

NAVIGATING THE  
NEW IRBA CPD  
POLICY

EFFECTIVE 1  
JANUARY 2020



**irbba**

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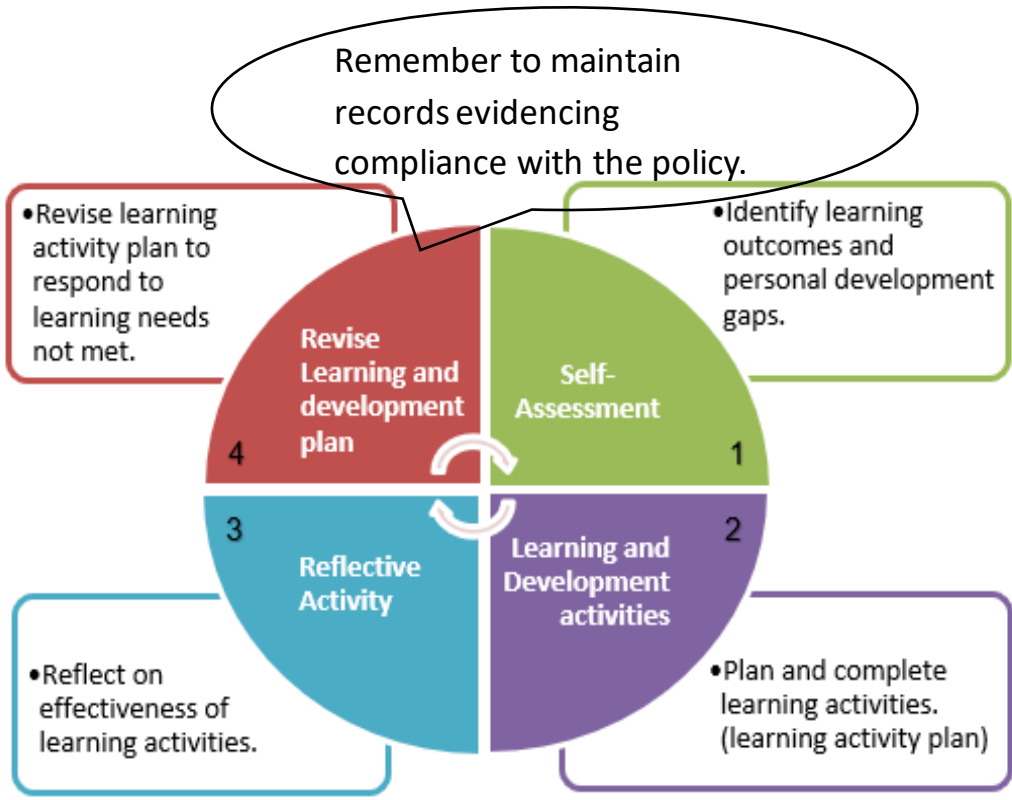
INDEPENDENT REGULATORY BOARD FOR AUDITORS

Disclaimer: These support materials shall be read together with the IRBA Continuing Professional Development (CPD) Policy and related guidance. This material is not authoritative.

The IRBA has issued a new CPD policy that is applicable to all Registered Auditors (RAs). The policy is effective from 1 January 2020. To facilitate the successful application of the new policy, the IRBA has developed this set of slides to unpack different aspects of the policy and related guidance.

The CPD policy is premised on an output-based measurement approach and requires RAs to apply the below CPD Framework at least annually **and** to complete the mandatory CPD activities as outlined below.

### CPD Framework



### Mandatory CPD activities

<p><b>Ethics</b></p> <ul style="list-style-type: none"> <li>Plan for, complete and record relevant learning and development activities on ethics annually.</li> <li>During a reporting period (calendar year) an RA shall complete a <b>minimum of three hours of relevant learning and development activities on ethics.</b></li> </ul>
<p><b>Audit and assurance</b></p> <ul style="list-style-type: none"> <li>Perform self-assessment activities on audit and assurance topics annually, to identify relevant learning outcomes and personal development gaps and complete learning and development activities to address these gaps.</li> </ul>
<p><b>Other</b></p> <ul style="list-style-type: none"> <li>Any additional areas published by the IRBA.</li> </ul>

Effective date of the policy: 1 January 2020

The CPD policy and guidance introduces terminology that you should familiarise yourself with to effectively apply the policy. A few of these terms are explained below:

## CPD Activities

CPD activities are all the processes and actions performed as part of applying the CPD Framework, starting with the self-assessment process.

## CPD cycle

This is the cycle of the CPD Framework, i.e. self-assessment activities, performing learning and development activities, reflective activity and revision to the learning and development plan.

## CPD Framework

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).

The CPD Framework is made up of the following stages:

- (a) Perform self-assessment activities to identify relevant learning outcomes and personal development gaps;
- (b) Plan for, complete and record relevant learning and development activities to address the learning outcomes and personal development gaps identified;
- (c) Evaluate and undertake reflective activities on the completed learning and development activities; and
- (d) Revise the learning and development plan, as necessary.

## Learning and development activities

Learning and development activities are the activities performed to address personal development gaps and learning outcomes identified through the self-assessment process. These activities may include, but are not limited to, attending training seminars to address personal development gaps identified and then incorporating these learnings into your activities.

## Step 1- Performing the self-assessment

The new IRBA CPD policy requires that Registered Auditors (RAs) perform self-assessment activities to identify relevant learning outcomes and personal development gaps [Section 3.2].

### What is my objective as I complete the self-assessment as required by the IRBA's CPD policy?

The purpose of completing the self-assessment is to identify your personal development gaps and learning outcomes that you will then address through completing relevant CPD activities. The self-assessment is the process that you will follow to identify your personal development gaps and learning outcomes. individual

### What should I document as I complete the self-assessment?

You should document the following as you complete your self-assessment:

- Your current role and the responsibilities of your role;
- Your future role and responsibilities thereof, as applicable;
- What you considered in performing your self-assessment;
- The specific learning outcomes and development gaps that you identified; and
- How you identified your learning outcomes and development gaps.

### Will I be non-compliant with the CPD policy if I do not complete the self-assessment?

Yes. Not completing the self-assessment is considered non-compliance with the CPD policy.

### How do I complete the self-assessment?

Different activities can be used to gather information when identifying relevant learning outcomes and personal development gaps including the following:

Competencies required in your current role.

Competencies required in your future role.

Feedback from your firms internal and external quality reviews.

Feedback from the IRBA including the public inspections report.

Changes to laws, regulations, standards, processes and technology that affect your current and future roles.

Performance feedback from your firm and other relevant stakeholders.

Personal learning needs.

Developments within the industry in which your clients operate, e.g. insurance, REITs, public sector.

### Does the IRBA prescribe any areas that I must consider as I complete the self-assessment?

Yes. The IRBA prescribes that you consider the following as you complete your self-assessment:

**Ethics:** The policy requires that you plan for, complete and record relevant learning and development activities on ethics annually. As part of your self-assessment you will identify your learning outcomes and personal development gaps that you will address through the ethics learning and development activities that you complete [Section 3.7].

**Audit and assurance:** The policy requires that you consider audit and assurance topics in your self-assessment and whether you have any learning and development needs. This requirement applies to both RAs with an assurance status and RAs with a non-assurance status. You will only complete relevant learning and development activities to address the development gaps identified [Section 3.9].

## Step 2- Plan for, complete and record learning and development activities

The new IRBA CPD policy requires that Registered Auditors (RAs) plan for, complete and record relevant learning and development activities to address the learning outcomes and personal development gaps identified [Section 3.2]. The policy also requires that mandatory CPD activities be completed annually [Section 3.7 and 3.9].

### What do I do once I have completed my self-assessment activity?

Step 1: Learning outcomes and development gaps have been identified through the self-assessment activity. These relate to your technical competencies, professional skills and professional values, ethics and attitudes.

Develop learning plan with learning and development activities to address your learning outcomes and development gaps identified.

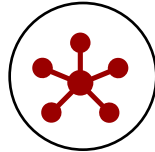
Reflect on activity and update learning plan as necessary.

Execute activity.

Following the development of the learning plan, upon completion of each learning and development activity the RA would reflect on the activity and make revisions to the learning plan as necessary.

Steps 2-4

### What must I consider as I develop my learning plan and identify my learning and development activities?



#### Relevant

Guidance to the CPD policy: Q11, Q13, Q14 and Q15.



#### Targeted

Activities must be targeted to address your learning outcome both in terms of breadth and depth of knowledge/skill you need to develop.



#### Learning Style

Identify activities that are suited to your learning style.



#### Innovative

Be innovative and embrace technology as you identify different activities.



#### Work activities

As you develop your learning plan identify work activities that will address your learning outcomes and development gaps.

### Some examples of learning and development activities



Attending training, watching webinars, listening to podcasts, reading articles, papers and journals.



Commenting on local and international standards, review of ADP POEs, writing articles, setting examinations, preparing/presenting training, relevant work activities.



Participating in committees, mentoring, coaching.



Completing post graduate degrees, short courses, etc.



### Mandatory CPD activities

RAs shall perform learning and development activities on ethics annually that address the RAs personal learning outcomes and development gaps. The learning and development activities undertaken shall include activities that assist the RA to comply with the IRBA Code of Professional Conduct for Registered Auditors [Section 3.7].


RAs shall also perform learning and development activities to address the learning outcomes and personal development gaps identified through the mandatory self-assessment activity on assurance topics [Section 3.9].

# IRBA CPD policy


## Step 3- Reflection and Step 4- Revise learning and development plan


The new IRBA CPD policy requires that Registered Auditors (RAs) evaluate and undertake reflective activities on the completed learning and development activities and revise the learning and development plan, as necessary [Section 3.2].


### What is the objective of doing the reflective activity?

 **The objective of the reflective activity is to assess progress made in achieving my learning outcomes, following the completion of the learning and development activity(ies).**





Therefore one would reflect on:

 - What were the key learnings from the activity?  
- How will I incorporate what I have learned into my work?

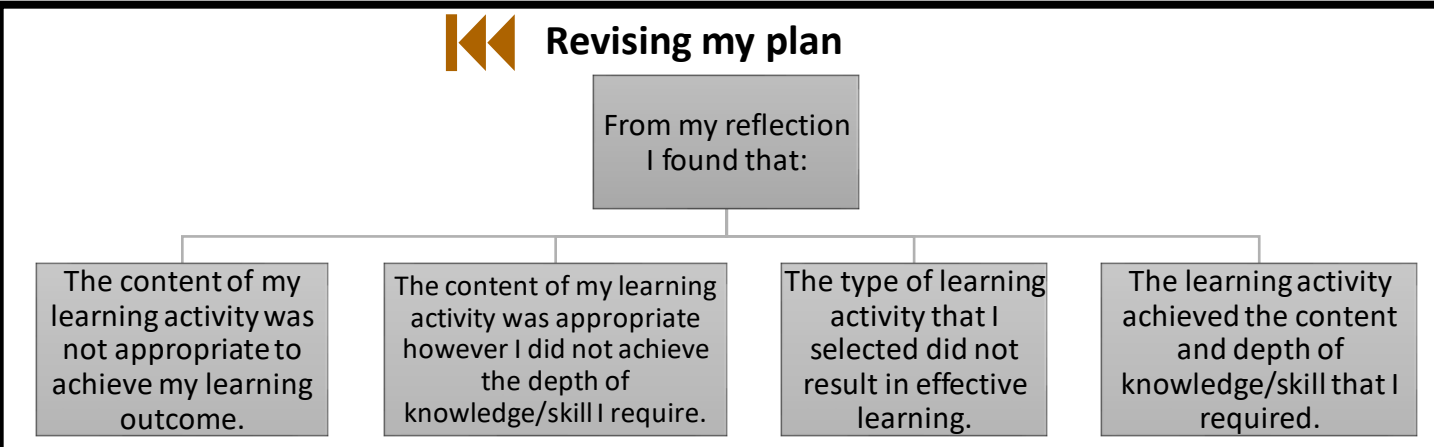
 - How did these learnings contribute to me fulfilling my learning outcomes in terms of content covered and the depth of knowledge/skill that I developed?

 - How effective was my learning?  
- If my learning was not as effective as I anticipated, what were the reasons for this?

### What are some of the tools/inputs that I can use as I do the reflective activity?

-  An effective self-assessment.
-  Feedback from others such as colleagues and clients and including performance appraisals.
-  Results of assessments on completion of the activity.
-  Effective application of the learning outcome in my work.

		
Set aside sufficient time to do the reflection.	Complete the reflection timeously after the learning activity is completed.	Be honest as I do my reflection.



**Revisions to my planning could be:**

Revise my self- assessment to more accurately specify my learning outcomes and development needs in terms of the depth of knowledge/skill I require.	Revise my learning and development plan for additional learning outcomes and activities based on my reflection.	Identify additional learning and development activities to deepen my knowledge/skill on this learning need.	What does it mean in terms of my work if my development gaps remain after I have completed the CPD activity, e.g. do I need to supplement my teams with the required skills? Do I need to use an expert to assist me in this area?
Include additional learning outcomes on my self assessment.	Identify different and more effective learning activities better suited to my learning need and style.		



The CPD policy requires that Registered Auditors (RAs) shall maintain accurate and complete records evidencing compliance with the CPD policy. This shall include, but not be limited to, evidence of application of the CPD Framework and supporting documentation of all learning and development activities undertaken [Section 3.3].

### What elements of the CPD Framework should I maintain records of?

The CPD policy requires that RAs record evidence of application of the full cycle of the CPD Framework. The information that should be recorded is described below:

#### 1. Self-assessment

- ✓ Description of my current and anticipated future roles.
- ✓ My responsibilities related to these roles.
- ✓ My learning outcomes and development gaps identified.
- ✓ Classification of my identified learning outcomes as relating to either technical skills, professional skills or professional values.
- ✓ Inputs into identifying my learning outcomes and development gaps e.g. feedback from quality reviews; changes to laws, regulations, standards and technologies; changes within the industries that my clients operate in; performance feedback, etc.

#### 2. Learning and development activities

- ✓ My planned learning and development activities to address learning outcomes and development gaps identified.
- ✓ Learning and development activity actually completed.
- ✓ Date when activity was completed.
- ✓ Description of activity and learning outcomes of the activity.
- ✓ Learning method/platform e.g. conference, webinar, degree, online course, article, workplace activity, etc.
- ✓ Relevant evidence of activity completed, e.g. certificate of completion, website URL, assessment results, performance feedback, etc.

#### 3. Reflective activity

- My reflection on:
- ✓ The learning and development activity completed including reflection on the key learnings from the activity and how these compared the learning outcomes that I had intended to meet.
  - ✓ The effectiveness of the learning including learning method.
  - ✓ How I will incorporate what I have learned into my work.
  - ✓ Inputs into my reflection e.g. feedback from others, assessment results, etc.
  - ✓ Outcome of my reflection, i.e. how much of my learning outcome was met.

#### 4. Revising my plan

- Following my reflection:
- ✓ Detail of revisions to my self-assessment, e.g. additional learning outcome identified.
  - ✓ Detail of revisions to my learning and development activities, e.g. additional learning and development activities to be completed, different and more effective learning activities better suited to my learning needs and learning style, etc.

Compliance with the CPD Framework may be recorded in any structured format, preferably electronically.

In what format should I maintain records of my CPD?



No. RAs will only be required to submit CPD records if selected for CPD monitoring.

Do I need to submit my CPD records to the IRBA with my annual declaration?



The CPD reporting period is a calendar year. CPD records shall be retained for a period of 3 (three) calendar years from the end of each reporting period.

CPD reporting period and retention period of CPD records.

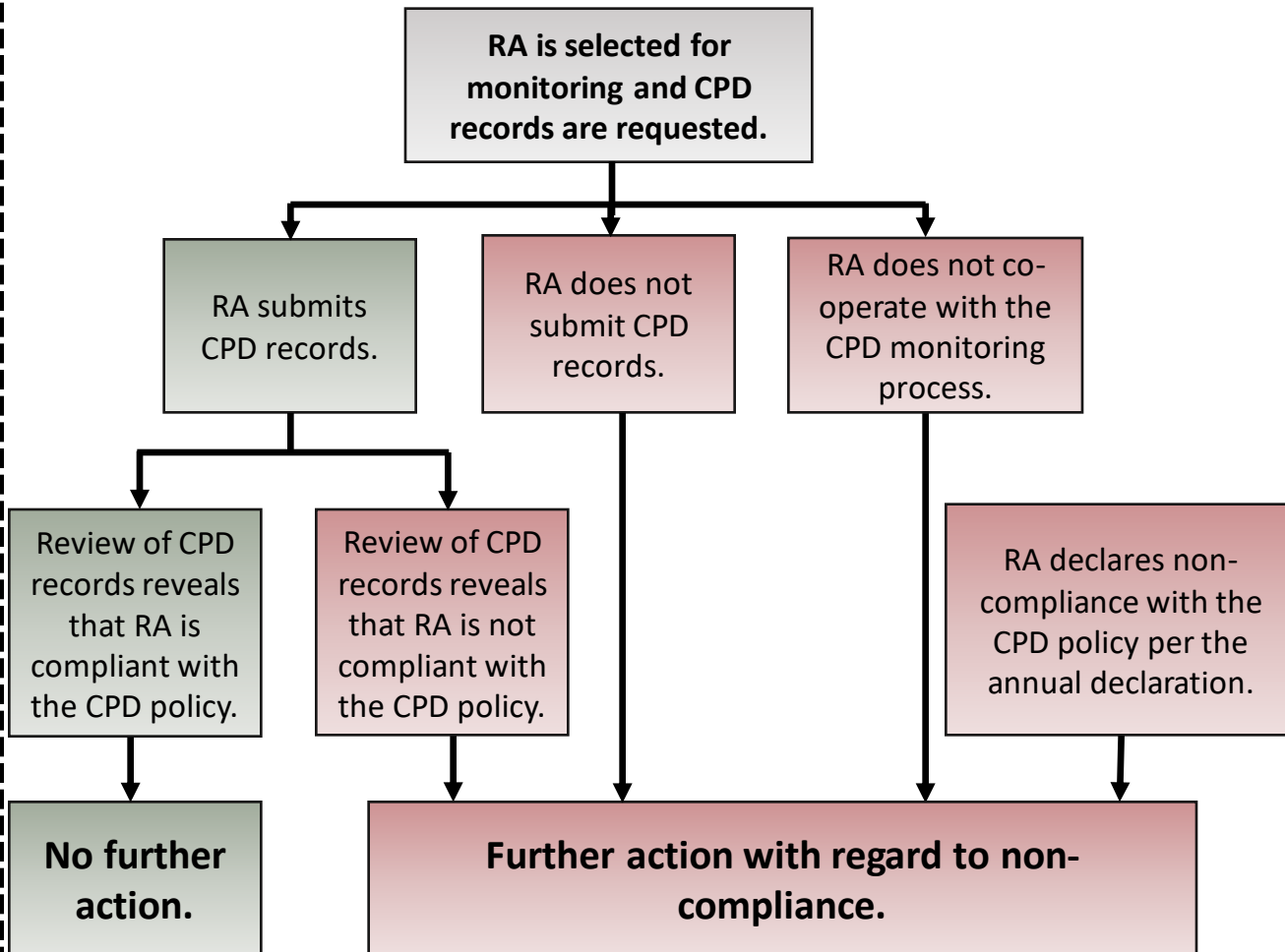




## Monitoring of compliance with the CPD policy

The IRBA shall monitor the CPD records of RAs on a sample basis. An RA selected through the monitoring process shall be required to submit to the IRBA, all relevant documents that reflect reliable and verifiable evidence that the RA has followed the CPD Framework as outlined in section 3.2 and has fully complied with this CPD Policy [Section 5.1 and Section 6].

### Overview of the CPD monitoring process



1



What should I submit if I am selected for CPD monitoring?

- RAs may be required to submit evidence of their:
- ✓ Self-assessment and results;
  - ✓ Learning activity plans;
  - ✓ Completed learning and development activities;
  - ✓ Reflective activity and results; and
  - ✓ Revision to the learning and development plan, where applicable.

At the discretion of the IRBA, the RA may be required to submit some or all of the above information.

2



What happens during the monitoring process?

The monitoring team will be looking at the evidence submitted to ensure that the CPD Framework has been followed. CPD evidence submitted should therefore **clearly demonstrate how the RA has adhered to all of the requirements of the policy.**

3



What would constitute non-compliance with the policy?

- ✗ Not performing or documenting the self-assessment activity.
- ✗ Not completing or documenting all elements of the CPD Framework after a full year of registration, **without reason.** For example, not performing learning and development activities or not reflecting on completed activities.
- ✗ Not completing the mandatory learning and development activities.
- ✗ Submitting an annual CPD declaration that is false.

# IRBA CPD policy Summary

Continuing Professional Development (CPD) is the means by which RAs develop and maintain professional competence to perform their current and future roles.

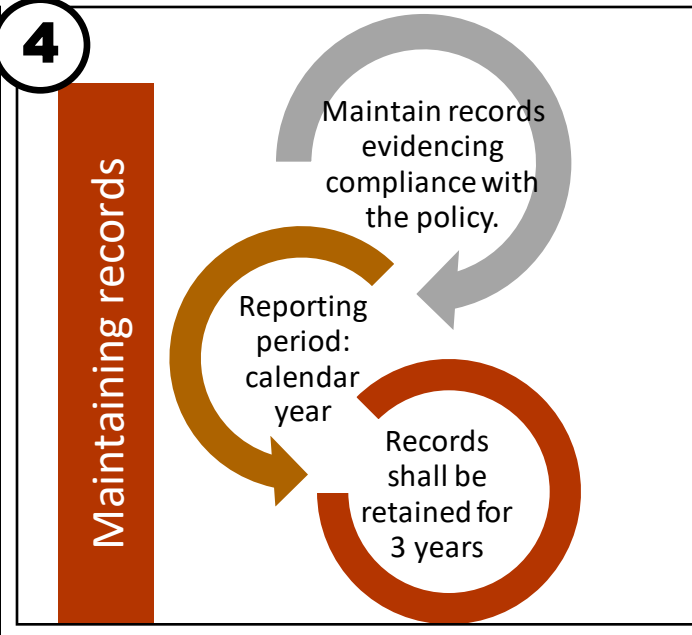
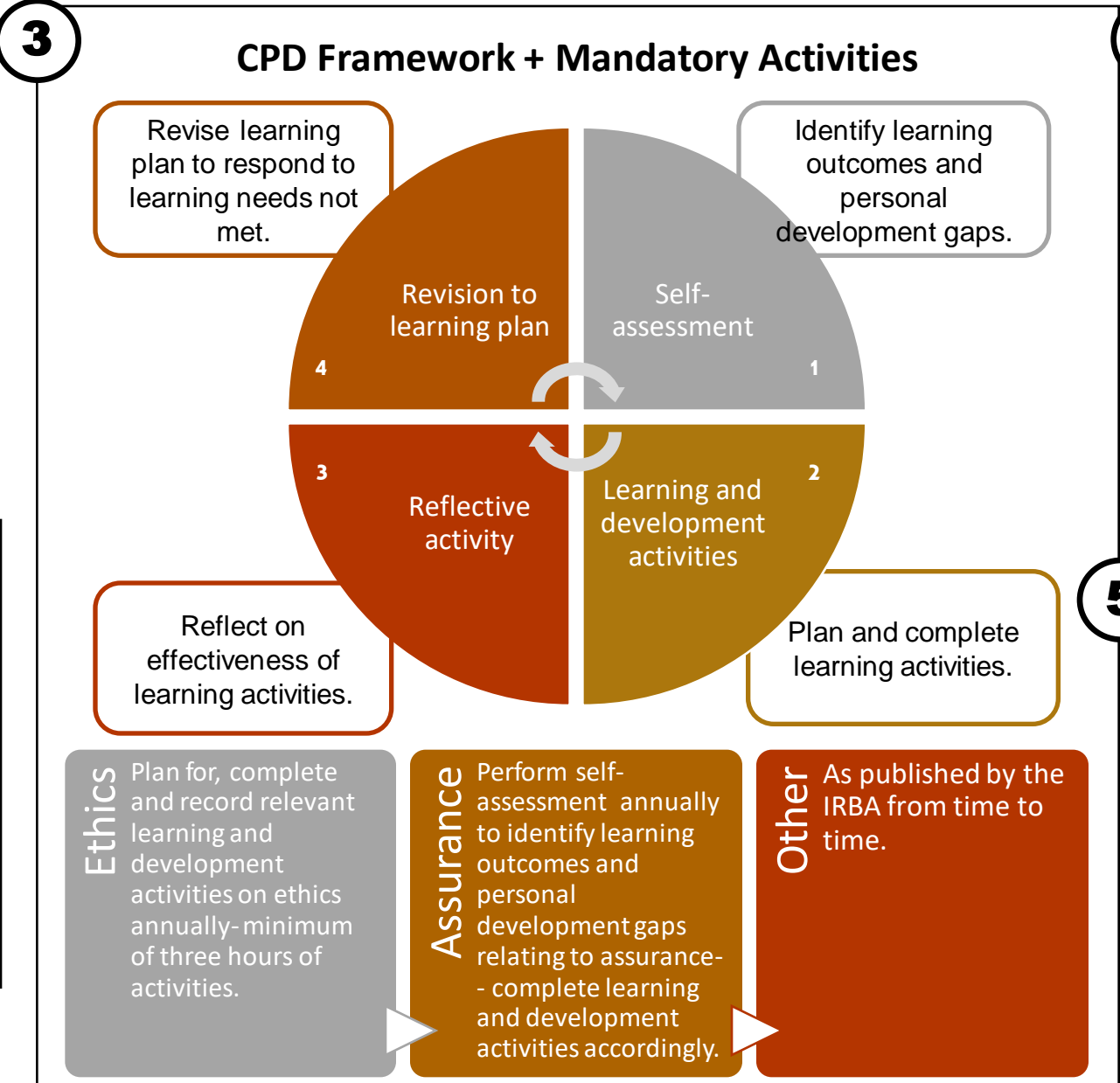
**1** Professional Competence (IES 7) Revised

Integration and application of learning outcomes for:

- Technical competence.
- Professional skills.
- Professional values, ethics and attitudes.

**2** Requirements of the Policy

- Apply the CPD Framework at least annually.
- Complete mandatory CPD activities.
- Maintain records of compliance with the policy.



**5** Monitoring

- RAs will be selected by the IRBA to monitor their compliance with the CPD policy and will be requested to submit records evidencing their compliance therewith.

**Non-compliance**

- The IRBA may take further action where non-compliance with the CPD policy is identified.
- Submitting a false CPD declaration may also result in further action.