

# **PUBLIC ACCOUNTANTS OVERSIGHT COMMITTEE'S (PAOC) CONTINUING PROFESSIONAL EDUCATION (CPE) SYLLABUS**

## **Introduction**

1. A distinguishing mark of the accountancy profession is the acceptance of the responsibility to act in the public interest. In this regard, a public accountant should observe and comply with the ethical requirements of the Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (“the Code”).
2. Under 100.4(c) of the Code, a public 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.
3. Advancing technology, globalisation of businesses, increasing specialisation, increasing complexity and continuous changing of technical and professional standards, proliferating regulations and the complexity of business transactions create an extremely dynamic environment for public accountants to operate in. This requires public accountants to continuously maintain and enhance their knowledge, skills and abilities.
4. The continuing development of professional competence involves a programme of lifelong educational activities. Continuing Professional Education (CPE) will assist public accountants in achieving and maintaining quality and standards in professional services.
5. The underlying principle of CPE is to ensure that a public accountant maintain and enhance technical knowledge and professional skills through relevant, verifiable and measurable learning activities which should contribute to the public accountant’s ability to undertake his job competently.

## **Objectives of CPE**

6. The objectives of PAOC’s CPE syllabus are to:
  - a. Ensure that public accountants maintain an adequate level of knowledge, skills and abilities to enable them to carry out their work competently and professionally, in the face of technological developments, changing economic conditions and changing responsibilities and expectations.
  - b. Provide reasonable assurance to the public and business world at large that public accountants’ competencies are being maintained and developed through quality CPE necessary to satisfy their obligations to serve the public interest.

## **Determining and Planning Professional Development Needs**

7. Public accountants are required to maintain an appropriate level of competence in the activities in which they practise.

8. Public accountants may attend relevant seminars as well as engage in their own reading/research to address these objectives. Public accountants may find an educational programme that addresses most of their concerns. Alternatively they may structure their own private research.
9. Selection of learning activities should be a thoughtful, reflective process addressing the individual public accountant's current and future professional plans, current knowledge and skills level, and desired or needed additional competence to meet future opportunities and/or professional responsibilities.
10. The Public Accountant Competency Map in Appendix I can be used to guide public accountants in their evaluation of learning and professional development.

### **CPE Requirements**

#### **For Renewal as a Public Accountant**

11. Effective 1 January 2011, as part of the requirements for public accountants to renew their certificate of registration, public accountants are required to maintain at least 120 CPE hours in each rolling 3-year period, of which:
  - a. At least 90 hours must be in structured learning in each rolling 3-year period; and
  - b. At least 20 hours must be acquired through structured learning each calendar year.
12. Of the 90 structured hours in each rolling 3-year period stated in paragraph 11(a) above:
  - a. For *ALL* public accountants (except for
    - (i) those public accountants who are registered only for the purpose of becoming judicial managers and do not perform audits; and
    - (ii) those public accountants who are also approved liquidators):

At least 60 structured hours must be in Core Expertise areas of which:

      - i. At least 18 hours must be obtained through learning of Financial Reporting Standards and Pronouncements (Category 1);
      - ii. At least 9 hours must be obtained through learning of Ethics and Professionalism (Category 2);
      - iii. At least 18 hours must be obtained through learning of Auditing Standards, Pronouncements and Methodology (Category 3); and
      - iv. Remaining 15 hours can be obtained through learning in Category 1, 2 or 3.
  - b. For public accountants who are also approved liquidators:

At least 60 structured hours must be in Core Expertise areas of which:

- i. At least 18 hours must be obtained through learning of Financial Reporting Standards and Pronouncements (Category 1);
  - ii. At least 9 hours must be obtained through learning of Ethics and Professionalism (Category 2);
  - iii. At least 18 hours must be obtained through learning of Auditing Standards, Pronouncements and Methodology (Category 3);
  - iv. At least 9 hours must be obtained through learning of Insolvency and Restructuring (Category 4); and
  - v. Remaining 6 hours can be obtained through learning in Category 1, 2, 3 or 4.
- c. For public accountants who are registered only for the purpose of becoming judicial managers and do not perform audits:
- i. A total of at least 30 hours must be obtained through learning of Financial Reporting Standards and Pronouncements (Category 1) and Insolvency and Restructuring (Category 4) of which at least 9 hours must be in Insolvency and Restructuring (Category 4); and
  - ii. At least 9 hours must be obtained through learning of Ethics and Professionalism (Category 2).

For the concept of the first rolling 3-year period and an illustration of the required CPE hours in each rolling 3-year period, please refer to Appendix II.

For Registration as a Public Accountant

13. For the purpose of registration as a public accountant, the legislated requirement is 40 hours of CPE in the 12 months immediately preceding the date of application, out of which at least 30 hours must be structured.
- a. For *ALL* applicants for registration as public accountants (except for those who are applying to be registered as public accountants only for the purpose of becoming judicial managers and do not intend to perform audits), at least 20 of the 30 structured hours should be acquired in core expertise areas as follows:
    - At least 6 hours in Financial Reporting Standards and Pronouncements (Category 1);
    - At least 3 hours in Ethics and Professionalism (Category 2); and
    - At least 6 hours in Auditing Standards, Pronouncements and Methodology (Category 3).
  - b. For applicants who are applying to be registered as public accountants only for the purpose of becoming judicial managers and do not intend to perform audits, at least 15 of the 30 structured hours should be acquired in core expertise areas as follows:
    - A total of at least 10 structured hours in Financial Reporting Standards and Pronouncements (Category 1) and Insolvency and Restructuring

- (Category 4) of which at least 3 hours must be in Insolvency and Restructuring (Category 4); and
- 3 hours in Ethics and Professionalism (Category 2).

Applicants who have completed the Public Practice Programme in the 12 months immediately preceding the date of application would be exempted from the requirement to obtain 3 hours in Ethics and Professionalism (Category 2) for the purpose of registration as public accountants. However, they would still be required to meet the total requisite CPE hours.

### **Structured and Unstructured Learning**

14. A CPE programme would comprise both *structured* and *unstructured* learning.
15. *Structured* learning could include attendance either as a lecturer or a participant, at formal courses or conferences, or services rendered while serving on technical committees, where technical material is prepared or reviewed by the member. Guidelines are provided in Appendix III.
16. *Unstructured* learning could include non-formal activities such as reading of technical, professional, financial or business literature, self study and research.
17. CPE programmes will qualify for structured learning if:
  - a. An agenda or outline of the programme is prepared. The agenda or outline should indicate the following information:
    - Name of instructor(s)
    - Learning objectives
    - Programme content
    - Advance Preparation (if required)
    - Instructional delivery methods
    - Date of programme
    - Length of programme
    - Recommended CPE Hours
  - b. A qualified instructor or discussion leader conducts the programme. A qualified instructor or discussion leader is anyone whose background, training, education or experience is appropriate for developing the particular programme or leading a discussion on the subject matter at the particular programme.
  - c. There is evidence of participation in the programme.
18. In selecting the programmes, public accountants are encouraged to take into account the guidelines for CPE programme providers as outlined in Appendix IV.

### **Compliance Procedures**

19. Public accountants are required to maintain their own CPE records in the format set out in the Appendix V.

20. Public accountants are responsible for accurate recording of the appropriate number of CPE hours undertaken and must retain appropriate documentation of their participation in structured and unstructured learning activities including (1) name and contact information of CPE programme provider (2) title and description of content (3) date of programme and (4) number of CPE hours.
21. Evidence of participation can be in the form of certificates, receipts, attendance lists, employers' or lecturers' letters of certification. Public accountants should retain all these records and evidence of participation for a period of three years (excluding the current year). Evidence of participation must be produced when requested.
22. Where a public accountant is found not to have complied with the PAOC's CPE syllabus, PAOC reserves the right to require the public accountant to take appropriate action to rectify the situation.
23. Public accountants found to have made a declaration of the CPE compliance without due regard may be referred to the PAOC.

**PUBLIC ACCOUNTANT COMPETENCY MAP**

**Core Expertise**

The following categories are the core expertise areas of the public accountants for which minimum structured learning hours in each rolling 3-year period have been stipulated.

- a. For *ALL* public accountants (except for
  - (i) those public accountants who are registered only for the purpose of becoming judicial managers and do not perform audits; or
  - (ii) those public accountants who are also approved liquidators):

<b>Category</b>	<b>Description</b>
1	Financial Reporting Standards and Pronouncements
2	Ethics and Professionalism
3	Auditing Standards, Pronouncements and Methodology

- b. For those public accountants who are registered only for the purpose of becoming judicial managers and do not perform audits; or

<b>Category</b>	<b>Description</b>
1	Financial Reporting Standards and Pronouncements
2	Ethics and Professionalism
4	Insolvency and Restructuring

- c. For those public accountants who are also approved liquidators:

<b>Category</b>	<b>Description</b>
1	Financial Reporting Standards and Pronouncements
2	Ethics and Professionalism
3	Auditing Standards, Pronouncements and Methodology
4	Insolvency and Restructuring

**Other Relevant Expertise**

For the remaining structured learning hours, the public accountants are free to participate in any learning activities as long as they are considered relevant to the work of a public accountant and are designed to maintain or improve their professional competence. In reporting the CPE obtained, the public accountants are required to provide information on the relevance of the course to his function as a public accountant.

The following would be considered as relevant to the work of a public accountant and serves as a guide to the public accountants in their evaluation of learning and professional development to meet the CPE requirements:

- a. Corporate governance such as international or local governance guidelines, regulations and codes
- b. Developments and updates on changes to relevant statutes and regulations
- c. Information technology controls and security risks
- d. Organisational risk management processes, business processes and internal controls
- e. Corporate finance such as business and securities valuation and financial analysis
- f. Forensic accounting and fraud investigation
- g. Leadership competencies such as practice and people management

### CONCEPT OF THE ROLLING 3-YEAR PERIOD

The first rolling 3-year period for the new CPE requirement is the 36 months from 1 January 2011 to 31 December 2013. A CPE Reporting Year is a period of 12 months commencing on 1 January of each year and ending on 31 December of each year.

Rolling 3-year periods	2011		2012		2013		2014		2015	
	1 Jan	31 Dec								
1 <sup>st</sup>	1 <sup>st</sup> CPE Year		2 <sup>nd</sup> CPE Year		3 <sup>rd</sup> CPE Year					
2 <sup>nd</sup>			1 <sup>st</sup> CPE Year		2 <sup>nd</sup> CPE Year		3 <sup>rd</sup> CPE Year			
3 <sup>rd</sup>					1 <sup>st</sup> CPE Year		2 <sup>nd</sup> CPE Year		3 <sup>rd</sup> CPE Year	

**APPENDIX II**

**AN ILLUSTRATION OF THE REQUIRED CPE HOURS IN EACH ROLLING 3-YEAR PERIOD**

**For ALL public accountants (except for:**

**(i) those public accountants who are registered only for the purpose of becoming judicial managers and do not perform audits; and (ii) those public accountants who are also approved liquidators):**

	Structured CPE Hours*	Unstructured CPE Hours	Total Hours
<b>Core Expertise</b>	<b>At least 60</b>	30 (can be obtained through learning in core or other relevant expertise)	<b>At least 60</b>
Category 1 of Public Accountant Competency Map: Financial Reporting Standards and Pronouncements	At least <b>18</b>		At least <b>18</b>
Category 2 of Public Accountant Competency Map: Ethics and Professionalism	At least <b>9</b>		At least <b>9</b>
Category 3 of Public Accountant Competency Map: Auditing Standards, Pronouncements and Methodology	At least <b>18</b>		At least <b>18</b>
Remaining CPE hours in Core Expertise can be in Category 1, 2 or 3	Remaining <b>15</b>		
<b>Remaining CPE Hours assuming minimum CPE hours in Core Expertise obtained</b>	30 (can be obtained through learning in core or other relevant expertise)		
	At least <b>90</b>	30	At least <b>120</b>

\* At least 20 hours of structured learning (in either core or other relevant expertise) must be acquired in each calendar year.

**For public accountants who are also approved liquidators:**

	Structured CPE Hours*	Unstructured CPE Hours	Total Hours
<b>Core Expertise</b>	<b>At least 60</b>	30 (can be obtained through learning in core or other relevant expertise)	<b>At least 60</b>
Category 1 of Public Accountant Competency Map: Financial Reporting Standards and Pronouncements	At least <b>18</b>		At least <b>18</b>
Category 2 of Public Accountant Competency Map: Ethics and Professionalism	At least <b>9</b>		At least <b>9</b>
Category 3 of Public Accountant Competency Map: Auditing Standards, Pronouncements and Methodology	At least <b>18</b>		At least <b>18</b>
Category 4 of Public Accountant Competency Map: Insolvency and Restructuring	At least <b>9</b>		At least <b>9</b>
Remaining CPE hours in Core Expertise can be in Category 1, 2, 3 or 4	Remaining <b>6</b>		
<b>Remaining CPE Hours assuming minimum CPE hours in Core Expertise obtained</b>	30 (can be obtained through learning in core or other relevant expertise)		
	At least <b>90</b>	30	At least <b>120</b>

\* At least 20 hours of structured learning (in either core or other relevant expertise) must be acquired in each calendar year.

**For public accountants who are registered only for the purpose of becoming judicial managers and do not perform audits:**

	Structured CPE Hours*	Unstructured CPE Hours	Total Hours
<b>Core Expertise</b>	<b>At least 45</b>		
Category 1 of Public Accountant Competency Map: Financial Reporting Standards and Pronouncements and Category 4 of Public Accountant Competency Map: Insolvency and Restructuring	A total of at least <b>30</b> of which at least <b>9</b> in <b>Category 4</b>	30 (can be obtained through learning in core or other relevant expertise)	A total of at least <b>30</b> of which at least <b>9</b> in <b>Category 4</b>
Category 2 of Public Accountant Competency Map: Ethics and Professionalism	At least <b>9</b>		At least <b>9</b>
Remaining CPE hours in Core Expertise can be in Category 1, 2 or 4	Remaining <b>6</b>		
<b>Remaining CPE Hours assuming minimum CPE hours in Core Expertise obtained</b>	45 (can be obtained through learning in core or other relevant expertise)		
	At least <b>90</b>	30	At least <b>120</b>

\* At least 20 hours of structured learning (in either core or other relevant expertise) must be acquired in each calendar year.

**STRUCTURED LEARNING**

Examples of structured learning include:

1. Relevant<sup>1</sup> courses that are conducted by
  - a. Recognised professional bodies;
  - b. Educational institutions;
  - c. Certified public accounting firms; or
  - d. Business organisations.
2. Online courses, CD-ROM or structured video learning or other individual study programmes that require some evidence of successful completion by the public accountant.
3. Participation as a speaker or attendee in conferences, briefing sessions or discussion groups in relevant courses.
4. Acting as a lecturer, instructor or discussion leader on a structured course.
5. Contributions to relevant technical materials which should be published. Contributions include:
  - a. Writing technical articles, papers or books.
  - b. Conducting updates, reviews and research for technical manuals/handbooks.
6. Service as a member of a committee or board of a recognised professional body or standards-setting body to the extent that technical material is prepared or reviewed by the public accountant.

**GUIDELINES FOR CPE PROGRAMME MEASUREMENT**

1. The educational portion of the programme is at least one CPE hour.
2. Learning activities are measured by programme length with one-hour of educational period equal to one CPE hour. CPE hour is not granted to participants for preparation time.
3. Instructors, discussion leaders or speakers who present a learning activity for the first time should receive CPE hours for actual preparation time up to two times the number of CPE hours to which participants are entitled, in addition to the time for presentation. For repeat presentations, in addition to the time for presentation, CPE hours for the actual preparation time up to two times the number of CPE hours to which participants are entitled can be claimed only if it can be demonstrated that the learning activity content was substantially changed and such change requires significant additional study or research.
4. Individual study programmes, which require registration, will qualify in the year in which the programme is completed as established by the evidence of completion by the

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<sup>1</sup> Relevant: Relevant to the work of the public accountant.

programme provider. Where the study programme comprises several segments to complete over a period of years, the public accountant can claim CPE hours in the year in which he/she completes the segment with the appropriate evidence of completion. Where the programme does not comprise segments and straddles over two CPE years, the full CPE hours can be claimed in the year in which the public accountant completes the programme.

5. For the writer or reviewers of articles, papers, books or who updates or reviews technical manuals/handbooks, CPE hours should be claimed only upon publication.
6. Service of one hour as a member of a committee, board of a recognised professional body or standards-setting body would equal to one CPE hour. Only the portion of meetings qualify as structured CPE hour.

**GUIDELINES FOR CPE PROGRAMME PROVIDERS**

1. Learning activities should specify the relevant learning objectives and outcomes and clearly articulate the knowledge, skills and abilities that can be gained by the participants. CPE programme providers should provide descriptive materials that enable public accountants to assess the appropriateness of learning activities. To achieve this, CPE programme providers should provide materials that specify:
  - a. Name of instructor (s)
  - b. Learning objectives
  - c. Prerequisites
  - d. Programme content
  - e. Advance preparation (if required)
  - f. Instructional delivery methods
  - g. Length of programme
  - h. Recommended CPE hours
2. CPE programme providers should use activities, materials and delivery systems that are current, technically accurate and effectively designed.
3. CPE programme instructors must be qualified with respect to both programme content and instructional methods used. A qualified instructor or discussion leader is anyone whose background, training, education or experience is appropriate for developing the particular programme.
4. CPE programme providers should provide evidence of participation to each participant.
5. CPE programme providers should employ an effective means of obtaining feedback from participants on whether:
  - a. Stated learning objectives are met.
  - b. Programme content and materials are accurate, relevant and have contributed to achieving the learning objectives.
  - c. Programme instructors are effective. Attributes evaluated can include:
    - Organisation and presentation of learning activity
    - Knowledge of subject matter
    - Clarity in conveying ideas
    - Use of relevant examples
  - d. Instructional methods employed are appropriate for learning activities
  - e. Time allotted to learning activity is appropriate
  - f. Facilities and/or technological equipment are appropriate
6. CPE programme providers should retain records of attendance sheets, date of programme, programme outline and materials, name of instructor and number of CPE hours for a period of 3 years (excluding the current year) for independent verification purposes.

**CONTINUING PROFESSIONAL EDUCATION RECORDS**  
(Part 1: Structured Hours)

This form is to be maintained in accordance with Section 13(3)(a) of the Accountants Act.

**Rolling 3-Year Period** : 1 January \_\_\_\_\_ to 31 December \_\_\_\_\_

**For the Year Ended** : 31 December \_\_\_\_\_

**State if this is the 1<sup>st</sup> or 2<sup>nd</sup> or 3<sup>rd</sup> CPE Year of the Rolling 3-Year Period** : \_\_\_\_\_

Name: \_\_\_\_\_ Registration No.: \_\_\_\_\_

			Structured CPE Hours				
Date	Description or Title of Course or Activity  State relevance and objective of course for hours classified under "Other Relevant Expertise"	Organised By	Financial Reporting Standards and Pronouncements (Category 1)	Ethics and Professionalism (Category 2)	Auditing Standards and Pronouncements (Category 3)	Insolvency and Restructuring (Category 4)	Other Relevant Expertise
Structured CPE Hours from continuation sheet attached (if applicable)							
Total Structured CPE Hours for the Year (a)							
Structured CPE Hours for Year-1 carried forward (b)							
Structured CPE Hours for Year-2 carried forward (c)							
Total Structured CPE Hours for the rolling 3-year period (d) = (a)+(b)+(c)							

**CONTINUING PROFESSIONAL EDUCATION RECORDS**  
(Part 2: Unstructured Hours)

Date	Description or Title of Course or Activity	State relevance and objective of course for hours classified under "Other Relevant Expertise"	Unstructured CPE Hours				
			Financial Reporting Standards and Pronouncements (Category 1)	Ethics and Professionalism (Category 2)	Auditing Standards and Pronouncements (Category 3)	Insolvency and Restructuring (Category 4)	Other Relevant Expertise
Unstructured CPE Hours from continuation sheet attached (if applicable)							
Total Unstructured CPE Hours for the Year (e)							
Unstructured CPE Hours for Year-1 carried forward (f)							
Unstructured CPE Hours for Year-2 carried forward (g)							
Total Unstructured CPE Hours for the rolling 3-year period (h) = (e)+(f)+(g)							
Total Structured CPE Hours for the rolling 3-year period (d)							
Grand Total CPE Hours for the rolling 3-year period (h)+(d)							