



ZICA CPD POLICY

1. Introduction

The CPD policy was developed in response to the requirement from the International Federation of Accountants (IFAC) – of which ZICA is a member body – to introduce mandatory CPD. It is therefore important that all ZICA members embrace the concept of lifelong learning fully and adhere to the CPD guidelines we have set in this policy paper.

The CPD policy will help members maintain and develop relevant skills and knowledge to ensure they continue to work effectively as professionals, no matter what their career path is. ZICA expects all members to participate with the policy which is very achievable for all members. ZICA will endeavour to support all members in becoming compliant with it.

2. What is CPD?

Continuing Professional Development (CPD) is the continuous maintenance, development and enhancement of the professional and personal knowledge and skills which members of ZICA require throughout their working lives. CPD is the learning we all need to do to stay competent and to develop new skills to be effective in our jobs and careers. CPD, therefore, is something which ZICA members will almost certainly *already* be doing as part of their everyday working lives.

3. The importance for members to complete CPD

It is important that ZICA members remain competent and develop new skills to remain effective in their jobs and careers. This will help maintain members' employability and their reputation with employers, clients and the public. It will also help maintain ZICA's reputation for producing and supporting high calibre professionals.

CPD undertaken must be relevant to members. For example, if a member works for an internet company a seminar on computing may be relevant to him/her in order to develop his/her business knowledge. Therefore it would constitute CPD.

Practising members should still ensure that the majority of their CPD consists of technical accounting.

4. Members who will have to complete CPD

All members who are obliged to pay annual subscriptions to the Zambia Institute of Chartered Accountants (including those outside the country) whether or not holding a certificate of public practice and all affiliates are required to undertake Continuing Professional Development in matters appropriate to their fields of practice or occupation from 2007 onwards.

5. The different ways of completing CPD

There are different ways of completing CPD as outlined below depending on the route a member is following:

5.1. The Unit Route

This route is for members who are planning and organising their own CPD. This route requires members to complete 40 units of CPD per year, 21 of which must be verifiable. One unit equals one hour spent on a learning activity. For example, 6 hours spent attending a course would be 6 units.

a) *Verifiable CPD Activities*

No matter what the learning activity is, if one can answer yes to the three questions below, one can record the activity as verifiable CPD. CPD does not just have to be about attending courses: a variety of learning activities are valid CPD.

- Was the learning activity relevant to your career?
- Can you explain how you will apply the learning in the workplace?
- Can you provide evidence that you undertook the learning activity?

Examples of verifiable CPD can include the following:

- i) Attending conferences, seminars, workshops, lectures, congresses, courses and other professional education activities.
- ii) Courses presented by tertiary educational institutions.
- iii) Services on technical or research committees under the auspices of ZICA and other professional organizations.
- iv) Programmed self-study e.g. MBA, IT course.
- v) Educational and developmental activities presented under the auspices of academic institutions, commercial establishments and other professional bodies.
- vi) Appropriate educational activities provided by the member's employer or practice entity, either in-house or externally by individuals or organization engaged by the employer.

Members may carry forward a maximum of 21 excess verifiable units (beyond the 21 units required) into the following year. ZICA recognises that some members may obtain more verifiable units of CPD in any one year, for example if a member is doing a further course of study or qualification. Members should keep records of carry forward units and record it with the following year's evidence.

b) *Non-verifiable CPD Activities*

Non verifiable CPD is activity such as general reading of professional journals, technical bulletins, releases and research projects, discussions with colleagues in an informal session, lecturing of a routine nature and attending networking events to keep general professional knowledge current.

5.2. The IFAC Body Route

This route is for members who also belong to another IFAC-member body. Such members can choose to follow that body's CPD scheme if it meets IFAC's International Education Standard No. 7. A member can choose to follow another IFAC member body's CPD scheme, if he/she is a full member of that body.

If one is a member of another IFAC body, and chooses to follow that body's CPD scheme instead of ZICA's, it is his/her responsibility to check whether the body is compliant with IFAC CPD requirements. ZICA will recognise his/her CPD activity as being valid and will not be required to also follow the ZICA requirements. However, one must submit an annual CPD return to ZICA each year stating that he/she is following the IFAC body route.

6. CPD Waiver on account of special circumstances

ZICA will take into account special circumstances affecting a member's ability to complete CPD.

A member can apply for a waiver which will relate to verifiable CPD units if he/she is following the unit route and taking a career break, on maternity or paternity leave, long term sickness leave, are unemployed, or have onerous caring duties for a close family member. Generally a minimum period of one month's absence from work is required for one to be eligible for a waiver.

A member can apply for a waiver by contacting ZICA. If a member is accepted for a waiver one must still complete a CPD return and complete the 19 non-verifiable CPD units.

ZICA waivers only apply to the unit scheme route. If a member has chosen to follow another IFAC body's scheme, if necessary or required, one should apply to that body for his/her CPD waiver in accordance with their own rules.

7. Making an Annual CPD return

All members will be required to make a CPD return on an annual basis. This has to be

done no matter which route to CPD one follows, and even if one has been granted a waiver.

The Annual Return can be done by completing a paper form which will be sent to members towards the end of each CPD year, or by a member asking ZICA to send him/her the form at any point.

The annual CPD return process is very straightforward. All a member needs to do is to:

- tick a box showing which route he/she followed
- tick a box if he/she is involved in the preparation or presentation of accounts that investors may rely on
- sign his/her name to declare that he/she has completed his/her CPD and kept his/her professional ethics up to date.

A member does not have to send in any supporting evidence with the CPD return, but should keep the evidence for 3 years as ZICA may request for the CPD evidence at a later date as part of the monitoring process.

8. Retention of CPD Activity Evidence

Members following the unit route are required to maintain a portfolio of evidence, for example, office records, diary entries, course objectives and minutes of meetings. ZICA can provide a member with paper evidence forms. These can assist in recording CPD activity.

Members who are also members of another IFAC accounting body which is compliant with IFAC's International Education Standard (IES 7), and choose to follow that body's CPD scheme, must maintain evidence consistent with their body's requirements. They must also keep evidence of their membership with that body.

Evidence must be kept for a three year period for ZICA's monitoring purposes.

Members need to be able to prove that the CPD that they have undertaken is relevant to their development needs and all evidence should demonstrate this. The paper evidence form will help a member consider this.

9. CPD Monitoring Process

ZICA will conduct audits of members CPD returns by selecting a proportion of members' records to review annually. Members sampled will have to provide evidence to support their CPD return.

10. CPD Sanctions

The following administrative and disciplinary sanctions are in place for non-compliant members:

Administrative Sanctions

The initial steps to address non-compliance will focus on bringing the professional accountant into compliance within a reasonable period of time. Possible administrative sanctions should include:

- Members making good the shortfall of the CPD units
- Ordering a member to undertake a set programme of CPD in order to meet the CPD requirements

For those professional accountants who will fail to maintain and develop their professional competence, disciplinary actions will be justified as they will be in violation of their professional duty.

Disciplinary Sanctions

Disciplinary sanctions will be the last step to take in enforcing CPD compliance. Possible disciplinary sanctions are:

- Caution/reprimand
- Fine to be determined from time to time
- Unable to practice/suspend until CPD requirements are met
- Exclusion from membership

Expulsion or denial of the right to practice may be reserved for professional accountants who have made it clear, through a pattern of non-compliance or through their response to ZICA's enquiries, that they are likely to continue to disregard the importance of complying with CPD requirements.