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# SIMPLE GUIDE TO CPD REPORTING

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# WHAT IS CPD?

CPD stands for Continuing Professional Development, and it's really all about learning. It's a required component of CPA Nova Scotia membership, and as a CPA, ongoing professional development activities enable you to:

- Enhance your abilities as a CPA and strategic business partner
- Contribute to the acquisition of new knowledge
- Build familiarity with issues relevant to you, in your role
- Maintain and improve the skills the public expects from you as a CPA.

A **learning activity** includes either maintaining the continued relevance of current knowledge and competencies or enhancing knowledge and competencies. See Appendix A for a listing of the 6 technical professional competencies and the 7 enabling competencies.

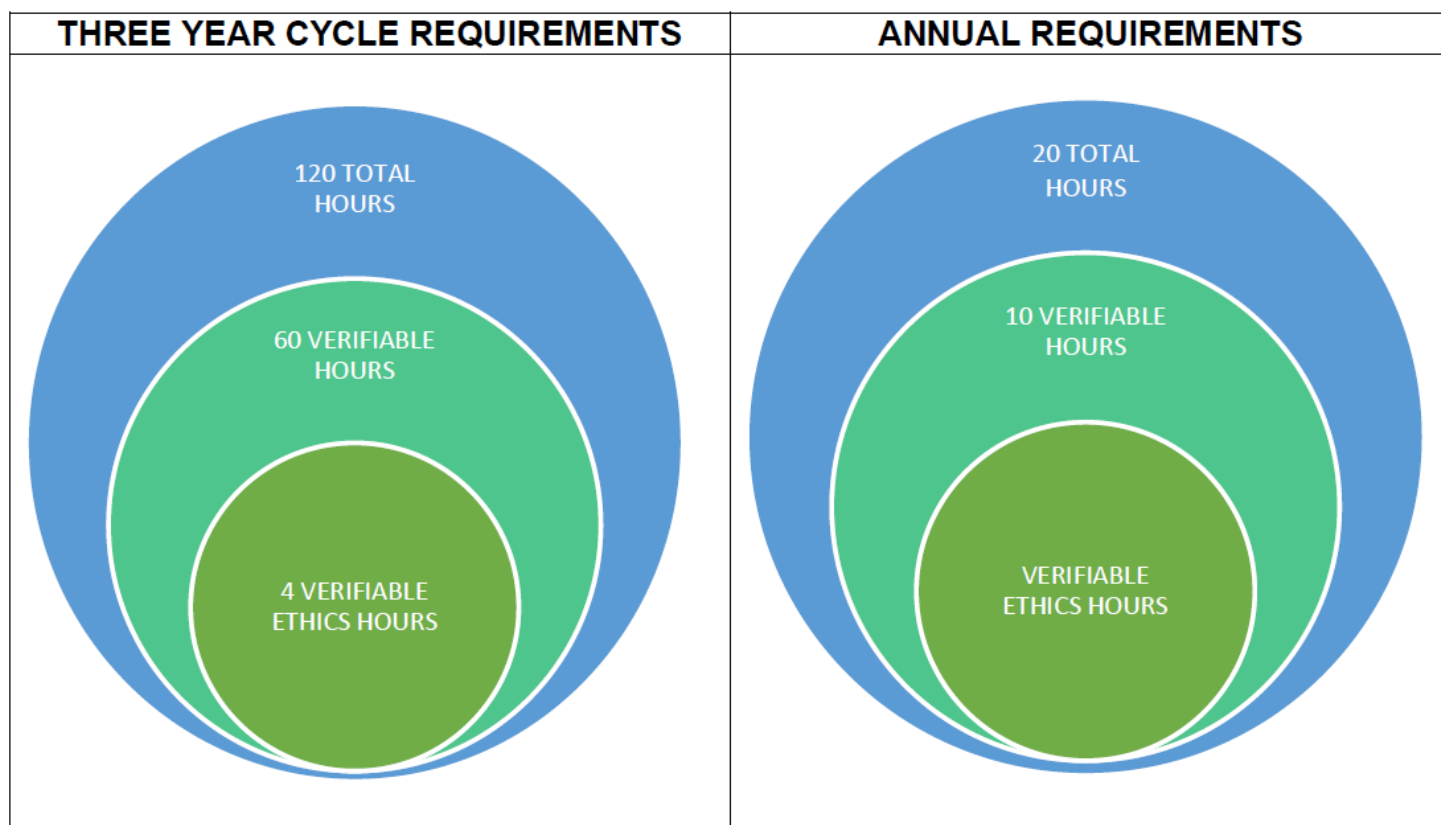
All CPAs are encouraged to ensure there is appropriate **balance** in their learning activities. Balance includes: learning activities from various sources such as research or instruction preparation (internal sources), and courses, conferences, seminars and sessions delivered by another professional (external sources), soft-skill or enabling competency and technical competency development, and learning activities that are relevant to the CPA's current or future professional practice. Balance is key to sustain or enhance overall, well-rounded professional competency.

The core purpose of mandatory CPD requirements is to help members meet the obligations under Rule 203 of the CPA Code of Professional Conduct to maintain professional competency. Members should use their professional judgement when selecting relevant and appropriate CPD to meet the regulatory requirements.

## CPD IS IMPORTANT!

CPD is a proxy for competence, and it ensures that CPAs will continue to meet the expectations of the public when fulfilling professional roles.

## MINIMUM REQUIREMENTS



CPAs are required to complete a minimum of 20 total CPD hours per calendar year (10 of which are verifiable) and 120 total CPD hours by the end of the three-year cycle (60 of which are verifiable and includes 4 verifiable hours of ethics). It is recommended that CPAs plan their CPD activities over the three-year rolling period to ensure they obtain the minimum annual requirement to meet the overall rolling three-year cycle requirement by December 31 of each year (see example below).

### New Members - New CPAs from certification program

A CPA who obtained their professional designation in the current year is required to meet the annual requirements and plan to meet the three-year cycle requirements by the end of the calendar year of their third year of membership. While the first year's CPD requirements are not pro-rated, a new CPA can report any learning activity undertaken from January 1 of the year they came into membership.

### New Members - CPAs from another jurisdiction

Members joining through another provincial CPA body or through an international reciprocity agreement are required to complete the minimum requirements consistent with the policy for all members in the year they join membership. CPD hours completed

in another province/jurisdiction during the three-year rolling period and prior to the transfer/affiliation can be reported to CPA Nova Scotia.

Below is an example of planning out the minimum CPD over the rolling three-year cycle:

| 2019     | 2020     | 2021        | 2022     | 2023     | 2024        | 2025     | 2026     |
|----------|----------|-------------|----------|----------|-------------|----------|----------|
| 40 hours | 40 hours | 40 hours E* |          |          |             |          |          |
|          | 40 hours | 40 hours E* | 50 hours |          |             |          |          |
|          |          | 40 hours E* | 50 hours | 30 hours |             |          |          |
|          |          |             | 50 hours | 30 hours | 40 hours E* |          |          |
|          |          |             |          | 30 hours | 40 hours E* | 50 hours |          |
|          |          |             |          |          | 40 hours E* | 50 hours | 30 hours |

E\* - denotes verifiable professional ethics

- **2019-2021:** In the first rolling three-year period, the member completes 40 CPD hours each year. The member completes 4 verifiable hours of professional ethics in 2021.
- **2022:** The member chooses to complete 50 CPD hours, for a total of 130 CPD hours for the 2020- 2022 three-year period (which exceeds the 120 minimum). The member does not complete any CPD related to ethics.
- **2023:** To comply with the required 120 hours for the 2021-2023 rolling three-year period, the member needs to complete a minimum of 30 CPD hours. The member does not complete any CPD related to ethics.
- **2024:** To comply with the required 120 hours for the 2022-2024 rolling three-year period, the member needs to complete a minimum of 40 CPD hours. To meet the ethics requirement, the member completes 4 verifiable hours of professional ethics.

# WHAT ARE VERIFIABLE HOURS?

Verifiable CPD refers to learning activities that can be verified objectively by documentation. Objectivity in the context of CPA means that the learning activity can be supported by a specific output confirmed by an objective person (see examples of documentation requirements for verifiable CPD below).

Ultimately, the CPA is responsible to ensure that the documentation to support their verifiable CPD is maintained.

It is important to maintain documentation to support verifiability in an easily accessible location, especially in a change of employment. CPA Nova Scotia selects an annual sample of CPAs to provide documentation to support their verifiable CPD over the three-year cycle requirement and the linkage to their practice or profession. Those who are required to submit this information are notified of the request by CPA Nova Scotia.

Examples of Verifiable CPD hours are:

- Volunteer and community leadership [contributing to professional competency](#) (see more information on volunteering in the [General FAQs](#))
- Participation in professional courses, conferences, and seminar.
- Self-directed learning to prepare for an exam without a structured study program and passing the exam.
- On-the-job training related to major change in job responsibilities, major involvement in special projects or significant learning of new software, systems, and procedures.
- Developing or delivering a course or CPD session, whenever there is a new or refreshed learning experience.
- Formal study of courses leading to a degree, certificate, or diploma.
- Participation as a speaker in conferences, briefing sessions, or discussion groups.
- Writing articles, papers, or books of a technical, professional, or academic nature.
- Professional re-examination or formal testing.
- Providing or receiving professional development support as a facilitator, mentor, or coach.

Verifiable CPD documentation should:

- Describe the learning activity.
- Identify the provider of the activity, where applicable.
- Connect the member to the activity.
- Identify when the activity took place.
- Provide a basis for concluding that the number of reported hours is reasonable.

## WHAT ARE UNVERIFIABLE HOURS?

Unverifiable CPD refers to learning activities that cannot be verified objectively. Examples of Unverifiable CPD hours are:

- Technical reading, self-study of published materials, self-study courses.
- Research, including reading professional literature or journals, for application in the professional accountant's role.

## WHAT IS NOT CONSIDERED CPD?

- Volunteering does not generally count as CPD; however, if the volunteer work results in one of the above verifiable activities, then it can be counted towards your CPD (see [General FAQs](#))
- Networking hours (social functions, lunch, dinner, etc.) generally do not count as CPD, unless it can be demonstrated that there was learning involved, such as if there was a speaker for the duration of the networking event.
- Activities that are unrelated to the CPA competencies listed in Appendix A.
- Mentoring CPA students and/or candidates - CPD can only be reported for the completion of the mandatory orientation, as well as any or all of the complimentary webinars provided to CPA mentors.

## CPD FLOWCHART

Use the flowchart included in [Appendix B](#) as a tool to identify whether a CPA should report an activity as verifiable or unverifiable CPD.

| Verifiable CPD Activity   | Qualifying Number of Hours  | Acceptable Documentation  |
|---|---|---|
| <b>CONTINUING EDUCATION</b>   |   |   |
| Participation in a course, webinar, conference or seminar   | Actual number of hours you spent attending the course, conference or seminar  | <b>Any one</b> of the following:<br>Copy of course payment/invoice<br>Copy of agenda<br>Copy of course outline<br>Certificate of completion<br>Confirmation of attendance by provider (e.g. registration confirmation)  |
| You attend an in-house training session organized by your employer  | Actual number of hours you spent attending the training session.  | <b>Any one</b> of the following:<br><ul style="list-style-type: none"> <li>Attendance record (e.g. copy of sign-in sheet or email confirmation)</li> <li>Certificate of completion</li> <li>Confirmation of attendance by employer</li> </ul>   |
| You engage in major formal study leading to a degree, diploma, certificate, re-certification or designation.  | Hours spent preparing or studying for the course, conference, conference, seminar, or exam (to a maximum of 5 hours prep time for each hour of participation).  | <b>Any one</b> of the following:<br>Copy of course payment/invoice<br>Official transcript<br>Certificate of achievement<br>Course assignment and exam results<br><br>For prep hours:<br><ul style="list-style-type: none"> <li>A log of your prep hours, by date</li> </ul>   |
| <b>INSTRUCTION/SPEAKING</b>   |   |   |
| Learning time associated with preparing to teach a course or session relevant to your professional role. .  | Actual hours you spent preparing for the course/session (to a maximum of 5 hours for every hour of teaching time)   | Copy of course material outline including date and speaker details<br><br>A log of your prep hours (by date)  |
| You participate as a speaker in a conference, briefing session or discussion group.   | Actual hours you spent participating as a speaker.<br><br>Actual hours you spent preparing for the conference, briefing session or discussion group (to a maximum of 5 hours for every hour of presentation time) | A copy of the presentation materials or agenda/outline of session.<br><br>A log of hours (by date) for your presentation<br><br>A log of your prep hours (by date)  |
| <b>COMMITTEES</b>   |   |   |
| Participation on a board or technical committee, where the activity helps you to develop and maintain professional competence to enable you to perform your professional role, including (must be a learning activity):<br><br>Audit Committee<br>CPA Nova Scotia Board or Committee<br>Technical aspects of not-for-profit organizations | Hours spent attending committee meetings provided that you are learning<br><br>Hours spent preparing for the meetings (to a maximum of 5 hours prep time for each hour of participation)                          | Proof of your membership on the technical committee (e.g. copy of email confirmation, information circular for public companies or letter from organization confirming your role on the committee and meeting attended)<br><br>Minutes or Agenda with reference to learning time.<br><br>A log of the hours (by date) you spent preparing for the meetings with supporting verification that you attended the meeting(s). |

| Verifiable CPD Activity   | Qualifying Number of Hours   | Acceptable Documentation   |
|---|--|--|
| <b>RESEARCH AND PUBLICATIONS</b>  |  |  |
| <p>Conducting research in an area that expands your knowledge for a specific application in your professional role to prepare a presentation or report.</p> <p>Writing or publishing technical articles, papers, books or academic work</p> | <p>Actual hours spent preparing or researching the presentation or report (to a maximum of 5 hours prep time for each hour of presentation)</p> <p>Hours spent researching, authoring or contributing to the publication</p> | <p>A description of the nature of the research you did.</p> <p>A copy of the presentation, report or published material (redacted, if appropriate), or from third-party or employer</p> <p>A log of hours (by date) for your presentation and/or prep/research hours (by date)</p> |
| <p>You engage in a research or study project that results in a presentation, report or similar documentation (in an area that expands your professional knowledge).</p>   | <p>Actual hours for your presentation</p> <p>Hours you spent preparing the presentation, report or similar documentation (to a maximum of 5 hours prep time for each hour of presentation)</p>                               | <p>A copy of the presentation, report or similar documentation (redacted, if appropriate), or confirmation from independent party.</p> <p>A log of hours (by date) for your presentation</p> <p>A log of your prep hours (by date)</p>   |
| <p>You publish professional writing (e.g. articles or papers) or academic work</p>  | <p>Actual hours you spent authoring or contributing to the publication.</p>  | <p>A copy of the published material.</p> <p>A log of the hours (by date) you spent writing or contributing to the material.</p>  |
| <p>You write technical articles, papers or books.</p>   | <p>Actual hours you spent authoring or contributing to the publication.</p>  | <p>A copy of the published material.</p> <p>A log of the hours (by date) you spent writing or contributing to the material.</p>  |

## How Do I Track My Hours?

It is important to keep track of all your CPD hours and to keep documents to support the hours that are verifiable. To help record, update and track your hours, you can use our online CPD reporting tool at [www.cpans.ca](http://www.cpans.ca) and log in to the member portal and click “CPD Reporting”. A detailed step-by-step on how to enter your hours can be found in the [Guide for CPD Reporting Tool](#) found under “Related Documents”.

### TIP

50% of qualifying hours can consist of independent and informal learning (Unverifiable CPD) including self-study and reading of professional journals or magazines.



## Ethics Requirement

A minimum of 4 hours of verifiable CPD in professional ethics in year rolling 3-year period is required.

The 4 hours do not have to be obtained in one single program but can be accumulated through ethics components in any number of seminars or courses.

### Guidance

Continuing Professional Development (CPD) is learning that develops and maintains professional competence to enable members to continue to perform their professional roles. Any learning and development that is relevant and appropriate to a member's work and professional responsibilities and growth as a CPA will qualify for CPD.

Business ethics CPD is learning that specifically addresses business ethics matters that are relevant and appropriate to the member. Just like other verifiable learning activities, the four-hours ethics requirement can be fulfilled in a number of ways, including course work (whether through CPA Nova Scotia or other sources), and other relevant learning activities (including in the workplace).

Business ethics CPD can cover a wide range of topics related to ethics and ethical decision-making. Examples of business ethics topics include, but are not limited to, the following:

- CPA Nova Scotia regulatory updates covering the CPA Nova Scotia Act, By-laws, By-law Regulations and Code of Professional Conduct
- Regulatory updates that are relevant and appropriate to the member's role or industry
- Professional conduct
- Corporate codes of conduct
- Independence/conflict of interest
- Ethical decision-making, approaches, thinking and case studies
- Ethical business culture
- Corporate social responsibility
- Honesty in business practice
- Bribery and corruption
- Doing the right thing
- Reputation and risk
- Whistleblowing
- Anti-money laundering

More information can be found in the [Ethics FAQs under](#) "Related Documents".

# DO YOU QUALIFY FOR A CPD EXEMPTION?

## Are You Permanently Inactive?

“Permanently Inactive” members have no intention of returning full-time to the workforce and do not earn active income (less than \$28,260\*). Examples of Permanently Inactive Members include:

- Retired, no active income (less than \$28,260\*) and do not serve on a Board or similar governing body, or an audit, finance, or similar governance committee of a public company, reporting issuer, or a large or prominent\*\* organization and you are not providing public accounting or regulated services to the public (including tax or accounting advice); or
- Infirm, in cases where a member is permanently withdrawn from employment and other professional activity due to a long-term critical, terminal, or chronic medical condition; or
- Special circumstances as approved.

Permanently Inactive Members who, in rare circumstances, return to the workforce after claiming an exemption from minimum CPD requirements for any reason must prepare, submit for approval to CPA Nova Scotia, and execute in a timely manner, a plan which will develop the current competencies necessary to support the member’s reintegration into the workforce. CPA Nova Scotia must be notified within 30 days of return to the workforce.

\*Superintendent Standard for Bankruptcy Canada Surplus Income Limits, to be adjusted annually.

- \*\* Large or Prominent Organizations include organizations with one or more of the following characteristics:
- o Greater than 20 FTE employees; or
  - o Annual revenue or expenditures greater than \$25 million; or
  - o Investments (endowment or otherwise) greater than \$50 million; or
  - o Position acquired through Provincial or Federal appointments; or
  - o Other characteristics as may be determined by the PD Committee

## Are you Temporarily Inactive?

A “Temporarily Inactive Member” has a reasonable expectation of returning to the workforce at some point in the future. The purpose of this category would be to give the member relief from minimum CPD requirements during a temporary absence from the profession. Examples of Temporarily Inactive Members include:

- o Maternity/Paternity leave; or
- o Caring for a child or children; or
- o Caring for a family member with a critical, terminal or chronic medical condition; or
- o Personal medical illness or condition; or
- o Special circumstances, as approved.

Members who are Temporarily Inactive longer than two years will be required to submit a re-entry plan to CPA Nova Scotia for approval by the Professional Development Committee within 30 days of returning to active employment.

Unemployed members are not Inactive Members and therefore must comply with CPD requirements.

**Definition:**

“Active Income” means gross income from all employment or director’s fees, and/or net income from self-employment. Active Income does not include EI, pension income, investment income, support payments or disability income, Active Income is based on individual earnings, not family earnings. All other sources of income will be considered “active”.

**TIP**

Exemptions can be requested as part of the Annual CPD reporting process.

# CAN MY CPD BE AUDITED?

Each year, CPA Nova Scotia performs CPD audits of selected members. You may be audited at any time, so it is important to keep records and supporting documents related to your CPD activity. If audited, you will be asked to provide them. You will be given written and electronic notice, with 30 days to provide the required documentation.

## WHAT IF I'M UNABLE TO MEET THE REQUIREMENTS?

1

If you did not complete the minimum annual CPD requirements by the end of any calendar year, you must still record any hours you did achieve and submit your declaration. If you completed “zero” hours, you must still submit the declaration. A member who fails to complete the minimum required hours of CPD will be referred to the Professional Development Committee, which may take one or more of the following actions:

- a) Waive a portion or all of the CPD requirement;
- b) Stipulate the time frame and manner in which the member must complete any deficiency;
- c) Make a report to the CEO recommending that the CEO refer the fact of the member’s failure to complete the minimum required hours of CPD to the Chair of the Complaints Committee; or
- d) Make a report to the CEO concerning the member’s failure to complete the required hours and recommend that the member’s registration should be suspended until certain action identified by the Professional Development Committee is taken by the member.

2

For more information, please refer to the Continuing Professional Development Non-Compliance Policy.

**TIP**

Track your hours. Submit your declaration. Stay in good standing.

## Need More Information?

For frequently asked questions, visit the [Related Documents](#) column on the CPD section of our website. If you have other questions, please contact Danielle Roode, Associate Registrar at [droode@cpans.ca](mailto:droode@cpans.ca). or call 1-902-425-7273 ext. 231.

This guide is provided for general information purposes and information has been summarized and paraphrased for ease of use. Responsibility for compliance with CPA Nova Scotia Bylaws and Policies remains with the member.

# APPENDIX A: WHAT IS THE PRACTICE OF THE PROFESSION?

The Practice of the profession is when the CPA is engaged in or providing a service that is based on or related to the technical competencies in the CPA Canada Competency Map: <https://www.cpacanada.ca/en/become-a-cpa/why-become-a-cpa/the-cpa-certification-program/the-cpa-competency-map/the-2022-cpa-competency-map>.

The CPA Technical Competencies reflect the abilities expected of professional accountants and performed by professional accountants in public practice, industry, the public sector, and more. The CPA technical competencies are grouped into six areas:



The CPA Enabling Competencies provide the essential skills for ethical behaviour, leadership, teamwork, decision-making, problem-solving, and communication as a professional accountant. The CPA draw heavily upon the enabling competencies in demonstrating each of the specific technical competencies.

The enabling competencies are grouped into seven broad competency areas:



# APPENDIX B: CPD FLOWCHART

