development (**CPD**) period commences on 1 July 2021 and concludes on 30 June 2024.
- 1.4 This Pronouncement is promulgated to enhance the knowledge of IPA Members and promote life-long learning.
- 1.5 IPA Members are at the forefront of the accounting and business community and are considered to be a client's trusted adviser. The regulators, standard setters, government and the public all rely on the professional expertise, competence and ethics of IPA Members. Through undertaking the relevant CPD activities, Members maintain and develop the skills and competence to ensure their ability to deliver in their role as the trusted adviser throughout their career.
- 1.6 There have been significant developments in CPD across the accounting profession with the International Accounting Education Standards Board (under the auspices of the International Federation of Accountants) issuing the *Handbook of International Education Pronouncements*, IES 7 Continuing Professional Development (2020). This promotes a more holistic CPD program which includes technical competence, professional skills, professional values, ethics and attitudes. These are considered essential in the public interest and for consumer protection. There is also an emphasis on outcomes-based learning with the appropriate levels of assessment. This holistic approach follows the legal, financial advice and other professions, which have established categories of CPD to ensure a balanced approach to life-long learning.

2. Scope and application

- 2.1 This Pronouncement sets out the requirements for Members to maintain their CPD obligation 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. Members required to complete CPD

3.1 The following Members are required to complete CPD pursuant to this Pronouncement:

- Associate IPA (AIPA)
- Graduate Associate (AIPA)
- Member IPA (MIPA)
- Fellow IPA (FIPA)
- Joint members
- Academic members.

3.2 The following Members are not required to complete CPD pursuant to this Pronouncement:

- Retired members
- Honorary members
- Life members
- Student members.

4. Introduction to CPD competency areas

4.1 With recognition comes responsibility. IPA Members are recognised as *Qualified Accountants* pursuant to section 88B of the *Corporations Act 2001* (Cth) and the Australian Securities and Investments Commission (**ASIC**) legislative instrument '*ASIC Corporations (Qualified Accountant) Instrument 2016/786*'.

4.2 To maintain this legislative recognition requires Members to maintain their knowledge and skills in technical competence, management, and professional and ethical standards. This can be supported through a variety of education pathways using an integrated framework of professional learning.

4.3 To assist Members in achieving this outcome, the IPA has mandated three new competency areas of CPD with CPD hour requirements for each new competency area.

4.4 The three competency areas under this Pronouncement are:

- **Technical and Product Knowledge**
Technical knowledge of core accounting areas;
- **Management and Professional Skills**
Develop and manage the productivity, behaviour and operations of accountants in their environment; and
- **Professional and Ethical Standards**
Understand and apply the professional and ethical standards in the public interest to promote the professionalism and value of the accounting profession.

4.5 Examples of CPD activities for each competency area are:

- **Competency Area-1: Technical and Product Knowledge**
 - Financial and management accounting
 - Financial reporting
 - Taxation
 - Auditing and assurance
 - Integrated, sustainability, environmental reporting
 - Business law and regulation
 - Governance
 - Business strategy
 - Superannuation, Self-managed Superannuation Funds, retirement planning
 - Public sector accounting
 - Charities and Not-for-profits
 - Financial advice

- **Competency Area-2: Management and Professional Skills**
 - Interpersonal and communication skills
 - Personal development skills
 - Practice management, negotiation and leadership skills
 - Cyber security and technology
 - Problem solving and decision-making
 - Mental health training
 - Productivity and business processes
 - Corporate Social Responsibility

- **Competency Area-3: Professional and Ethical Standards**
 - Knowledge and application of the APES 110 Code of Ethics
 - Knowledge and application of all relevant Standards, Guidance and Pronouncements issued by the Accounting Professional and Ethical Standards Board
 - Knowledge and application of other relevant Codes of Ethics or Codes of Professional Conduct required pursuant to a statutory registration
 - How to approach and solve an ethical dilemma
 - Professional judgement and skepticism
 - The value of an accountant to the community and the role they hold in assisting others.

5. CPD hours required

- 5.1 Members must complete a minimum of 120 hours CPD over each three-year CPD period. Each three-year CPD period is based on financial years of 1 July to 30 June.
- 5.2 Members must complete at least 20 hours of CPD in each financial year.
- 5.3 Members are not permitted to carry forward CPD hours from one three-year CPD period into the next three-year CPD period.
- 5.4 Members must complete CPD in each of the three competency areas in accordance with the requirements below:
- **Technical and Product Knowledge**
A minimum of 20 hours CPD over each three-year CPD period; and
 - **Management and Professional Skills**
A minimum of 20 hours CPD over each three-year CPD period; and
 - **Professional and Ethical Standards**
A minimum of 20 hours CPD over each three-year CPD period.
- 5.5 The balance of CPD hours may be allocated to any of the three competency areas at the discretion of the Member.
- 5.6 Existing Members must comply with the hours of CPD mandated in clauses 5.1 to 5.5.
- 5.7 New Members are permitted to meet the CPD requirements in clauses 5.1 to 5.5 on a pro-rata basis. This is based on the date they joined the IPA, which is as follows:
- Join on 1 Jul 2021 – 31 Dec 2021 requires a minimum of 100 hours CPD
 - Join on 1 Jan 2022 – 30 Jun 2022 requires a minimum of 80 hours CPD
 - Join on 1 Jul 2022 – 31 Dec 2022 requires a minimum of 60 hours CPD
 - Join on 1 Jan 2023 – 30 Jun 2023 requires a minimum of 40 hours CPD
 - Join on 1 Jul 2023 – 31 Dec 2023 requires a minimum of 20 hours CPD
 - Join on 1 Jan 2024 – 30 Jun 2024 requires a minimum of 10 hours CPD.
- 5.8 New Members are required to complete a minimum of 20 hours CPD in each full financial year(s) in which they are a Member of the IPA.

6. Verified and unverified CPD

6.1 Members are permitted flexibility in selecting their CPD activities, however, they may be required to demonstrate how a particular CPD activity has assisted in maintaining the right skills or developing new skills.

6.2 CPD activities are classified into **verified activities** and **unverified activities**.

6.3 Verified activities

6.3.1 These activities have:

- An outline of the content to be covered;
- Designated learning outcomes;
- A timeframe allocated to complete the activity; and
- Documentary evidence is available to prove the event has taken place.

6.3.2 Members must complete a minimum of 90 hours CPD (out of 120 hours) as verified activities for each three-year CPD period.

6.3.3 Examples of verified CPD activities are attendance at:

- IPA National and State conferences
- IPA CPD seminars and workshops
- IPA online CPD, including webinars (live or recorded) and podcasts
- Units completed as part of the IPA Program
- Lectures, presentations, tutorials and studies delivered at a tertiary level by an IPA recognized education provider
- Discussion Groups and Divisional Advisory Council meetings
- Formal in-house training
- Participation as a Mentor for the IPA Mentor Experience Program (limited to 40 hours for each three-year CPD period)
- Research, writing and presentation of technical papers (limited to 30 hours for each three-year CPD period)
- Serving on a technical committee or working group (limited to 15 hours for each three-year CPD period).

6.4 Unverified activities

6.4.1 These activities are informal learning tasks that are initiated through reading or self-study that does not have a defined learning outcome or timeframe for the activity to be completed.

6.4.2 Members are permitted to complete a maximum of 25% or 30 hours CPD as unverified CPD activities for each three-year CPD period.

6.4.3 Examples of unverified activities are:

- Self-paced learning with no assessment
- Technical and professional reading.

6.5 Regulators such as the Tax Practitioners Board (**TPB**), the Australian Securities and Investments Commission (**ASIC**) as well as other professional bodies may require designated CPD activities to be undertaken. These designated CPD activities may also meet the requirements of this Pronouncement.

6.6 Members must ensure they meet the CPD requirements mandated by regulators and in accordance with any statutory registrations they hold.

7. Recording of Member CPD activities

7.1 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 CPD period.

7.2 Members can maintain their own records for CPD substantiation or use the IPA Member web-based CPD recording tool located at: [CPD record](#).

7.3 CPD is recorded by the hour or parts of an hour. Most verified activities state the duration of the event, which usually correlates with the CPD hours a Member would earn by attending an event. Members are required to estimate in good faith the duration of unverified activities or any CPD which does not have a specified duration.

7.4 For measuring, reporting and audit purposes, Members are required to include the following details of CPD activities they complete:

- The name, date and provider of the event;
- Number of CPD hours completed by attending the event;
- The type of learning – either a verified activity or an unverified activity; and
- An allocation of the CPD hours across the competency areas.

8. Auditing of Member CPD activities

8.1 All IPA Members are subject to the IPA CPD audit process to verify compliance with this Pronouncement.

8.2 The IPA uses different systems and processes to undertake the CPD audit, which may include the quality assurance review program, the Professional Standards Declaration for PPC holders or other processes used from time to time.

8.3 It is mandatory for all IPA Members to whom this Pronouncement applies to complete the CPD audit as required by the IPA.

- 8.4 Members who are non-compliant with the CPD audit will be required to become compliant, unless exempted pursuant to clause 9 below. Failure to achieve compliance within the specified time period may result in disciplinary action against the Member pursuant to the IPA By-laws and Pronouncements.

9. Member exemptions from Pronouncement 7

- 9.1 Exemptions from the requirements of Pronouncement 7, including a reduction in CPD hours, will be considered upon a written application from the Member, which should contain documentary evidence of the basis for the application.
- 9.2 Reasons for an exemption or reduction in hours may include: serious illness; parental leave; carers leave; career change; or extended holiday.

10. Dispute resolution

- 10.1 Members have the right to escalate any dispute relating to the application of this Pronouncement to the IPA Chief Executive Officer for final determination.