

Continuing Professional Development (CPD) Policy

March 2019
Version 1.1

Our approach to continuing professional development (CPD)

The Foundation Advisory Pty Ltd, Australian Financial Services Licence # 486236 provides quality advice to meet the growing needs of clients in the Superannuation, Taxation, Accounting, Inter-generational Wealth Transfer and Consulting environment. The focus of the business is to provide expert advice in a timely manner.

Our aim is to build longstanding and mutually fulfilling relationships with clients. The firm operates an integrated holistic approach to traditional tax and accounting services, based on clients' needs in terms of serviceability

All of the financial advisers must undertake comprehensive and relevant continuing professional development of at least 40 hours every CPD year to ensure they keep up with developments as well as any additional requirements by their professional bodies (CPA or CA depending on the staff member).

Foundation Advisory Pty Ltd ensures that all staff are provided with the recourse and course to enable their CPD requirements to be met.

The CPD year is the calendar year – from January 1 to December 31.

The Process for Approving CPD:

How the financial advisers may undertake their CPD

Our advisers may undertake their CPD in the following ways:

- CCH Ifirm, which provided streamed CPD solutions and monthly Tax updates via a cloud-based solution. Currently all accountants within Foundation Advisory have access to this CPD Portal.
- ATO updates – as delivered by webinars.
- XERO Updates (Quarterly) – normally delivered by webinars.
- Monthly Tax Updates (2 Hours Per Month) delivered in house by CA.
- Formal relevant education (provided by an education provider) including degree equivalent study to meet legislative requirements (such as FESEA bridging courses and approved degrees) and any formal qualifications and designations relevant to the practice of the relevant provider – to a maximum of 25 CPD hours per Year.
- Education as required by any licences held (SMSF Audit If Applicable).
- Software update sessions – normally delivered by webinars.
- Professional or Technical Reading to a maximum of 4 hours – approved CPD
- Attendance at professional developments days or workshops

A minimum of 70 per cent of all professional development activities undertaken by our financial advisers must be approved by a Director of Foundation Advisory Pty Ltd as the licence holder.

Approval process for CPD for the financial advisers and allocation of hours to staff CPD plans

Robert Paganin, the Director of Foundation Advisory Pty Ltd approves all CPD courses/ training for all staff on a case by case basis. This meets the minimum requirement by FESEA of 70 per cent approval.

FASEA proposes a Licensee self-assessment approach to CPD accreditation, underpinned by a published Licensee policy. FASEA does not propose that it will accredit/approve CPD activities or providers for CPD, this is the responsibility of Foundation Advisory Pty Ltd.

CCH Ifirm and the eLearning Hub within CCH products, have been in place since July 2016 by Foundation Advisory Pty Ltd. CCH Learning provides professionals and businesses with a wide range of topics from Taxation to Technology, SMSFs to Succession Planning, Leadership to LinkedIn, Management to Microsoft. They provide access to industry experts and enhance the staff's knowledge and training.

Conditions that are considered as part of the process:

- The CPD activity falls within one of the following four FASEA CPD Categories:
 1. Technical competence
 2. Client care and practice
 3. Regulatory compliance and
 4. Professionalism and ethics
- The training is delivered by a CA/CPA member where practicable or conducted by one or more persons who are appropriate, have sufficient standing, expertise, academic qualifications and practical experience
- The training is designed to enhance the financial adviser's knowledge and skills in areas that are relevant to the provision of financial product advice

If the CPD training covers more than one CPD area, it will only be allocated to the CPD area to which it predominately relates. If the financial adviser conducts the CPD training; the number of hours spent conducting or leading the activity can be allocated to their CPD plan.

Our process for ensuring CPD activities are provided by persons or entities that are appropriate

CCH IFirm eLearning Hub is our preferred CPD partner and all training completed via the platform is automatically approved by Foundation Advisory Pty Ltd as being provided by persons or entities that are appropriate. CCH is a market leader in the delivery of CPD related training to accountants.

The determination of the appropriateness of the entity or person providing the CPD activity will include consideration of the following factors:

- Sufficient standing in the market place;
- Expertise;
- Academic qualifications; and
- Practical expertise.

Our approach to evidencing outcomes of CPD

All CCH professional CPD content includes associated learning objectives and outcomes and these are automatically approved as evidencing outcomes of CPD.

Similarly, any non-CCH content that has been accredited by a professional association is also automatically approved as evidencing outcomes for CPD.

When approving, non-Kaplan Professional and non-professional association accredited CPD content; a director of Foundation Advisory Pty Ltd must consider the learning objectives/outcomes of the CPD content, as they relate to the role of the financial adviser, prior to approving the allocation of hours to the financial advisers CPD training plan. This is in addition to assessing the appropriateness of the person or entity providing the CPD as outlined previously.

Our requirements in relation to professional reading

Foundation Advisory Pty Ltd acknowledges that professional research and technical reading is an integral part of being a financial adviser. If a financial adviser undertakes professional reading as a part of their CPD, they must keep a record of the material read, provide a brief summary of the materials (may be bullet points) and calculate the CPD hours based on time spend.

The FESEA guideline permit a maximum of 4 hours for professional or technical reading per CPD period per employee.

Our approach to developing CPD plans for financial advisers

The training needs of each financial adviser will be assessed when developing the annual CPD training plan. Considerations will include:

- Must be in writing and identify areas for improvement in, and development and extension of, the provider's competence, knowledge and skills and describe the qualifying CPD activities the provider will complete during the CPD year to achieve those improvements.
- FASEA Requirements as legislated and enacted.
- CPA and or CA requirements (depending on professional body).
- Any Professional Licences Held (SMSF Audit SPAA, etc if applicable).
- The financial services the representative is authorised to provide.
- Previous training completed by the representative before and after they joined Foundation Advisory Pty Ltd.
- Any recommendations made following a staff review or external audit.
- Any feedback or learnings from the dispute resolution process (if applicable).
- Regulatory or business change which affects the financial advisers and/or the way they provide their financial services

CPD category		Description	Min. CPD hours/year
1	Technical competence	The activity is designed to enhance participants' technical proficiency and ability to develop and provide advice strategies that are appropriate to the objectives, financial situations and needs of different classes of retail clients.	5
2	Client care and practice	The activity is designed to enhance participants' ability to act as a client-centric practitioner in advising retail clients.	5
3	Regulatory compliance and consumer protection	The activity is designed to enhance participants' understanding of applicable legal obligations and how to comply with them	5
4	Professionalism and ethics	The activity is designed to enhance participants' capacity to act as an ethical professional.	9
5	Other/General	The activity is designed to maintain and extend participants' professional capabilities, knowledge and skills, including keeping up to date with regulatory, technical and other relevant developments, but is not in an area referred to in another item of this table.	
Minimum CPD hours – TOTAL 1 to 5 Aggregated			40

All CPD plans, including any plan changes, will be provided to the financial adviser, in writing.

Our approach to monitoring the CPD activities of financial advisers

Foundation Advisory Pty Ltd will monitor the completion of CPD activities, and adherence to this CPD policy on a quarterly basis. If a director of Foundation Advisory Pty Ltd becomes concerned that a financial adviser is at risk of not completing the required CPD within the CPD year; they may direct the adviser to complete a certain number of CPD hours within a designated time frame.

Before the 12-month Annual CPD year; close monitoring of CPD plan progress will be undertaken in relation to any financial adviser that has not yet completed their full 40-hour CPD training plan.

Our approach to record keeping

Our financial advisers must keep records of their CPD for a period of 7 years from the end of any given CPD year. Evidence of CPD activities must be provided to Foundation Advisory Pty Ltd upon request.

If a financial adviser leaves Foundation Advisory Pty Ltd, they will provide Foundation Advisory Pty Ltd with a copy of their complete CPD transcript as part of the standard off-boarding process. The record must include all CPD activities undertaken throughout their time as a financial adviser with Foundation Advisory Pty Ltd.

CPD records will be maintained as consistent with FASEA Requirements as follows:

A relevant provider must make and maintain complete and accurate records of:

- (a) the qualifying CPD activities the provider undertakes; and
- (b) when they are undertaken; and
- (c) the number of hours spent on each activity; and
- (d) evidence of completion of the activity and the outcomes of the activity; and
- (e) the progress of implementation of the provider's CPD plan.

End of CPD Manual.