

Prospective Member's Record of Practical Experience for Membership Admission

ORGANISATIONAL REVIEW QUESTIONNAIRE

IMPORTANT:

- This questionnaire should be completed by the employer of the prospective member applying for membership of the Hong Kong Institute of Certified Public Accountants ("HKICPA"/"the Institute"). The employer is located in the Mainland and is not an Authorised Employer and does not employ any Authorised Supervisor registered with the HKICPA.
- Please read the Notes carefully before completing this questionnaire.
- All information and documents provided will be used for purposes relating to the assessment of the HKICPA membership application from the prospective member.

PART A – ORGANISATION DETAILS

The organisation fulfills one of the following conditions: *(Please put a "✓" in the appropriate box and attach relevant documents.)*

- The organisation is that of (i) a Hong Kong entity or a branch/ subsidiary thereof, or (ii) an entity operating in a recognised jurisdiction* or a branch/ subsidiary thereof, or (iii) a joint venture with a Hong Kong entity or an entity operating in a recognised jurisdiction*. *(Please attach sample letterhead of the holding company of the organisation.)*
- The organisation is a CPA practice and is affiliated to an international CPA practice or a CPA practice in Hong Kong or a recognised jurisdiction* AND the prospective member's work related to the accounting practices of Hong Kong or those of a recognised jurisdiction*. Affiliation may include member firms, associate firms and other affiliates, the relationship of which is formalised by a signed written agreement. *(Please attach a CERTIFIED copy of the affiliation agreement.)*
- The prospective member in the organisation works under the direct supervision of a member of HKICPA or an accountancy body which has entered into a Reciprocal Membership Agreement ("RMA") with HKICPA#. *(Please provide a letter issued by the organisation, certifying the direct supervision relationship between the supervisor and the prospective member AND a CERTIFIED copy of the supervisor's membership certificate issued by the recognised accountancy institute.)*

* A recognised jurisdiction means a country whose accountancy profession is under the jurisdiction of an accountancy body recognised by the HKICPA, i.e. Australia, Canada, Ireland, New Zealand, South Africa, the United Kingdom and Zimbabwe.

Currently, the following institutes have entered into a RMA with HKICPA:
 Institute of Chartered Accountants in Australia
 Institute of Chartered Accountants in England and Wales
 Institute of Chartered Accountants in Ireland
 Institute of Chartered Accountants of New Zealand
 Institute of Chartered Accountants of Scotland
 Institute of Chartered Accountants of Zimbabwe
 South African Institute of Chartered Accountants

PART B – ORGANISATIONAL TRAINING FRAMEWORK

Please answer every question and provide details as appropriate. The questions are to facilitate responses of various aspects of the training framework of the organisation. If there is no current procedure but a procedure is being introduced, please indicate this in your response.
(Please use separate sheets if space is not sufficient)

1	Hierarchy and structure of the training
1.1	<p>Describe the purpose and the overall strategies for the training of prospective HKICPA members in the organisation and how these are monitored by senior management.</p> <p><i>Consider:</i></p> <ul style="list-style-type: none"> • <i>Who is responsible for ensuring that practical experience of prospective members is aligned to the strategy of the organisation as a whole?</i> • <i>What policies/procedures are in place to monitor this alignment?</i> • <i>Who is responsible for this training and to whom do they report?</i> • <i>The backing and support provided in terms of resources</i> <p><i>Response:</i></p> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>
1.2	<p>Describe your organisation’s commitment to provide appropriate work experience for HKICPA membership admission.</p> <p><i>Consider:</i></p> <ul style="list-style-type: none"> • <i>Whether strong commitment is expressed, particularly in marketing or recruitment material, job descriptions, employment contracts, etc.?</i> • <i>Specific work programme for meeting the period and other practical experience requirements of HKICPA</i> <p><i>Response:</i></p> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>

2	Training support
2.1	<p>Demonstrate that the organisation has appropriate professional, organisational and information technology resources to provide quality staff development, including training.</p> <p><i>Consider:</i></p> <ul style="list-style-type: none"> • <i>Annual budget for staff development</i> • <i>Staff development overseen by suitably qualified person(s)</i> • <i>Work experience supervised by suitably qualified and experienced staff</i> • <i>Training provided by suitably qualified staff</i> • <i>Access to appropriate information technology</i> <p><i>Response:</i></p> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>
2.2	<p>Describe indicators that show the organisation's commitment to staff development and keeping all staff up to date.</p> <p><i>Consider:</i></p> <ul style="list-style-type: none"> • <i>Annual budget for staff development</i> • <i>Regular technical update sessions (at least annually)</i> • <i>Does the organisation maintain professional development records for each member of staff?</i> • <i>Has the organisation established a minimum library list, including International Financial Reporting Standards (IFRS) and / or other relevant accounting texts? If not, please explain how this area is addressed.</i> <p><i>Response:</i></p> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>

2.3	<p>Describe the organisation's approach to accounting, and senior management attitude towards modern systems, compliance with best practice and continuous improvement.</p> <p><i>Consider:</i></p> <ul style="list-style-type: none"> • <i>Is professional approach displayed?</i> • <i>Is senior management supportive?</i> • <i>Workload assignment policies, systems and processes that take into account the training and development needs of all staff. These must have sufficient flexibility to cater for varying abilities and levels of experience.</i> <p><i>Response:</i></p> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>
3	Staff development
3.1	<p>Describe the organisation's ability to conduct a reasonable mix of accounting work so the prospective members can obtain appropriate breadth and depth of practical experience, in accordance with the HKICPA Practical Experience Framework.</p> <p><i>Consider:</i></p> <ul style="list-style-type: none"> • <i>Be able to offer in-depth work experience in competencies listed in the fundamentals of accounting and at least one of seven areas (Financial Reporting, Auditing, Financial Management, Taxation, Management Accounting, Information Management and Technology and Insolvency) and the development of generic competencies as described in the Prospective Member's Record of Practical Experience for Membership Admission.</i> • <i>A programme that defines the work experience opportunities prospective accountants will be offered to enable them to develop competencies in these areas (1 depth, 2 breadth)</i> <p><i>Response:</i></p> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>

3.2	<p>Describe the internal procedures to provide regular monitoring, reallocation of work, as necessary, and supervision of the prospective members' practical experience. These should include appropriate on-the-job training, counselling and development of individual technical competencies as well as generic attributes required.</p> <p><i>Consider:</i></p> <ul style="list-style-type: none"> • <i>Whether there is a documented internal competence based performance review system to monitor achievement of desired competencies?</i> • <i>Supervisors (not necessarily with direct staff responsibility for the prospective members) to provide counselling and coaching to assist the prospective members in the development of their attributes</i> • <i>Provision of a description of the work experience a prospective members will be exposed to in the course of meeting the HKICPA's practical experience requirements</i> • <i>Whether the organisation's career development policies and procedures are well communicated to staff?</i> • <i>Regular supervision and feedback through formal interviews to align experience with desired competencies</i> • <i>Procedures for relevant supervisor to conduct an interview and sign off relevant parts of the Prospective Member's Record of Practical Experience, at least on an annual basis</i> • <i>Procedures for problem resolution in the event of disputes about level and quantity of experience being received</i> <p><i>Response:</i></p> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>
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4	Monitoring and Quality Assurance
4.1	<p>Has a senior person, specific individual or group been assigned responsibility for recruiting, developing and monitoring progress of prospective members?</p> <p><i>Consider:</i></p> <ul style="list-style-type: none"> • <i>What backing/support is given to this individual or group to ensure that sufficient authority is given to ensure compliance?</i> • <i>Whether there is a Quality Assurance programme for ensuring that all elements are delivered to the appropriate standard?</i> <p><i>Response:</i></p> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>
4.2	<p>Describe the assessment process used to evaluate the performance of the supervisors.</p> <p><i>Consider:</i></p> <ul style="list-style-type: none"> • <i>Who performs the assessments?</i> • <i>Who monitors the assessment process to ensure that it is completed on a timely basis?</i> • <i>Whether the assessment is linked to the individual's corporate performance assessment process that deals with performance rewards?</i> <p><i>Response:</i></p> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>

The questionnaire should be submitted together with the following documents as appropriate for the Institute's assessment:

- ✧ In-house training handbook / training course programme / samples of training materials
- ✧ Staff training records
- ✧ Staff appraisal form / report
- ✧ Job evaluation form (for single assignment)
- ✧ Job allocation list
- ✧ Staff time sheet
- ✧ Booklist of office's library
- ✧ Employment contract
- ✧ Any other existing documentation/documents relating to training HKICPA prospective members.

We declare that the above information is true and complete to the best of our knowledge and belief, and we waive all claims against the HKICPA for any loss or damage we may suffer arising from the membership application of (Mr./Mrs./Ms.)* _____.
(Name of prospective member)

Company Chop: _____ **Signature:** _____
Name of the organisation: _____ **Name of Representative:** _____
Date: _____ **Title:** _____

* Please delete as appropriate.

NOTES

PLEASE READ THESE NOTES CAREFULLY BEFORE COMPLETING THIS QUESTIONNAIRE

NOTE 1 – HONG KONG INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS AND CPA QUALIFICATION PROGRAMME

- 1.1 The Hong Kong Institute of Certified Public Accountants ("HKICPA" / "the Institute"), is the only body in Hong Kong authorised by law to register and grant practising certificates to Certified Public Accountants in Hong Kong. Members of the Institute are entitled to the description **Certified Public Accountant** and to the designatory letter **CPA**.
- 1.2 The CPA Qualification Programme (QP) of the HKICPA is a comprehensive training programme that provides the knowledge and skills necessary to become a CPA. Graduates of the QP are eligible to apply for HKICPA membership upon completion of the prescribed years and type of practical experience.

NOTE 2 – AGREEMENT ON MUTUAL EXAMINATION PAPER EXEMPTIONS FOR MAINLAND AND HONG KONG ACCOUNTANTS UNDER CLOSER ECONOMIC PARTNERSHIP ARRANGEMENT II

- 2.1 An agreement on mutual examination paper exemptions (MEPE) was signed between the Mainland and HKSAR government alongside the signing of the Closer Economic Partnership Arrangement II (CEPA) in 2004 to build a stronger relationship between the accountancy profession in the Mainland and Hong Kong. Under the MEPE, candidates who pass the national examination for Certified Public Accountants in the Mainland will be exempted from two subjects – financial management and auditing of the CPA's QP and vice versa.

NOTE 3 – PRACTICAL EXPERIENCE FOR HKICPA MEMBERSHIP ADMISSION

- 3.1 With effect from 1 January 2005, HKICPA's registered students who have completed the CPA's QP applying for HKICPA membership are required to fulfill the practical experience requirement under the Institute's Practical Experience Framework ("PEF"). Under the PEF, registered students have to work either under an Authorised Employer ("AE") or an Authorised Supervisor ("AS") in his/her employing organisations to acquire the requisite practical experience for HKICPA membership admission purposes. For details of the PEF, please refer to the Institute's website: <http://www.hkicpa.org.hk/membership/registrationmatters/registration/training/PEF/pef.php>
- 3.2 Registered students, who are QP graduates under the MEPE as stated in Note 2.1 above and working in the Mainland are also required to acquire practical experience under AE/AS complying with the PEF. If his/her employer/supervisor in the Mainland is not eligible for registration as AE/AS, his/her employing organisation is required to meet certain criteria as stated in Note 3.3 below such that the practical experience acquired by the registered student can be recognised for HKICPA membership admission purposes.
- 3.3 Registered students who are QP graduates under the MEPE and working in the Mainland will be regarded as having worked under a structured training environment of a standard equivalent to the AE/AS PEF if all of the following criteria are met:
- (i) He/She complies with the competency requirements of the PEF and completes the HKICPA training records duly certified by his supervisor AND a member of Chinese Institute of Certified Public Accountants ("CICPA") or HKICPA or an accountancy body which has entered into a Reciprocal Membership Agreement ("RMA") with the Institute[#]; and
 - (ii) The employer/supervisor in the Mainland meets the following quality assurance criteria which will be used to deem that the registered student has worked under a structured training environment of a standard equivalent to the AE/AS PEF in Hong Kong:
 1. The employer or employing organisation of the registered student in the Mainland ("Mainland Entity") must fulfill any one of the following conditions:
 - (a) the Mainland Entity is that of (i) a Hong Kong entity or a branch/ subsidiary thereof, or (ii) an entity operating in a recognised jurisdiction* or a branch/ subsidiary thereof, or (iii) a joint venture with a Hong Kong entity or an entity operating in a recognised jurisdiction*; or

- (b) the Mainland Entity is a CPA practice and is affiliated to an international CPA practice or a CPA practice in Hong Kong or a recognised jurisdiction* AND the registered student's work related to the accounting practices of Hong Kong or those of a recognised jurisdiction*. Affiliation may include member firms, associate firms and other affiliates, the relationship of which is formalised by a signed written agreement; or
 - (c) the registered student works under the direct supervision of a member of the Institute or an accountancy body which has entered into a RMA with the Institute#.
2. The supervisor within the Mainland entity must be able to provide adequate coaching, guidance and sufficient opportunities to the applicant to acquire the appropriate breadth and depth of practical experience and develop the technical and generic competencies under the PEF.
 3. The supervisor is required to be a current full member with voting rights of a full member body of the International Federation of Accountants ("IFAC"). Please refer to the IFAC's website at: www.ifac.org/About/ to check the list of IFAC full member bodies.
 4. To demonstrate that it has a training framework in place, the employer or employing organisation of the registered student is required to:-
 - (i) have a strong commitment to provide appropriate work experience to the registered students for HKICPA membership admission purposes;
 - (ii) have appropriate professional, organisational and information technology resources to provide quality staff development and training to the registered students;
 - (iii) be committed to staff development and keeping all staff up to date;
 - (iv) display a professional approach to accounting with supportive senior management attitude towards modern systems, compliance with best practice and continuous improvement; and
 - (v) have internal procedures for monitoring and supervision, including on-the-job training, counseling and development of both technical and generic competencies, of the registered students.

* A recognised jurisdiction means a country whose accountancy profession is under the jurisdiction of an accountancy body recognised by the HKICPA, i.e. Australia, Canada, Ireland, New Zealand, South Africa, the United Kingdom and Zimbabwe.

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 Institute of Chartered Accountants of New Zealand
 Institute of Chartered Accountants of Scotland
 Institute of Chartered Accountants of Zimbabwe
 South African Institute of Chartered Accountants

NOTE 4 – ENQUIRIES

Please contact the Admission Department of the Institute via email: admission@hki CPA.org.hk; telephone: (852) 2287 7228; or fax: (852) 2575 6852 / 2865 6603.

The completed questionnaire and supporting documents should be submitted by the prospective member to the HKICPA along with the Prospective Member's Record of Practical Experience and the membership application form (Form R-3).