




# FINANCIAL ADVISER CONTINUOUS PROFESSIONAL DEVELOPMENT (CPD) POLICY

APPROVED BY BOARD OF DIRECTORS

The Advisory Firm PTYLTD

Version 1.0 Approval Date: 12 March 2019



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# FINANCIAL ADVISER CONTINUOUS PROFESSIONAL DEVELOPMENT (CPD) POLICY

## 1. Overview

### 1.1 Policy Statement

The Advisory Firm Pty Ltd develops its Financial Advisers so they are able to perform and excel in their roles. It also encourages Financial Advisers to enhance their current skill set and advance their profession within the wider community.

This CPD Policy will apply from 1 January 2019, with Professional Development Plans developed on a pro-rata bases for the 10 months from 1 January 2019 to 30 October 2019.

Existing Professional Development Plans will be re-aligned with the requirements of the Financial Adviser Standards and Ethics Authority (FASEA) and this CPD Policy. Professional Development Plans will then be issued on an annual basis, aligned to the financial year.

### 1.2 Purpose

The purpose of the The Advisory Firm Pty Ltd Financial Adviser CPD Policy (the Policy) is to ensure our Financial Advisers meet the required standards as set out in the Corporations Act 2001 (Cth) and maintain professional knowledge and skills that are current to their role in the provision of personal financial advice.

### 1.3 Scope

This policy applies to all Financial Advice staff of The Advisory Firm Pty Ltd (ABN 77 613 805 146) (AFSL 502654).

### 1.4 Responsibility

The Learning and Development Manager of The Advisory Firm Pty Ltd has the responsibility for ensuring the maintenance, regular review and update of this Policy.

## 2. Continuous Professional Development (CPD)

The Advisory Firm Pty Ltd has a three tier approach to CPD.

### 2.1 Tier 1 - Adviser led development

The Advisory Firm Pty Ltd expects our Financial Advisers to drive their own development and ongoing professional education. In addition, our Financial Advisers are expected, at all times, to ensure they meet or exceed the standards and requirements set out in their Professional Development Plans and the standards set by FASEA.

### 2.2 Tier 2 - Guidance and monitoring by Management

Financial Advisers are provided guidance on their development by Management, including Senior Advisers, Manager, Advice Development and Learning and Development Manager. This guidance will include a Professional Development Plan and also as part of ongoing coaching and supervision.

Management monitor the completion of training, progress of annual CPD requirements and report to Senior Management and the Board on a regular basis.

### 2.3 Tier 3 - Governance and accountability by Senior Management and the Board

Senior Management and the Board provide governance and supervision function by approving the CPD policy and reviewing Financial Adviser CPD completion reports.

### **3. Approval of CPD Activities and Allocation of Hours**

Requests for CPD activities to be allocated to Professional Development Plan are to be submitted to Management for review.

These activities can be approved by the Learning and Development Manager if accredited by an external organisation, such as the Financial Planning Association, Association of Financial Advisers or Kaplan Education. If CPD activities are not accredited by an external organisation, the approval of the Learning and Development Manager will be reviewed by the Manager, Governance, Risk and Assurance.

### **4. Appropriate Training Providers**

Training should be provided by persons and/or entities that hold appropriate qualifications and or experience, relevant to the training provided.

In order to be applied to CPD records, CPD related activities must be provided by and/or accredited by a recognised industry provider such as the Financial Planning Association or Kaplan.

Independent providers must have relevant experience or education in the field they are training, they must declare the learning outcomes and be able to demonstrate how the content or training provided meets the learning outcomes. The licensee will then determine if the training is appropriate to the individual advisers training plan.

In order for the activity to be applied to their record, a Financial Adviser must provide evidence from the provider which indicates the applicable CPD hours and knowledge area.

### **5. Evidence of CPD Outcomes**

Evidence of CPD outcomes needs to be provided for records to be applied.

For structured training, the evidence must show that the learner was able to complete a summative assessment related to the training material or topic.

We will also consider structured training for workshop style sessions that involve intensive discussion and activities in which learners actively participate. Learning outcomes and activities need to be documented.

Conference and seminar style sessions will not be considered for structured training.

### **6. Recording CPD Activities**

CPD records are kept electronically.

It is the responsibility of individual Financial Advisers to ensure that their records are accurate and up to date. Training and CPD activities that are completed outside of an approved CPD System, such as Kaplan Ontrack, need to be submitted for approval to the Learning and Development Manager. The request must include details of the session, confirmation of attendance and a summary of learning outcomes.

### **7. Approach to Auditing Compliance with the Policy**

We monitor progress towards the completion of these development plans monthly. Records are continuously updated as new CPD activities are completed. All CPD activities that count towards the development plan are to be recorded.

CPD Records are audited on an annual basis by Management. The audit is signed off by a minimum of two managers, at least one of which is not associated with the Advice business.

The audit is reviewed by the Chief Executive Officer or Company Secretary of ESI Financial Services.

## 8. Professional Development Plans

At the beginning of each financial year, The Advisory Firm Pty Ltd sets Professional Development Plan targets that are tailored to each Financial Adviser, based upon assessment, review and individual development needs. Where a Financial Adviser commences their employment with The Advisory Firm Pty Ltd part way through the year, the required targets will be calculated on a pro-rata basis.

The Professional Development Plans are designed to meet or exceed standards set by The Financial Adviser Standards and Ethics Authority (FASEA).

The Professional Development Plan recommends training to maintain competency in the areas the Adviser is qualified and licenced to provide Financial Advice. The plan will consist of no less than the minimum hours and knowledge areas required by FASEA. The Professional Development Plans are approved by the Manager, Advice Development and Learning and Development Manager.

## 9. Approval and review details

9.1 Policy ownership, scheduled review and amendment details are included in the table below.

Approval and Review	Details
Approval Authority	TAF Board of Directors
Advisory Committee to Approval Authority	Audit, Compliance and Risk Committee
Administrator/Policy Owner	General Manager, Member Services and People
Next Review Date	October 2019

Approval and Amendment History			
Version	Approver	Date Approved	Details
1.0	TAF Board	12/03/19	New Policy