



LIFELONG LEARNING THROUGH

**CPD**

CA



THE INSTITUTE OF  
**CHARTERED** ACCOUNTANTS  
OF SRI LANKA

# CPD

Continuing Professional Development

## MEMBERS' GUIDE



## FOREWORD

As global competition reaches intense heights, employment markets are changing swiftly, therefore making the world in which professionals practice do also change rapidly. Clients are becoming more knowledgeable and very demanding, while technology advancements continue to affect all aspects of our lives.

All professionals are assumed to be technically competent and managerially capable in their respective fields. Yet, as we live in an ever-evolving world, the need for professionals to continue to develop their knowledge and skills is ever increasing to keep up with changing global trends.

Therefore, continuing professional development (CPD) is today considered as a vital element for professional development. CPD opportunities provide a means where one can keep abreast of these changes, while broadening skills and being more effective in their chosen profession.

The benefits of CPD are indisputable, and the Institute of Chartered Accountants of Sri Lanka having understood the importance of CPD, has issued a new CPD guide, which has been drawn in compliance with the requirements of the International Federation of Accountants.

This new easy to comply guide, enables members to plan their respective CPD activities with preferred subjects and areas, while letting them increase their CPD hours.



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### **MESSAGE FROM THE PRESIDENT OF CA SRI LANKA**

In the backdrop of intense competition, and increasing changes, there is a growing need for professionals including chartered accountants to remain relevant if they are to achieve success in the corporate world.

As members of a prestigious profession and a recognised professional body, our chartered accountants life-long learning is a must as it complements the building of knowledge and skills to help them succeed in the current competitive business environment.

Today, our members lead both local and global companies because of their unique skills and expertise as chartered accountants. The mandatory CPD requirement of a chartered accountant has further boosted the professional competency, as members are continuously updated and educated with changes in the global arena, helping them remain relevant at all times.

At an institute level, CA Sri Lanka has taken every effort to continuously update and upgrade the CPD programmes offered for the benefit of our members, to help develop their expertise, which will help enhance their individual role and help maintain their demand in the corporate world throughout their career.

To complement the professional journey of our members, we are continuously updating the programmes and services we provide to ensure our members remain holistic professionals at all times. Further, CA Sri Lanka has also taken steps to introduce the CPD Online Tool, in keeping with our objective of offering you enhanced services as an important stakeholder of the institute. We believe this tool will benefit you immensely and you will be able to monitor and keep up with your CPD activities at all times.

I take this opportunity to extend my appreciation to the CPD Committee led by Heshana Kuruppu for the tireless efforts taken in helping uplift the CPD programmes and services for the benefit of our members.

**Lasantha Wickremasinghe**

President  
CA Sri Lanka



### **MESSAGE FROM THE CHAIRMAN - CPD COMMITTEE**

Continuing Professional Development (CPD) is a structured approach to lifelong learning. It is helpful in developing professional competences required to perform the roles of chartered accountants effectively. Therefore, it is the responsibility of each CA Sri Lanka member to develop and maintain professional competency by undertaking relevant CPD activities. A fundamental principle of the International Ethics Board for Accountants (IESBA) Code of Ethics for Professional Accountants states, "A professional accountant has a continuing duty to maintain professional knowledge and skill at the level required to ensure that a client or employer receives competent professional services based on current developments in practice, legislation and techniques. A professional accountant should act diligently and in accordance with applicable technical and professional standards when providing professional services."

In order to facilitate this requirement, the CPD committee carried out a learning need analysis survey to understand the CPD requirement of our members. Based on the outcome of this analysis, we will come up with relevant, common CPD programmes to meet the needs of our members to ensure they remain relevant with current developments and changes.

The purpose of the 'Our Guide to CPD' guide book is to clarify why CPD is important to our members, what are the requirements, how the requirements can be met, how members can plan their CPD, approaches to CPD, and monitoring and evaluation in relation to CPD.

To ensure we keep up with changing times for the benefit of our members, the CPD Committee takes pleasure in launching the CA Sri Lanka CPD Online Tool, which will enable members to plan their CPD activities, keep a track of their CPD progress and upload their own CPD activities online.

I also take this opportunity to thank the CPD Committee of 2014/15 led by Channa Manoharan and the current CPD Committee members of 2016/17 for their tireless efforts in uplifting CA Sri Lanka's CPD activities.

### **Heshana Kuruppu**

Chairman - CPD Committee  
CA Sri Lanka



## 1.1 WHAT IS CPD ?

Continuing Professional Development (CPD) is the means by which members of respective professions develop, maintain, improve and broaden their knowledge and skills and develop the personal qualities required for the upliftment of their professional development.

CPD is a platform which provides continuous development of professional knowledge, in the form of skills, values, ethics and attitudes, and the competence necessary to uplift the knowledge required in career development.

CPD enables professionals to ensure that their knowledge, skills and practices are current, complete and adequate for the roles being performed. CPD is also a way forward to ensure personal career development through more advanced learning activities. CPD is a lifelong process that should be planned out accordingly considering both current and future skills required in those respective professions.

Within this definition, multiple purposes of CPD can be observed:

- CPD is concerned with maintaining knowledge and skills; in other words, CPD is about being up-to-date in your chosen career field.
- CPD improves and broadens knowledge and skills; that is, CPD is intended to support future professional development.
- CPD develops personal qualities and skills necessary to execute professional and technical duties.

The figure 1 delineates the essence of CPD. The correct professional values, ethics and attitudes which characterise the conduct of a professional's act as the foundation for professional competence. Professional knowledge relates to those topics that make up the subject of accountancy as well, as other business disciplines, together, constitute the essential body of knowledge for professional accountants. Professional skills are the ability required to apply professional knowledge, professional values, ethics and attitudes appropriately and effectively within a professional context.



Figure 3





## 1.2 THE NEED FOR CONTINUING PROFESSIONAL DEVELOPMENT

With rapid advances in technology, production and management practices and globalization, the knowledge and skills expected of a professional accountant have expanded and changed rapidly over time. This has led to an ever-increasing knowledge and skills expectations from professional accountants resulting in the need for them to be up-to-date in today's ever-changing world. Professional accountants confront increased knowledge and skills expectations. Professional associations also face unprecedented scrutiny of the quality of internal control, governance, financial statements and independent audits. These pressures apply to professional accountants in both the private and public sector. In addition, the need to be competitive in a global economy has prompted a more intense focus on the role and responsibility of professional accountants. Professional accountants in all sectors have an important contribution to make, therefore continued development of professional competence and lifelong learning are critical if the professionals are to meet these expectations.

Globally, IFAC requires that all member bodies of IFAC, ensure that their members develop and maintain competence relevant and appropriate to their respective work and professional responsibilities. It is thus essential that all CA Sri Lanka members to ensure they are on par with their fellow accountants across the globe.

CPD is compulsory for all members of CA Sri Lanka as set out in this guide. In addition to the decisions of the Council regarding the pronouncements set out in this guide, the need for CPD is enshrined within the CA Sri Lanka code of ethics where it is a fundamental principle delineated as follows:

"A professional accountant has a continuing duty to maintain professional knowledge and skill at the level required to ensure that a client or employer receives competent professional service based on current developments in practice, legislation and techniques. A professional accountant should act diligently and in accordance with applicable technical and professional standards when providing professional services. The maintenance of professional

competence requires a continuing awareness and an understanding of relevant technical professional and business developments. Competent professional service requires the exercise of sound judgment in applying professional knowledge and skill in the performance of such service."

Further, the Act of Incorporation states that failure to comply with Sri Lanka Accounting and Auditing Standards or other technical content adopted by the Council amounts to Professional Misconduct. All members should note that the responsibility for developing and maintaining competence rests primarily with each professional accountant.



### 1.3 WHAT IS THE LEVEL OF COMPETENCE AND CPD REQUIRED OF YOU?

Professional competence refers to the ability to perform a given role to set minimum standard expected of a professional in that respective field. Such a professional should be able to not only perform the task at hand but also identify risk factors associated with that role and deal with the changes within that stipulated task. The level of competence required is subject to the role played by the accountant within that environment as well as the expertise and skills of others engaged in that task.

In this sense competence is contextual. The appreciate level of competence expected of an accountant will vary, depending on various factors as the complexity of the environment, the complexity and variety of tasks, required specialist knowledge, influence and reliance on the work of others, the involvement of other experts in specific areas, level of autonomy, and required level of judgement. Competence may be assessed by a variety of means, including workplace performance and simulations, written and oral tests of various types, and self – assessment.

The skills expected of a professional accountant may vary widely depending on his / her role and is likely to include industry specific skills as well as increased knowledge in other fields such as law, human resource management and industry specific knowledge. CA Sri Lanka deems all these fields to be part of the minimum skills requirement of a member and leaves it to the member to identify activities that will add to the maximum value of the member.

CA Sri Lanka has therefore designed a very flexible CPD scheme that will allow members to plan their own development needs and CPD requirements which will suit them best and help them in their long-term career development. While being extremely flexible with respect to CPD requirements, CA Sri Lanka strongly feels that planning for CPD is of utmost importance in order to ensure that the CPD activities carried out add optimum value to the members.

Further, members performing the role of an Engagement Partner are required to develop and maintain professional competence that is demonstrated by the achievement of learning outcomes including, but not limited to, those listed in Annexure 01.

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*For this purpose, Engagement Partner is defined as the partner or other person in the firm who is responsible for the audit engagement and its performance, and for the auditor's report that is issued on behalf of the firm, and who, where required, has the appropriate authority from a professional, legal, or regulatory body.*





## 1.4 THE CPD LEARNING CYCLE

Continuing Professional Development is a lifelong cycle that must be followed perpetually. The use of a structured system such as the CPD learning cycle set out below will help members to obtain the maximum value from the time spent on CPD activities.

The Learning Cycle begins with the preparation of a CPD plan. This involves a member identifying the strengths and weaknesses with respect to his present role as well as expectations of his current and future roles. Members should also be conversant with the areas of knowledge and skill required to pursue career opportunities and to fortify themselves with requisite competencies.

CPD planning is a means to bridge any knowledge and skill gap that has been identified through a self-assessment by the member. The CPD plan should include learning activities to address competency gaps identified by the member who then should act upon on it. The outcome of these actions should then be reviewed by the member for its effectiveness as well as how the knowledge gained affects the plans of the member. This should then result in an

update of the plan. While regular updates are encouraged, a minimum of one is compulsory annually.

For the purposes of CPD, learning results should not simply be measured by measuring an increase in knowledge. It is also important to measure the impact of learning on the behaviour of professionals and on other stakeholders and institutions; that is, the impact of CPD activities on clients and employers as well as on organizational aspects such as profitability and sustainability. The figure 2 shows the main phases of CPD cycles that CA Sri Lanka has set out for its members.



Figure 2





## PHASES OF THE CPD CYCLE

PHASE	WHAT SHOULD I DO
Planning Phase	DEVELOP AN UNDERSTANDING OF YOUR ORGANIZATION, YOUR ROLE, STRENGTHS AND WEAKNESSES.
	ASSESS OPPORTUNITIES FOR GROWTH AND DEVELOPMENT AND FUTURE CAREER PROSPECTS.
	DEVELOP A PLAN OF ACTION TO ADDRESS WEAKNESSES AND SEIZE OPPORTUNITIES.
	<p><b>Indicative actions could include inter alia:</b></p> <ul style="list-style-type: none"><li>● Setting long-term and short-term targets and goals for yourself.</li><li>● Studying the organization and your role within.</li><li>● Evaluating your past performance and assess how it can be improved upon.</li><li>● Indicating a benchmark on yourself against others and your peers to identify areas of improvement.</li><li>● Developing a personal SWOT analysis to identify your own strength and weaknesses and how they affect your ability to perform your current and future job roles.</li><li>● Establish learning objectives and activities.</li></ul> <p><b>The member could consider the following questions when planning for learning activities:</b></p> <ul style="list-style-type: none"><li>● How relevant is the learning activity to your current role and career development?</li><li>● Will you be able to keep abreast of recent developments and technical pronouncements?</li><li>● Will it help you to add greater value to your organization and to yourself in the future?</li><li>● Use of a CPD planning tool is highly encouraged in this process.</li></ul>



## PHASES OF THE CPD CYCLE

Action	<p>Action involves finding CPD activities that best suit your learning objectives. Key tasks in this phase include:</p> <ul style="list-style-type: none"><li>• Participating in identified learning activities.</li><li>• Keeping records of all CPD activities and respective hours.</li><li>• Maintaining satisfactory evidence at a minimum for the verifiable CPD hours.</li></ul>
Results Planning	<p>Identify how your CPD activities have enabled you to meet the expectations. At this stage, members should be able to ascertain the impact of CPD activities in performing their roles competently.</p>
Review	<p>Review the relevance of the CPD activities for achieving objectives and the effect on your professional competence. Identify means to improve the effectiveness of CPD activities in ensuing years and revise the CPD plan accordingly.</p>

### Examples of CPD Learning Activities

- Participation in courses, conferences, seminars
- Self-learning modules or organized on-the-job training for new software, systems, procedures or techniques for application in professional role
- Published professional or academic writing
- Participation and work on technical committees
- Teaching a course or CPD session in an area related to professional responsibilities
- Formal study related to professional responsibilities
- Participation as a speaker in conferences, briefing sessions, or discussion groups
- Writing technical articles, papers, books
- Research, including reading professional literature or journals, for application in a professional role



## 1.5 Approaches to CPD

CPD can be assessed using one of three approaches as set out below:

**Input-based approaches** - by establishing a set amount of learning activity that is considered appropriate to develop and maintain competence.

**Output-based approaches** - by requiring professional accountants to demonstrate, by way of outcomes, that they develop and maintain professional competence.

**Combination approaches** - by effectively and efficiently combining elements of the input- and output-based approaches, setting the amount of learning activity required and measuring the outcomes achieved.

CA Sri Lanka has adopted a combination of approaches in designing its CPD scheme.

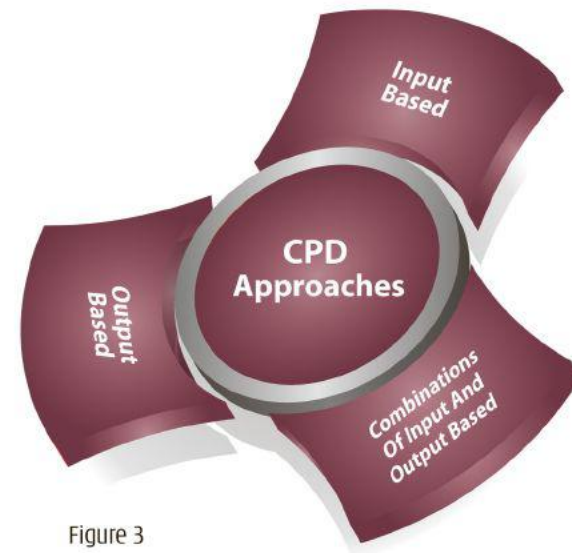


Figure 3

Examples of input-based and output-based verification





## 2.1 SCOPE AND APPROACH TO CPD

The minimum CPD requirements established by CA Sri Lanka for its members are presented below. CA Sri Lanka encourages all its members to participate in as many learning activities as possible beyond the requirements set out in this guide in order to ensure that each member as an individual maximizes his personal value and effectiveness.

CA Sri Lanka notes that under certain circumstances members may be required to carry out extensive CPD activities in compliance with other requirements of the Institute. One such example may be where a member finds himself in a specialized or advanced role for which he does not have the skills required. In such circumstances compliance with minimum CPD requirements will not ensure compliance with the ethical and professional requirements of the Institute. In such circumstances members may be required to carry out CPD well beyond the minimum requirements set out in this guide.

CA Sri Lanka aims to follow a flexible approach in establishing CPD requirements. The overriding aim is to ensure that all

members are competent in their chosen fields of expertise and will continue to do so over time. To achieve this goal, CA Sri Lanka allows the maximum amount of flexibility followed by a combined approach to CPD assessment that allows both input-based and output-based assessments of CPD.

In selecting CPD activities, CA Sri Lanka feels that individual members are best suited to select the most value-adding activities based on their current skills and skill requirements of the role. This guide does not place any restrictions on the scope of CPD and allows non-finance learning activities to be included in the CPD requirement provided it is justified in the planning phase.

## 2.2 APPLICABILITY OF CPD AND EXEMPTIONS

The CPD requirements set out in this guide will be applicable to all Associate and Fellow Members of CA Sri Lanka and to new members on a proportionate basis each year. Specific exemptions from these requirements have been provided to the following two categories of members. Any member who has,

- (a) Completely retired from all forms of employment, or
- (b) During the period does not undertake any work, (paid or unpaid) or due to reasons approved by the CA Sri Lanka.

All members who wish to be included under this category should apply to the Institute and obtain written approval for exemption.

## 2.3 Planning for CPD

Members should appreciate that CPD planning is an integral part of the CPD learning cycle set out previously in this guide. Therefore, care must be taken to follow the full CPD cycle to maximize the value of this process.

All members of CA Sri Lanka are required to prepare and maintain a CPD plan for each calendar year. A range of planning tools including those provided by CA Sri Lanka or another professional body may be used for this purpose. However, the CPD plan should cover the following aspects of the process.

1. Goals and objectives of the member for the CPD calendar year
2. Assessment of the current and future working environment
3. Assessment of the skills required of the member and the skills already in place
4. Evaluation of the skill shortfalls and weaknesses
5. Establishment of CPD activities to address the weaknesses identified

Members will in particular be required to justify any non-finance CPD activities with reference to the CPD planning process. Any such CPD activities must demonstrably add value to the members in their professional development.

No restrictions have been placed on the nature of CPD acceptable to the Institute. Members may judge non-finance related activities including development of IT skills, leadership skills or any other aspect of learning as being most relevant for them at a given time. All such activities are considered appropriate for the purpose of satisfying the CPD requirements provided they are adequately justified during the planning phase and are of an appropriate level of expertise.

Members are strongly encouraged to seek challenging CPD activities that will add value to themselves, their employers and support their future career growth.

The figure 4 below illustrates how a member can identify CPD activities through CPD planning in light of the individual circumstances and organization context.

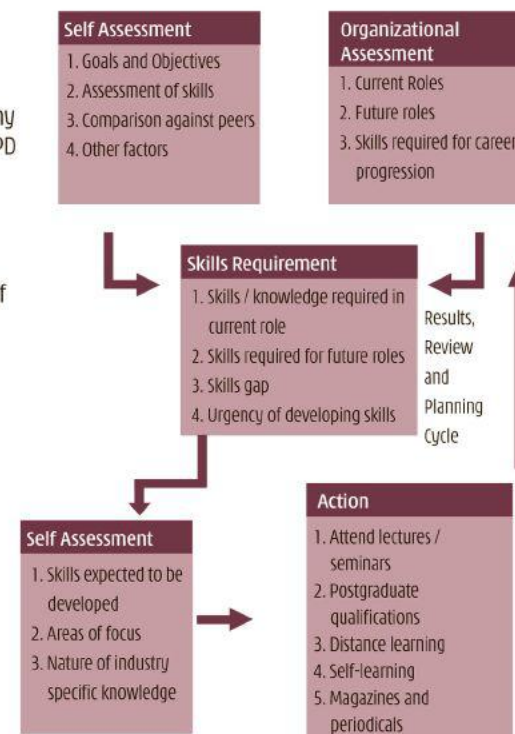


Figure 4





## 2.4 Minimum CPD requirement

The minimum CA Sri Lanka CPD requirement is set out below. Members are required to comply with both the annual and the three-year rolling requirement.

	ANNUAL REQUIRE- MENT	3-YEAR ROLLING REQUIRE- MENT
VERIFIABLE	10	60
NON-VERIFIABLE	10	60
TOTAL	20	120

### Annual and three-year rolling CPD requirements

CA Sri Lanka members are expected to cover the requirements below:

1. A minimum of 20 CPD hours every year and
2. A minimum of 120 CPD hours in every rolling 3-year period of which 60 hours or

equivalent learning units should be verifiable

This results in an effective average annual CPD requirement of forty hours per annum. However, the average could vary in a given year in the event of member undertaking a postgraduate degree such as MBA. In such an instance a member may earn CPD hours of sixty, forty and twenty for a rolling three-year period.

The rolling three-year period will include the three immediately preceding completed annual periods.

### Total and verifiable CPD Components

CA Sri Lanka in line with IFAC guidelines has distinguished between verifiable CPD and non-verifiable CPD. All members are required to be in full compliance of both the total CPD requirement and the verifiable CPD requirement in both annual periods and the three-year rolling period. Non-verifiable CPD will not be a criterion for evaluation of CPD provided the other two categories have been met.

### Verifiability of CPD

Verifiable CPD refers to CPD activities that can be verified with reference to external sources such as records of participation or registration, course materials or certificates of attendance. While the list of such possible evidence is non-exhaustive, the emphasis will be on eliminating any reasonable doubt of participation.

Further examples of the sources of CPD are listed below. However, this list is not meant to be exhaustive.

- Registration and attendance records for seminars and workshops
- Course material and documents related to the seminar or workshop
- Certificates of attendance or completion of a course or event
- Evidence of examination and knowledge in any specific area given after a study session.
- CPD certificates issued by another IFAC member body.
- Evidence of output from the process such as a research activity





## Measurement of CPD

CPD will be measured in hours of time spent on the activity. All activities including non-CA Sri Lanka activities will receive equal credit for the purpose of measuring CPD. One hour of time spent on the activity will be considered one CPD hour irrespective of source. However, non-productive time will not be considered for this purpose.

CPD for certain activities may be standardized in line with the above principle so as to allow ease of measurement and equity. Common activities such as reading of magazine articles may be assigned a specified number of CPD hours. This may however be extended if the member is able to show evidence of further research on the topic such as follow-up on other related articles or more in-depth studies.

## 2.5 Documentation and reporting of CPD activities

All members are required to keep accurate and detailed records of all CPD activities whether verifiable or non-verifiable.

CPD LEARNING ACTIVITY	DATE	NO. OF CPD UNITS	PLANNED OR NOT*

\*If the learning activity is unplanned the member should justify the relevance of CPD

## Maintaining records

It is the responsibility of the Member to maintain CPD records and evidence of verifiable CPD for the proceeding rolling three-year period excluding the current year. Members should maintain evidence of verifiable CPD for this period.

Example : In the year 2016, a member should have evidence of records for 2015, 2014 & 2013

## 2.6 CPD from non-CA Sri Lanka sources

CA Sri Lanka will accept CPD activities from any source competent in the relevant field. The number of hours of CPD provided will be

equal to the productive time spent on the activity irrespective of the source. When members carry out further related CPD activities they will be eligible for more CPD.

Full credit will be provided for CPD activities conducted by other professional bodies who are also members of IFAC.

## 2.7 CPD requirements of other professional bodies

CA Sri Lanka allows members of other professional accountancy bodies to opt to be compliant with the CPD requirements of that other body and be exempt from the requirements of CA Sri Lanka. In order to be eligible for this exemption, the member must be:

- a full member of that professional accountancy body,
- the other professional body should be a member of IFAC, and
- the CPD policy of the other professional body should be in compliance with the requirements of IFAC International Education Standard (IES 7).



However, the member will be required to keep records of CPD activities and evidence of verifiable CPD for a rolling period of three years. The member will be subject to the normal monitoring process of CA Sri Lanka to ensure compliance with the CPD requirements of an IFAC body.

Such members are encouraged to study CPD requirements of both institutions and to produce an independent plan covering all CPD requirements applicable to the member in order to maximize the value of CPD activities.

## 2.8 Monitoring and evaluation

The primary responsibility for ensuring compliance with the CPD requirements lies with the respective members. This applies in terms of the requirements of both the CPD policy and the code of ethics. Failure to comply with any of these requirements will amount to misconduct by the respective members.

The Institute will review a sample group of members to ensure that they are in compli-

ance with the CPD requirements of the Institute. For the purpose of this review members will be requested to submit details of the CPD plan, summary of CPD activities and documentation relating to the verifiable CPD at a minimum for a rolling period of three years. When requesting for such details the format of reporting will be given by the Institute.

## 2.9 Action in the event of non-compliance

If the Institute identifies cases of non-compliance with CPD requirements, a wide range of courses of action is available. The selected course of action will depend upon the extent of non-compliance, presence of mitigating factors and the historical performance of the Member with respect to CPD. Some of the courses of action available are listed below:

1. Assistance and guidance on the CPD process
2. Missed CPD be carried out within a specified period of time.
3. Provide for additional CPD requirements

during the current period

4. Issue of warnings
5. Suspension of the membership.
6. Expulsion of the member from the Institute permanently or until corrective action is taken

Non-compliance with CPD guidelines will be judged on extent of its severity. The most severe action will be taken in instances where the member has a history of non-compliance, refuses to take action to comply with the guidelines or fails to take corrective action when instructed to do so.





### 3.0 CPD FOR FELLOWSHIP

All members of CA Sri Lanka applying for Fellowship are required to be fully compliant with the CPD guidelines of the Institute. A minimum of five years of work experience after admission to Associate Membership is required for admission to Fellowship. The assessment process for Fellowship will include a review of compliance with CPD requirements for the preceding five-year period.

Members applying for Fellowship will be required to show evidence that they have attained a minimum level of skills, career progression, experience and knowledge at a practical level. This may include evidence from employers, positions held, other achievements, tangible output or CPD activities carried out over any period of time (5 years or more).

Where CPD is used as evidence of skills and expertise, it can only be used as supplementary knowledge to cover any weaknesses in the experience category. CPD used for such a purpose would be judged more critically than the normal CPD requirement. Programmes

that are expected to provide considerable skills improvement will only be accepted for this purpose.

The following documents are required to submit in applying for fellowship status:

- Duly completed application form for fellowship issued by the Institute
- A detailed curriculum vitae
- Evidence of CPD activities for the preceding five-year period



## Annexure 01 : Learning Outcomes for the Professional Competence of an Engagement Partner

Professional accountants performing the role of an Engagement Partner need to undertake CPD that develops and maintains the professional competence required for this role. Following list of competence areas would be accomplished by the achievement of learning outcomes including but not limited to following;

COMPETENCE AREA	LEARNING OUTCOMES
<b>TECHNICAL COMPETENCE</b>	
<b>(A) AUDIT</b>	<ul style="list-style-type: none"><li>(i) Lead the identification and assessment of the risks of material misstatement as part of an overall audit strategy.</li><li>(ii) Evaluate responses to the risks of material misstatement.</li><li>(iii) Evaluate whether the audit was performed and documented in accordance with applicable auditing standards (Eg: ISAs) and relevant laws and regulations.</li><li>(iv) Develop an appropriate audit opinion and related audit report, including a description of key audit matters as applicable.</li></ul>
<b>(B) FINANCIAL ACCOUNTING AND REPORTING</b>	<ul style="list-style-type: none"><li>(i) Evaluate whether an entity has prepared, in all material respects, financial statements in accordance with the applicable financial reporting framework and regulatory requirements.</li><li>(ii) Evaluate the recognition, measurement, presentation and disclosure of transactions and events within the financial statements in accordance with the applicable financial reporting framework and regulatory requirements.</li><li>(iii) Evaluate accounting judgements and estimates, including fair value estimates, made by management.</li><li>(iv) Evaluate the fair presentation of financial statements relative to the nature of the business, the operating environment, and the entity's ability to continue as a going concern.</li></ul>



COMPETENCE AREA	LEARNING OUTCOMES
<b>TECHNICAL COMPETENCE</b>	
<b>(C ) GOVERNANCE AND RISK MANAGEMENT</b>	(i) Evaluate corporate governance structures and risk assessment processes affecting the financial statements of an entity as part of the overall audit strategy.
<b>(D ) BUSINESS ENVIRONMENT</b>	(i) Analyze relevant industry, regulatory and other external factors that are used to inform audit risk assessments including but not limited to market, competition, product technology and environmental requirements.
<b>(E) TAXATION</b>	(i) Evaluate procedures performed to address the risks of material misstatement in the financial statements in respect of taxation and the effect of the results of these procedures on the overall audit strategy.
<b>(F) INFORMATION TECHNOLOGY</b>	(i) Evaluate the information technology (IT) environment to identify controls that relate to the financial statements to determine the impact on the overall audit strategy.
<b>(G) BUSINESS LAWS AND REGULATIONS</b>	(i) Evaluate identified or suspected non- compliance with laws and regulations to determine the effect on the overall audit strategy and audit opinion.



COMPETENCE AREA	LEARNING OUTCOMES
<b>TECHNICAL COMPETENCE</b>	
<b>(H) FINANCE AND FINANCIAL MANAGEMENT</b>	<ul style="list-style-type: none"><li>(i) Evaluate the various sources of financing available to, and financial instruments used by, an entity to determine the impact on the overall audit strategy.</li><li>(ii) Evaluate an entity's cash flow, budgets, and forecasts, as well as working capital requirements to determine the impact on the overall audit strategy.</li></ul>
<b>PROFESSIONAL SKILLS</b>	
<b>(I) INTELLECTUAL</b>	<ul style="list-style-type: none"><li>(i) Resolve audit issues using inquiry, abstract and logical thought, and critical analysis to consider alternatives and analyze outcomes.</li></ul>
<b>(J) INTERPERSONAL AND COMMUNICATION</b>	<ul style="list-style-type: none"><li>(i) Communicate effectively and appropriately with the engagement team, management and those charged with governance of the entity.</li><li>(ii) Resolve audit issues through effective consultation when necessary.</li></ul>
<b>(K) PERSONAL</b>	<ul style="list-style-type: none"><li>(i) Promote and undertake lifelong learning</li><li>(ii) Act as a role model to the engagement team.</li><li>(iii) Act in a mentoring or coaching capacity to the engagement team.</li></ul>





COMPETENCE AREA	LEARNING OUTCOMES
<b>PROFESSIONAL SKILLS</b>	
<b>(L) ORGANIZATIONAL</b>	<ul style="list-style-type: none"><li>(i) Evaluate whether the engagement team, including auditor's experts, collectively has the appropriate objectivity and competence to perform the audit.</li><li>(ii) Manage audit engagements by providing leadership and project management of engagement teams.</li></ul>
<b>PROFESSIONAL VALUES, ETHICS AND ATTITUDES</b>	
<b>(M) COMMITMENT TO THE PUBLIC INTEREST</b>	<ul style="list-style-type: none"><li>(i) Promote audit quality in all activities with a focus on protecting the public interest.</li></ul>
<b>(N) PROFESSIONAL SKEPTICISM AND PROFESSIONAL JUDGMENT</b>	<ul style="list-style-type: none"><li>(i) Apply a skeptical mindset and professional judgement in planning and performing an audit and reaching conclusions on which to base an audit opinion.</li></ul>
<b>(O) ETHICAL PRINCIPLES</b>	<ul style="list-style-type: none"><li>(i) Apply the ethical principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior in the context of an audit and determine an appropriate resolution to ethical dilemmas.</li><li>(ii) Evaluate and respond to threats to objectivity and independence that can occur during an audit.</li><li>(iii) Protect the confidential information of the entity in accordance with ethical responsibilities and relevant legal requirements.</li></ul>

# Questions & Answers

**Q : Will CPD be granted for Postgraduate Qualifications?**

**A :** Yes, up to full verifiable value of the qualification subject to it being in an area justified by the CPD Plan.

**Q : Can an internal training programme conducted by an employer be considered for CPD?**

**A :** Yes, as long as it is relevant and enhances professional competence.

**Q : Am I required to engage in CPD during the first year of admission to membership?**

**A :** No.

**Q : I am a lecturer. Can I claim CPD for lecturing hours?**

**A :** Yes, but CPD hours granted in this respect will be limited to the extent where new knowledge has been researched which is verifiable.

**Q : I am a practicing member. Is there an additional CPD requirement for a practicing member?**

**A :** No, but there will be a difference in the required CPD activities as identified during the CPD planning process.

# Questions & Answers

**Q : I am a member currently working overseas. How can I fulfil my CPD requirement?**

**A :** CPD learning activities can be undertaken from any part of the world. Options include a variety of online CPD options, publications and relevant courses conducted by any competent source.

**Q : What is the CPD Year?**

**A :** The CPD year will be the Calendar Year and will run from 1st January to 31st December

**Q : I am now retired, and not engaged in any employment or self-employment that uses my status as a Chartered Accountant. Do I have to comply with CPD requirements?**

**A :** No.

**Q : I am now retired, but occasionally carry out some professional related work. Do I have to comply with CPD requirements?**

**A :** Yes.

**Q : I am a full-time mother or looking after my family and no engagement in professional or employment related work. Do I have to comply with CPD requirements?**

**A :** No.





The journey to  
success begins  
with a single step