

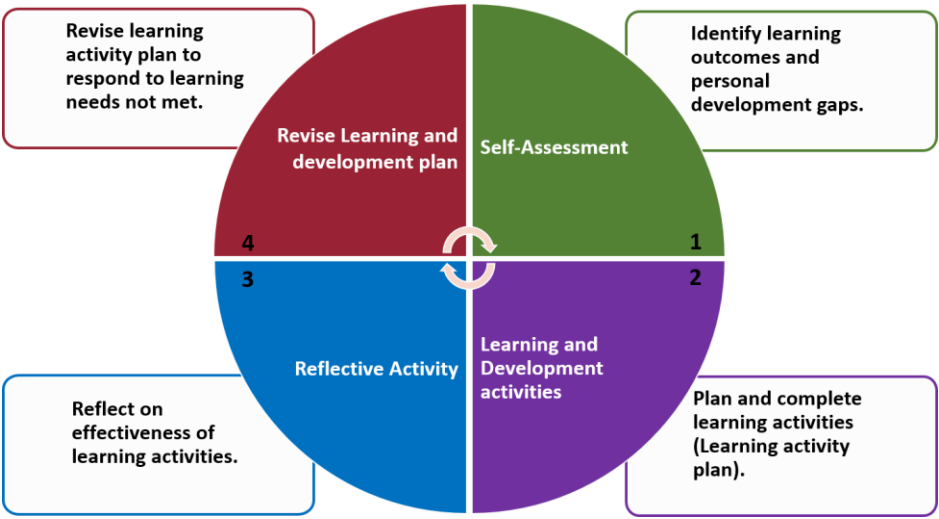
## **CONTINUING PROFESSIONAL DEVELOPMENT POLICY GUIDANCE**

This guidance shall be read together with the IRBA Continuing Professional Development (CPD) Policy. In developing this guidance, the IRBA has incorporated the International Accounting Education Standards Board support guidance on IES 7 (Revised). This guidance shall be updated from time to time.

**Implementation date: 1 January 2020**

NO.	QUESTIONS AND ANSWERS	Reference to the CPD Policy
<b>APPLICABILITY OF THE CPD POLICY TO ALL REGISTERED AUDITORS</b>		
1.	<p><b>If a Registered Auditor (RA) is registered as non-assurance or is not currently performing audit work, do they need to comply with the CPD Policy?</b></p> <p>Yes, all RAs shall comply with the CPD Policy, including those who are registered as non-assurance or are not currently performing audit work.</p>	Section 3.1
2.	<p><b>Does the CPD Policy apply to RAs in academia, those working in technical teams or those in learning and development?</b></p> <p>Yes, refer to question 1 above.</p>	Section 3.1
3.	<p><b>Does the CPD Policy apply to tax practitioner RAs?</b></p> <p>The CPD Policy applies to all RAs, including those who are tax practitioners. Tax practitioners are also required to comply with the SARS CPD requirements.</p>	Section 3.1

4.	<p><b>Does an RA who registered during the year need to comply with the CPD Policy?</b></p> <p>Yes. Complying with the CPD Policy is a continuous process of self-assessment, identifying learning and development needs, fulfilling them and reflecting.</p>	Section 3.1
5.	<p><b>Does the CPD Policy apply to RCAs?</b></p> <p>This policy does not apply to RCAs. However, due to the benefits of complying with the CPD Policy and the fact that RCAs should prepare to comply with the policy when registering as RAs, it is recommended that RCAs comply.</p>	Section 3.1
6.	<p><b>Does the CPD Policy apply to RAs on special leave?</b></p> <p>Yes, RAs on special leave shall complete the cycle of the CPD Framework (refer to question 7). Any special circumstances and changes to responsibilities shall be considered through the self-assessment.</p> <p>As part of the application of the CPD cycle, these RAs shall also consider the maintenance and development of their professional competence in preparation for their roles when they return.</p>	Section 3.1
<b>THE CPD FRAMEWORK</b>		
7.	<p><b>What is the CPD Framework as noted in section 3.2 of the CPD Policy?</b></p> <p>The CPD Framework is a continuous cyclical process to be followed by RAs to better connect CPD to the responsibilities of their roles as RAs. (IFAC IES 7 (Revised) implementation support materials)</p> <p>Refer to the CPD Framework below:</p>	Section 3.2

		
8.	<p><b>What does self-assessment mean?</b></p> <p>Self-assessment is a process for RAs to identify the knowledge and skills required to fulfil their current and future roles and responsibilities as RAs. This process identifies relevant learning outcomes and personal development gaps, that will be filled through output-based CPD activities. (IFAC IES 7 (Revised) implementation support materials)</p> <p>Note that section 3.9 of the policy requires all RAs to include audit and assurance topics as part of their self-assessment activities to determine whether they have any relevant learning and development gaps relating to such topics.</p>	Section 3.2 (a) and Section 3.9.
9.	<p><b>How can these relevant learning outcomes and personal development gaps be identified?</b></p> <p>Different activities can be used to gather information to identify these outcomes and gaps.</p> <p>For example:</p> <ul style="list-style-type: none"> <li>• Understanding the roles, responsibilities, knowledge and skill required in the current and future roles.</li> <li>• Formal performance management processes at the RA's firm that would identify development needs.</li> </ul>	Section 3.2 (a)

	<ul style="list-style-type: none"> <li>• Performance feedback from the firm, and any other relevant stakeholders where appropriate.</li> <li>• Feedback from the internal and external firm quality review processes.</li> <li>• Feedback from the IRBA, including the public inspections report issued.</li> <li>• Other specific requirements from the IRBA as communicated to RAs.</li> <li>• Considering the demands of the employer, clients and the working environment.</li> <li>• Considering specific changes to laws, regulations, standards, processes and technology that are affecting the role of the RA.</li> <li>• Considering personal expectations and learning needs.</li> </ul> <p>(IFAC IES 7 (Revised) implementation support materials)</p>	
10.	<p><b>How often does the self-assessment process need to take place?</b></p> <p>The self-assessment shall be completed at least annually as part of the cycle of the CPD Framework.</p>	Section 3.2 (a)
11.	<p><b>What are relevant learning and development activities?</b></p> <p>Learning and development activities are relevant when they are closely aligned with the roles and responsibilities of an RA to develop and maintain the professional competence necessary to perform that role.</p> <p>Relevance is best determined by the RA, who should be able to identify and determine whether a learning and development activity is relevant to their needs. This identification requires an element of judgement and will be assisted by an effective self-assessment process. IFAC guidance recommends that the usefulness and timeliness of the CPD activity be used to determine its relevance.</p> <ul style="list-style-type: none"> <li>• <i>Usefulness</i> describes how important, helpful or necessary the effective completion of a learning activity is to the individual's development needs.</li> </ul>	Section 3.2 (b)

	<ul style="list-style-type: none"> <li>• <i>Timeliness</i> describes the achievement of when a learning outcome occurs, in relation to when the RA uses the knowledge or skill from the learning activity to perform responsibilities for their role.</li> </ul> <p>(IFAC IES 7 (Revised) implementation support materials)</p>	
12.	<p><b>How does an RA determine that their CPD learning and development activities are sufficient?</b></p> <p>The extent of relevant learning and development activities required takes into account the breadth and depth of learning outcomes needed for an RA to develop and maintain professional competence necessary for their role.</p> <p>Through an effective self-assessment, RAs shall identify their relevant learning outcomes and personal development gaps. Thereafter, they shall plan the learning and development activities necessary to respond to these learning needs.</p> <p>After completing learning and development activities, the reflection activity will assist the RA to determine whether the CPD activities were relevant and sufficient to meet the learning needs identified.</p> <p>(IFAC IES 7 (Revised) implementation support materials)</p>	Section 3.2 (b) – (c)
13.	<p><b>Can learning and development activities that were not included in the RA's initial self-assessment be recorded?</b></p> <p>RAs shall consider whether the learning and development activities identified will respond to a development need and contribute to the competence required in their role as an RA.</p> <p>The self-assessment and the rest of the cycle of the CPD Framework is a continuous process, therefore learning and development activities may be identified and recorded after the initial self-assessment process.</p>	Section 3.2 (b)

	Through the reflective activity, the RA shall determine the effectiveness of the relevant learning and development activities to respond to their needs and then revise the planned activities, where necessary.	
14.	<p><b>Should learning and development activities that do not address the RA's needs be recorded?</b></p> <p>Learning and development activities that are not considered to be relevant to the RA should not be recorded.</p> <p>If the learning and development activity is relevant but did not effectively develop the learning outcome or personal development gap, the RA shall record the activity, the results of the reflection as well as the revision to the planned activities.</p>	Section 3.2 (b)
15.	<p><b>If an RA attends all the training and CPD events of the firm and/or professional body without completing the full cycle of the CPD Framework, would that be sufficient to have complied with the CPD Policy?</b></p> <p>No. Only completing learning and development activities, will not result in having complied with the CPD Policy, as the RA is required to complete the full cycle of the CPD Framework.</p>	Section 3.2 (a) – (d)
16.	<p><b>Does the IRBA require RAs to complete any mandatory CPD learning and development activities?</b></p> <p>Yes. As per the CPD Policy, the IRBA requires that RAs undertake CPD learning and development activities on ethics annually. This shall include learning and development activities to assist with compliance with the IRBA Code of Professional Conduct. The requirement is a minimum of three hours of relevant learning and development activities on ethics.</p> <p>The IRBA may also publish additional compulsory CPD areas from time to time on the IRBA website. The onus is on the individual RA to document compliance with these additional requirements.</p>	Section 3.7- 3.10

17.	<p><b>Why do RAs need to perform the reflective activity?</b></p> <p>The purpose of the reflective activity is for the RA to evaluate whether the completed learning and development activities have achieved the related learning outcomes and addressed personal development gaps such that their professional competence has been developed and/or maintained.</p> <p>(IFAC IES 7 (Revised) implementation support materials)</p>	Section 3.2 (c)
18.	<p><b>How can RAs perform the reflective activity?</b></p> <p>Evaluation and reflection on the completed learning and development activity shall be completed timeously after the learning activity has been undertaken to revise the planned learning and development activities effectively and achieve the objective of the model.</p> <p>Similar to the initial self-assessment, a variety of inputs can be used as part of the reflective activity. These may include considering:</p> <ul style="list-style-type: none"> <li>• Whether the RA believes they can perform their role and/or future role to the standard defined by their firm and clients;</li> <li>• Performance feedback where appropriate;</li> <li>• Their role description including the areas and levels of competence expected by their firms; and</li> <li>• Their ability to respond to changes in processes, technology, professional standards, regulatory requirements, employer demands, and other areas identified as part of the initial self-assessment.</li> </ul> <p>(IFAC IES 7 (Revised) implementation support materials)</p>	Section 3.2 (c)
19.	<p><b>What should the RA do after reflection if they determine that a learning and development activity was not effective or that the planned activities have not all been completed?</b></p> <p>If the RA concludes that there are elements of the learning and development plan that have not been accomplished, they can either:</p>	Section 3.2 (c) – (d)

	<ul style="list-style-type: none"> <li>• Plan for and complete additional learning and development activities as part of the existing cycle of the CPD Framework, or</li> <li>• Include the incomplete aspects of the learning and development plan in their next round of self-assessment activities (i.e., incomplete development needs from the previous cycle are pushed forward as identified development needs in the next cycle of the CPD Framework).</li> </ul> <p>To comply with the CPD Policy, it is important that the selected action to address the development gap that remains is clearly documented.</p>	
<b>CPD EVIDENCE</b>		
20.	<p><b>What elements of the CPD Framework should an RA record?</b></p> <p>RAs shall record evidence that they have applied the full cycle of the CPD Framework.</p> <p>This includes:</p> <ul style="list-style-type: none"> <li>• Evidence of the self-assessment;</li> <li>• Records of planned and completed learning and development activities;</li> <li>• Evidence of reflective activity; and</li> <li>• Revisions to planned learning and development activities, where applicable.</li> </ul>	Section 3.3
21.	<p><b>What is the nature and extent of the evidence that RAs are required to maintain as part of the CPD Policy requirements?</b></p> <p>RAs shall document evidence of their compliance with the entire CPD cycle, i.e. self-assessment, learning and development activities planned and completed, results of the reflection activity and the revision of the learning and development plan, where applicable.</p> <p>This evidence shall be objective/fact-based, capable of being proven/confirmed and stored in a written or electronic format.</p>	Section 3.3



22.	<p><b>How should evidence of compliance with the CPD Framework be recorded?</b></p> <p>Compliance with the CPD Framework may be recorded in any structured format, preferably electronically.</p>	Section 3.3
23.	<p><b>For how long should RAs retain these CPD records?</b></p> <p>These records shall be retained for a period of three calendar years from the end of each reporting period.</p>	Section 3.4
<b>CPD MEASUREMENT AND MONITORING</b>		
24.	<p><b>The IRBA's Revised CPD Policy prescribes the output-based approach to measuring CPD. Does an RA have a choice to measure CPD activities on an input-based approach, i.e. based on the number of hours of CPD activities undertaken?</b></p> <p>No. The Revised CPD Policy does not allow an RA the option of measuring CPD based on the number of hours of learning and development activities undertaken.</p> <p>The learning and development activity hours are only one of the considered inputs towards achieving the desired competencies.</p> <p>However, note the ethics requirement in section 3.8 of the CPD Policy.</p>	Section 4 and Section 3.8
25.	<p><b>What will be expected for submission when an RA is selected for CPD monitoring?</b></p> <p>RAs may be required to submit evidence of their:</p> <ul style="list-style-type: none"> <li>• Self-assessment and results;</li> <li>• Learning activity plans;</li> <li>• Completed learning and development activities;</li> <li>• Reflective activity and results; and</li> <li>• Revision to the learning and development plan, where applicable.</li> </ul>	Section 5.1

	At the discretion of the IRBA, the RA may be required to submit some or all of the above information.	
26.	<p><b>If the RA completes the cycle of the framework and concludes that the learning activities were not effective for adequately addressing personal development gaps and learning outcomes, does this constitute non-compliance with the policy?</b></p> <p>No, this does not constitute non-compliance. The result of this reflection would require a revision of the learning and development plan, in line with the CPD Framework.</p>	Section 6.1
<b>NON-COMPLIANCE WITH THE CPD POLICY</b>		
27.	<p><b>What is non-compliance with the CPD Policy?</b></p> <p>Although CPD should not be treated as a compliance exercise, these are examples of non-compliance:</p> <ul style="list-style-type: none"> <li>• Not performing or documenting the self-assessment activity.</li> <li>• Not keeping evidence of elements of the CPD Framework that have been completed.</li> <li>• Not completing other elements of the CPD Framework after a full year of registration, without reason. For example, not performing any learning and development activities or reflecting on completed activities.</li> <li>• Submitting an annual CPD declaration that is false.</li> </ul>	Section 6
28.	<p><b>What are the consequences of non-compliance?</b></p> <p>As per the IRBA CPD Policy, the Board may institute disciplinary measures against an RA who is non-compliant with this policy.</p> <p>The Board may also institute disciplinary measures against an RA who has submitted a CPD declaration that is false.</p>	Section 6

<b>TRANSITIONAL REQUIREMENTS</b>		
29.	<p><b>Are there any CPD Policy transitional requirements?</b></p> <p>No. The 2014 CPD Policy prescribed by the IRBA is repealed with effect from <b>1 January 2020</b>. However, CPD undertaken in 2019 is subject to declaration and monitoring in accordance with the 2014 CPD Policy.</p>	Section 7
30.	<p><b>When will the IRBA commence with monitoring of this CPD Policy?</b></p> <p>Monitoring may be conducted from the 2020 calendar year, to assess compliance with the new CPD Policy.</p>	Section 7
<b>GLOSSARY OF TERMS</b>		
	<p><b>CPD activities</b></p> <p>CPD activities are all the processes and actions performed as part of applying the CPD Framework, starting with the self-assessment process.</p> <p><b>CPD cycle</b></p> <p>This is the full cycle of the CPD Framework.</p> <p><b>Learning and development activities</b></p> <p>Learning and development activities are those activities performed to address personal development gaps and learning outcomes identified through the self-assessment process.</p> <p><b>Learning outcomes</b></p> <p>This is the depth and breadth of <i>knowledge, understanding, and application</i> required for a specified competence area. Competence is the ability to perform a work role to a defined standard, with reference to working environments.</p> <p>An example of a learning outcome is the technical competence of an RA to audit accounting estimates in accordance with ISA 540 <i>Auditing Accounting Estimates, Including Fair Value Accounting Estimates, And Related Disclosures</i>. Achieving this learning outcome requires knowledge of the standard, the ability to assess the relevance to the</p>	

	<p>situation, and the ability to apply the requirements (IFAC IES 7 (Revised) implementation support materials).</p> <p><b>Professional skills</b></p> <p>Professional skills are the intellectual, interpersonal and communication, personal, and organisational skills that a professional accountant integrates with technical competence and professional values, ethics, and attitudes to demonstrate professional competence (IFAC IES 3 (Revised) paragraph 1).</p> <p><b>Roles and responsibilities</b></p> <p>This refers to the role of the individual as an RA as well as other professional responsibilities for which the RA is accountable.</p>	
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