

Frequently Asked Questions (FAQs)

Agreement for Mutual Examination Paper Exemption between the Hong Kong Institute of Certified Public Accountants and the Chartered Institute of Management Accountants (CIMA)

As Hong Kong's only statutory accounting body, one of the Institute's main duties is to advance the accounting profession in Hong Kong. To that end, the Institute ended all of its mutual recognition agreements in June 2005 and began a process of reviewing all overseas qualifications to measure them against the Institute's qualification programme. One of the overseas qualifications that has been reviewed is the CIMA's.

The list of questions and answers is intended to help prospective membership applicants learn how the agreement affects them.

It contains three parts:

- Section 1: General
- Section 2: Hong Kong Institute of CPAs' members applying for CIMA membership
- Section 3: CIMA members applying for the Hong Kong Institute of CPAs' membership

Section 1: General

Q1. What is MEPE with CIMA? How is it different from an MRA signed with other bodies?

A1. The agreement for mutual examination paper exemption (MEPE) with CIMA took effect from 1 July 2006 and is valid until 30 June 2011. Under the MEPE, both bodies partially recognise each other's professional examinations for membership admission. All members of the Hong Kong Institute of CPAs are eligible for partial exemptions from CIMA's professional examinations, and have to satisfy CIMA's other membership requirements including practical experience for membership admission. On the other hand, CIMA members who have sat and passed CIMA's professional examinations are eligible for partial exemption from the Institute's QP, and must fulfill specified conditions in order to qualify for membership in the Hong Kong Institute of CPAs.

Under a mutual recognition agreement (MRA), the Institute and the other body

recognised each other's professional examinations in full. In other words, members of the other body who completed its professional examination are exempted from the Institute's examination requirement (i.e. not required to complete the Institute's CPA qualification programme (QP)) when they apply for the Institute's membership, and vice versa.

Q2. Is the MEPE restricted to members who qualified through the QP like some of the recognition agreements?

A2. No, this MEPE Agreement with CIMA is open to all HKICPA members, regardless of whether they have taken QP or not.

Q3. What other types of recognition agreements does the Institute have? Why are there so many different types of recognition agreements?

A3. The Institute has entered into a number of types of agreements in order to benchmark overseas qualifications with the Institute's QP. As overseas bodies' vary greatly in the way they qualify accountants, a variety of agreements are necessary. We have five basic types of recognition agreements:

Membership and cooperation agreement (MCA) – The Institute has signed an MCA with ICAEW. Under the MCA, the Institute recognises both the professional examinations and practical experience training of ICAEW members. ICAEW members are exempted from taking the Institute's QP and aptitude tests for membership admission.

Reciprocal membership agreement (RMA) – The Institute has signed RMAs with seven chartered accountancy bodies. Under the RMA, the Institute recognises both the professional examinations and practical experience training of the other body such that members of the other body are exempted from taking the Institute's QP and only need to sit and pass the Institute's aptitude tests for membership admission.

Mutual recognition agreement (MRA) – The Institute has signed an MRA with CPA Australia. Under the MRA, the Institute recognises the professional examinations of the other body. Members of the other body are exempted from the Institute's QP, but need to sit and pass the Institute's aptitude tests and satisfy the Institute's practical experience requirements for membership admission.

(Note: The agreement with the Canadian Institute of Chartered Accountants, though named as an MRA, is in substance similar to an RMA.)

Mutual examination paper exemptions (MEPE) – Besides the MEPE with CIMA,

there is also an MEPE for Mainland and Hong Kong Accountants. Under this MEPE, members of the Chinese Institute of Certified Public Accountants who have sat and passed the PRC CPA Uniform Examination are eligible for exemptions from three modules of the Institute's QP. They need to complete one module and the final examination and satisfy the Institute's practical experience requirements in order to become the Institute's members.

Agreement for recognition arrangements (ARA) - Under the ARA, ACCA members are required to fulfill eight criteria, including graduate entry, completion of the QP workshops and final examination and meeting the Institute's practical experience requirements, in order to become the Institute's members.

The Institute has entered each recognition agreement after completion of a thorough review of the other body's professional examination and admission requirements vis-à-vis the QP. Each body can decide its own admission process, and the level of recognition by the Institute depends on how comparable their training is with the QP in preparing members to become CPAs in Hong Kong.

Section 2: Hong Kong Institute of CPAs' members applying for CIMA membership

Q1. What are the criteria for the Institute's members to become CIMA members under the MEPE?

A1. The MEPE only governs the exemptions from the professional examinations of the Institute and CIMA respectively by members of the other body, and members of each body have to satisfy other specified conditions for membership admission to the other body. All Hong Kong Institute of CPA members, including QP and non-QP qualified members, are exempted from the CIMA Certificate and all papers of the CIMA Professional Qualification programme except Paper 3 (Management Accounting – Risk and Control Strategy) and Test of Professional Competence in Management Accounting (TOPCIMA). To be eligible for CIMA membership, they need to sit and pass Paper 3 and TOPCIMA of the CIMA Professional Qualification programme, have at least three years of practical experience as a management accountant recognised by CIMA and meet other standard membership application requirements of CIMA from time to time, e.g. be fit and proper and not subject to any adverse disciplinary findings or pending complaint or investigation.

Q2. I was admitted to the Hong Kong Institute of CPAs upon completion of the HKSA/ACCA joint examination scheme (JES) and have not enrolled in the QP. Is the MEPE applicable to me?

A2. Yes, the MEPE is valid until 30 June 2011 and applies to all Hong Kong Institute of CPA members.

Q3. I am a QP candidate. Do I need to register as an CIMA student in order to take advantage of the MEPE?

A3. Yes, and before you register as an CIMA student to take Paper 3 and TOPCIMA of the CIMA Professional Qualification programme, you have to become a member of the Hong Kong Institute of CPAs first; a QP student is not eligible for the exemptions from the CIMA Professional Qualification programme under the MEPE until they have become our Institute members.

Q4. I have been admitted to QP by virtue of the agreement on the mutual examination paper exemptions for mainland and Hong Kong accountants under CEPA II/V and have been granted exemptions on two/three modules. Can I apply for exemptions from the CIMA Professional Qualification programme under the MEPE?

A4. Yes, but only after you have become a member of the Hong Kong Institute of CPAs.

Q5. I am a member of the Hong Kong Institute of CPAs. Can I enroll to Paper 3 and TOPCIMA of the CIMA Professional Qualification programme at the same time under the MEPE?

A5. No, you have to pass Paper 3 and acquired the 3-year practical experience as a management accountant recognised by CIMA before you are eligible to sit for the TOPCIMA.

Section 3: CIMA members applying for the Hong Kong Institute of CPAs' membership

Q1. What are the criteria for CIMA members to become the Institute's members under the MEPE?

A1. The MEPE only governs the exemptions from the professional examinations of the Institute and CIMA respectively by members of the other body, and members of each body have to satisfy other specified conditions for membership admission to the other body. CIMA members who have sat and passed the CIMA Professional Qualification programme are eligible for exemptions from Module B (Financial Management) and Module D (Taxation) of the Institute's QP. CIMA members who wish to apply for membership of the Hong Kong Institute of CPAs need to meet the following criteria:

1. hold an accounting or non-accounting degree accredited or recognised by the Institute;
2. pass the CIMA Professional Qualification programme;
3. complete and pass the workshops of either Module A (Financial Reporting) or Module C (Auditing and Information Management) of the Institute's QP and the module examinations of both these two modules;
4. pass the final examination of the QP;
5. pass the Institute's aptitude tests on Hong Kong law and Hong Kong taxation;
6. gain at least three years of relevant accounting experience under an authorized employer or supervisor registered with the Institute and complying with the Institute's practical experience requirements or, in the case of overseas experience, equivalent experience recognised by the Institute;
7. be a CIMA member in good standing; and
8. meet other standard membership application requirements of the Institute from time to time, e.g. be fit and proper and not subject to any adverse disciplinary findings or pending complaint or investigation.

Degree recognition

Q2. I have a Bachelor of Science (Hons) in applied accounting from Oxford Brookes University. Am I eligible for membership in the Hong Kong Institute of CPAs under the MEPE?

A2. No. The Bachelor of Science (Hons) in applied accounting is not accredited by the Institute yet.

Q3. What do you mean by “an accounting or non-accounting degree accredited or recognised by the Institute?”

A3. For an accounting degree, it means a university degree in accountancy accredited or recognised by the Institute for registration as a QP student of the Institute. For a non-accounting degree, it refers to a university degree (other than an accounting degree) accredited or recognised by the Institute for degree holders who wish to register as a student of the Institute upon completion of an accredited conversion programme.

Papers

Q4. I have been exempted by CIMA from sitting some of the 10 papers of the CIMA Professional Qualification programme. Have I met the requirement of having passed the CIMA Professional Qualification programme under the MEPE?

A4. Not necessarily. An applicant who has been exempted by CIMA from sitting any of the 10 papers of the CIMA Professional Qualification programme will be assessed by the Institute on a case-by-case basis to determine if the Institute’s full competency requirements have been satisfied. The applicant will be required to pay an overseas assessment fee, which currently is HK\$1,200. Any competency inadequacy identified by the Institute may be bridged by the applicant passing the relevant papers of the CIMA Professional Qualification programme or the relevant subjects in programmes of or accredited by the Institute.

Q5. When and how should I apply for assessment of my degree and the exemption(s) I have obtained from any of the 10 papers of the CIMA Professional Qualification programme? What documents do I need to submit?

A5. As you are required to register as a student of the Hong Kong Institute of CPAs in order to take the requisite QP modules and the final examination, you should apply for assessment of your degree and paper exemption(s) of the CIMA Professional Qualification programme when you submit your Hong Kong Institute of CPAs’ student registration application. You should submit certified true copies of your degree certificate, transcript and the CIMA Professional Qualification programme result report for the Institute’s assessment.

Workshops

Q6. I am a QP candidate and have already passed one module. I am also a CIMA member. Can my module result be transferred for satisfying one of the membership requirements under the MEPE?

A6. Yes, your module result can be used for satisfying the module requirement provided that the module is either Module A (Financial Reporting) or Module C (Auditing and Information Management).

Q7. I am a student of CIMA. Can I enroll for the workshops of QP Module A or C?

A7. No. You must be a member of CIMA and have obtained an accounting or non-accounting degree accredited or recognised by the Institute in order to be eligible for QP workshop enrolment.

Q8. I have attended some workshops offered by CIMA. Have I fulfilled the workshop requirement?

A8. No, you must complete and pass the workshops of either Module A or C of the QP.

Q9. What is the “workshop requirement” under the MEPE? How can I get a pass in the workshops?

A9. Under the MEPE, you must complete and pass the workshops of either Module A or C of the QP. In every QP module, there are four workshops, each lasting three to three-and-a-half hours. You are required to attend and participate in the workshops of the module, and your performance will be assessed by two workshop facilitators according to the Institute’s criteria. They will determine if you have passed the workshops. For more details, please look up the QP handbook at:

[http://www.hkicpa.org.hk/students\(NEW\)/siteA/qpFiles/qp6-1/handbook.pdf](http://www.hkicpa.org.hk/students(NEW)/siteA/qpFiles/qp6-1/handbook.pdf)

Final examination

Q10. Do I need to register as a student of the Hong Kong Institute of CPAs if I enrol in the workshops and/or module examination of Module A or C of the QP or the final examination?

A10. Yes, you must register as a student of the Hong Kong Institute of CPAs and hence, shall be subject to the standard enrolment procedures applicable to QP students. You will also be required to pay module fees and the final examination enrolment fees, and the initial and annual student subscription fees charged by the Institute.

Q11. I am a member of CIMA. I have not completed the QP modules yet. Can I sit the final examination first?

A11. No, you must complete and pass the workshops of either Module A or C of the QP and the module examinations of both these modules first before you are eligible to sit the final examination.

Q12. I am a student of CIMA. Can I sit the final examination?

A12. No. The MEPE stipulates that the MEPE benefits are only available after you complete the CIMA Professional Qualification programme and become a full member of CIMA.

Aptitude tests

Q13. Do I need to take the Hong Kong Institute of CPA's aptitude test? Are there any other options to satisfy the aptitude test requirement?

A13. Yes. The Institute's aptitude test consists of two examination papers on Hong Kong Law and Hong Kong Taxation using multiple-choice questions. You may also satisfy the aptitude test requirement by passing the Institute's PC-law and PC-tax planning examinations.

Q14. I have studied and passed the relevant subjects of the Hong Kong Institute of CPAs accredited accountancy programmes offered by tertiary institutions in Hong Kong before 30 June 2005. Are these results recognised as satisfying the aptitude test requirement under the MEPE?

A14. Yes.

Q15. I have sat and passed the relevant papers of the Hong Kong Institute of Accredited Accounting Technicians Examinations before 30 June 2005. Are these results recognised as satisfying the aptitude test requirement under the MEPE?

A15. Yes.

Q16. Are there training courses or student services provided by the Institute to help me pass the QP modules, final examination and aptitude tests?

A16. Yes, the Institute offers an examination assistance course and examination revision course to assist registered students in preparing for the QP modules and final examination. For the aptitude tests, you may enrol in the relevant practising certificate revision course. Please refer to the "CPA QP & Students" section on the Institute's website at <http://www.hkicpa.org.hk> for details.

Practical experience

Q17. Regarding the three years of practical experience in accountancy for membership in the Hong Kong Institute of CPAs, does the whole length of experience need to be acquired under an authorized employer(s) or supervisor(s) registered with Hong Kong Institute of CPAs? Will my experience acquired prior to my registration as a student of CIMA, and not under the Institute, be counted?

A17. Your practical experience acquired on and after 1 July 2005 has to be obtained under the Institute's authorized employers or supervisors. You may use your relevant experience in accountancy, acquired before 1 July 2005, to satisfy the practical experience requirement based on individual merits and such experience does not need to be gained under the Institute's authorized employers or supervisors. However, it will be considered on a case-by-case.

Relevant experience in accountancy acquired prior to your registration as a student of CIMA may be counted and the above rule on requiring experience after 1 July 2005 supervised by the Institute's authorized employers or supervisors will apply.

Q18. My current employer is a CIMA accredited employer but is not an authorized employer or supervisor of the Institute. Will my experience qualify for membership admission to the Hong Kong Institute of CPAs?

A18. No.

Q19. I have quitted my job after working for 11 months in a company which is an authorized employer. Will this experience be counted?

A19. Within the required length of full-time practical experience for membership, an applicant can have up to two employments, each of which is less than 12 months long with the same employer. The rest of the experience must be acquired from employment(s) that lasts for at least 12 months with the same employer. Depending on the academic qualifications of the applicant, the respective requirements are

	Minimum length of full-time practical experience for membership	Maximum number of employments	Maximum number of employments which are less than 12 months each
Approved degree holders	3 years	4	2
Approved accountancy diploma holders	4 years	5	2
Holders of other academic qualifications	5 years	6	2

CIMA students and members

Q20. I am now a full member of CIMA. Is the agreement applicable to me?

A20. Yes, provided that you became a CIMA member by having sat and passed the CIMA Professional Qualification programme and not by virtue of your being a member of another accountancy body.

Q21. I am a CIMA student. Do I need to register as a registered student of the Hong Kong Institute of CPAs in order to take advantage of the MEPE?

A21. Yes, but you must become a CIMA member first before you can register as a student of Hong Kong Institute of CPAs and take the QP modules and the final examination. Under the MEPE, you must pass the workshops of either Module A or C of the QP and the module examinations of both these two modules as well as the final examination in order to be eligible for membership in the Hong Kong Institute of CPAs; and to do so, you must register as a registered student of the Hong Kong Institute of CPAs.

Mainland China

Q22. Am I (CIMA member) eligible for any exemption from the PRC CPA Uniform Examination under the mutual examination paper exemptions agreement for mainland and Hong Kong accountants after admission to the Hong Kong Institute of CPAs through the MEPE?

A22. No, only Institute members who were admitted to the Institute on or before 29 July 2008 can enjoy exemption from three out of five papers of the PRC CPA Uniform Examination under the current system. Members admitted to the Institute on or after 30 July 2008 need to have qualified through completion of the QP in full in order to enjoy the exemption. Under the new examination system of the PRC CPA Uniform Examination, eligible Institute members and QP graduates can be exempted from three out of seven papers.

Practising certificate

Q23. I understand that the MEPE applicable for membership purposes only and not for rights to practise public accountancy or conduct statutory audits. What are the Institute's practising certificate requirements?

A23. In general, there are additional requirements with regard to residency, audit experience, practising certificate examinations and other conditions. Please go to the link below for detailed requirements for a practising certificate, which will allow you to sign statutory audit reports:

<http://www.hkicpa.org.hk/membership/registrationmatters/pc/issuance.php>.