



Professional Diploma In ACCOUNTANCY

Programme Outline

ABOUT HKAPA

Hong Kong Accounting Professionals Association (HKAPA)

The Hong Kong Accounting Professionals Association (HKAPA) has been established since 1997. It is registered with the Registry of Trade Unions, Labour Department of the HKSAR Government. Its principal objectives are to assist in resolving employee-employer relations, negotiating reasonable employee benefits, developing employees in accounting profession by organizing training courses, seminars, continued professional development programmes, award scholarships to professional accounting associations and higher education institutions, and comment on current economic issues, new accounting standards and the fiscal budget on regular basis.

ABOUT IFA UK

The Institute of Financial Accountants

The Institute of Financial Accountants, established in 1916, is one of the largest professional bodies of its type in the world. It represents members and students in more than eighty countries around the world and provides a qualification and continuous professional development for those who want to become financial accountants. It sets both technical and ethical standards within the profession. The Institute of Financial Accountants is your route to achieve professional status and a qualification suitable for the world of business.

The Institute of Financial Accountants is an Association Member of the International Federation of Accountants (IFAC) which represents the worldwide governing body of professional accountants.

PROGRAMME AIMS

This programme has the following aims:

1. To provide a solid foundation in accounting studies which will allow graduates to grow with and adapt to new developments in a practical business environment; and
2. To develop students' understanding and competence in accounting which will form a solid foundation for graduates to seek further education and advancement towards a profession qualified accountant.

PROGRAMME OBJECTIVES

This programme has the following general objectives:

1. To provide students with the knowledge and techniques to handle the financial reporting, management reporting, taxation or auditing function of a business entity;
2. To give the students the fundamental knowledge required for further technical and career development and a qualification to enable them to proceed to studies leading to degree and professional qualifications, locally or abroad; and
3. To allow a basic understanding of the significance of business and management issues.

PROGRAMME LEARNING OUTCOMES

Graduates of this programme will be able to:

1. Demonstrating knowledge in handling financial reporting, management accounting, auditing, taxation and corporate finance issue, for business entities with various sizes and in various industries; and
2. Demonstrating a clear understanding of the fundamental business law and company law related to the entities and general practice.

PROGRAMME STRUCTURE

MODULES

This programme consists of eight modules which will be delivered in four 3-month terms :

Term 1 (duration: 3 months)	
1. Financial Accounting	2. Quantitative Methods for Accountants
Term 2 (duration: 3 months)	
3. Management Accounting	4. Law & Economics for Accountants
Term 3 (duration: 3 months)	
5. Business Management	6. Taxation
Term 4 (duration: 3 months)	
7. Auditing	8. China Accounting Framework

TEACHING AND LEARNING METHODS

The aims of lectures are to:

1. Introduce and explain concepts;
2. Demonstrate how to illustrate and analyze an issue; and
3. Indicate a path of further study in order to attain a suitable depth of knowledge in the subject area.

Teaching is carried out in the form of face-to-face lectures. The lecture materials on the subjects are usually presented using a lecturing approach, and both students and lecturers are encouraged to participate more interactively. The minimum face-to-face lecture time of each module is 24 hours.

ASSESSMENTS

Each module consists of one coursework (30%) and one examination (70%) and the passing mark of each coursework and examination is 50%. To pass a module a student must attain a mark of at least 50% of each assessment of the module. A student who fails in a module at the first attempt may be permitted to take a supplementary written examination and/or by submitting specified coursework on condition that the student obtains at least 30 marks in the examination/ coursework at the first attempt. The maximum mark of any re-assessment is capped at 50%. An administration fee of HK\$300 will be charged for each re-assessment. The student is required to settle the fee before taking the reassessment. If the student fails to settle the reassessment fee, the result of the re-assessment / re-submitted assignment or project would be invalidated.

ENTRY REQUIREMENTS

Applicants must possess one of the following qualifications:

- Form 7 with 2 A-Level passes + HKCEE English pass
- Certificate holders of Accounting or equivalent
- LCC
- Mature entrant (Age 21 + 2 years working experience)

EXEMPTIONS

Applicants who have studied at other institutions may be eligible for credit transfer or exemption of some subjects. Exemptions will be granted on a case by case basis. The granting of exemptions shall be the responsibility of the Programme Committee. The maximum modules that can be exempted are 50% of the whole programme.

ATTENDANCE

Students must observe the required attendance rate of 70% at the end of each module for admission to examination. The association reserves the right to prohibit students of low attendance from attending examinations. Sick leave with medical certificate or certificate from hospital or from a registered Chinese Medicine Practitioner will not be counted as ABSENCE.

MAXIMUM STUDY PERIOD

The maximum study period is 2 years, any repeat and deferment inclusive. Any written application of prolonged study beyond the maximum study period may be submitted to the Programme Committee concerned. The Programme Committee's decision is the final decision.

DEFERMENT

A student may apply for deferment of study to the Programme Committee concerned in written 14 working days before the commencement of a term.

GRADUATION CRITERIA

A study may, at the discretion of the Programme Committee, get the award of Professional Diploma by passing of all modules required in the Programme; and

1. With full payment of tuition fees;
2. Without any liabilities at the association;
3. No other disciplinary actions required; and
4. No other actions required by the Programme Committee

MODULE OUTLINE

FINANCIAL ACCOUNTING

AIMS

The aims of this module are:

1. To introduce to students the role of accounting and reporting
2. To introduce to students the theoretical framework of accounting, basic accounting principles and concepts, the assumptions, and conventions underlying financial accounting processes.
3. To develop students' ability to prepare and present financial statements for the limited company and business combinations.
4. To enable students to apply analytical tools for evaluating the performance and financial position of organizations from their financial statements.
5. To enable students to understand the capital reorganization and reconstructions.

LEARNING OUTCOMES

After completing this module the students should be able to:

1. Understand the role of financial accounting and the theoretical framework;
2. Interpret data required for preparation of financial statements;
3. Apply appropriate accounting treatment on assets, liabilities, capital, revenue and expenses;
4. Use and interpret financial statements within the reporting framework.

SYLLABUS CONTENT

1. Limited Companies, Partnerships and Business Amalgamations:
2. Partnerships – changes, conversion to companies, dissolution.
3. The Theoretical Framework, Principles and Concepts
4. The Financial Statements of Limited Companies
5. Financial Statement Preparation
6. Preparation of profit and loss statement and balance sheet for sole trader
7. Preparation of statement of cash flows
8. Analysis and Interpretation of Financial Statements
9. Capital Structure and Gearing
10. Consolidated Accounts
11. Sources of Finance
12. Foreign Currency Translation
13. Accounting Treatment and Disclosure

MODULE OUTLINE

QUANTITATIVE METHODS FOR ACCOUNTANTS

AIMS

The aims of this module are:

1. To enable students to understand how and why statistics and mathematics are used in economic and business decisions
2. To introduce the student to mathematical models used to solve relevant Business/Management problems, and to recognize the limitations of these modules.
3. To develop students' ability to collect, present, analyze and interpret quantitative data using standard statistical techniques.
4. To enable students to use statistical, graphical and algebraic techniques to address business problems.
5. To develop the students' ability to interpret and communicate the results

LEARNING OUTCOMES

After completing this module the students should be able to:

1. Create a mathematical model to solve suitable Business/Management problems.
2. Use appropriate Quantitative methods to obtain a solution to the problem.
3. Understand the limitations of the model formulated and of the solutions obtained.

SYLLABUS CONTENT

1. Business and Financial mathematics
2. Basic concepts of probability and probability distributions - includes the basic 'rules' of probability, expected values and the use of probability and decision trees, the binomial and Poisson distributions and their applications, and the characteristics and use of the normal distribution.
3. Data collection process - includes sources of data, sampling methods, problems associated with surveys, questionnaire design, measurement scales (nominal, ordinal, interval and ratio scales) and sampling error.
4. Normal distribution and the t distribution in estimation and hypothesis testing
5. Distinguish between parametric and non-parametric methods and use the chi-squared statistic
6. Correlation and regression - includes the use of scatter diagrams to illustrate linear association between two variables, Pearson's coefficient of correlation and Spearman's 'rank' correlation coefficient, the distinction between correlation and causality, the 'least squares' regression line for a two-variable model and interpret basic results from simple and multiple regression models
7. Time-series analysis - includes the use of the additive and multiplicative models to 'decompose' time series data, the calculation of trends and cyclical and seasonal patterns, and simple forecasting.
8. Presentation of data - in tables and charts, frequency and cumulative frequency distributions and their graphical representations, measures of location, dispersion and skewness, index numbers and their applications.

MODULE OUTLINE

MANAGEMENT ACCOUNTING

AIMS

The aims of this module are:

1. To develop in students a knowledge and understanding of the role of management accounting in business planning and control and to develop students' ability to apply management accounting technique in handling costing issues..
2. To enable students to identify appropriate management accounting techniques for decision making, planning and control; and apply these techniques in the generation of management accounting reports.
3. Construct budgets for both planning and control purposes, including cash flow forecasts.
4. Understand all aspects of working capital management.

LEARNING OUTCOMES

After completing this module the students should be able to:

1. Understand management accounting and specific quantitative techniques;
2. Analyse data according to various cost classifications and the effect of volume on costs;
3. Understand job and process costing;
4. Use of costs for decision making;
5. Understand marginal and absorption costing;
6. Recognise the purpose of budgetary control;
7. Explain the purpose of standard costing, calculate and analyse variances;
8. Explain the purpose of working capital management.

SYLLABUS CONTENT

1. Management Accounting and the business environment
2. Understand the control systems required for materials, labour and overheads
3. Cost classifications and the effect of volume on costs
4. Absorption costing and marginal costing
5. Job costing, process costing and activity based costing
6. Use of costs for short-term decision making – Relevant Costs, Limiting Factors, Risk and Uncertainty.
7. Standard Costing and Variance Analysis.
8. Marginal and absorption costing
9. Budgeting and Budgetary Control.
10. Cost allocation
11. Decision-making and CVP analysis
12. Pricing and transfer pricing
13. Responsibility accounting
14. Capital Investment Appraisal – Payback Period; Accounting Rate of Return; Net Present Value; Internal Rate of Return.

MODULE OUTLINE

LAW & ECONOMICS FOR ACCOUNTANTS

AIMS

The aims of this module are:

1. To introduce students with the Hong Kong legal framework and develop their ability to apply relevant legal concepts and principles to practical situations.
2. To enable the student to understand and apply principles of contract and tort law to realistic business situations
3. To develop basic legal skills by the emphasis that will be placed on the methodology of legal reasoning and analysis, the operation of the legal system and upon core principles and concepts of Business Law
4. To enable students to understand the fundamental economic theories, concepts and policies.
5. To apply microeconomic principles and concepts to decision making in a business environment.

LEARNING OUTCOMES

After completing this module the students should be able to:

1. Explain the operation of the Hong Kong legal system and methods of dispute resolution as they apply to business
2. Demonstrate knowledge of the main concepts, principles and rules of business law.
3. Demonstrate comprehension of the main economic concepts, relationships and analytical techniques.
4. Demonstrate an understanding of the economic environment facing firms, consumers and governments and of the constraints on their decision-making.

SYLLABUS CONTENT

1. The Hong Kong legal system, and the basic elements of the Common Law system and the language it uses within a domestic and international market
2. The law of contract, sale of goods, employment law, law of tort, law of agency, and the professional liability for negligence
3. Formation of a company, corporate law, different forms of business entities
4. Officers of the company
5. Capital, financing and liquidation of company
6. Basic Micro/ Macro economic theory
7. Scarcity, opportunity cost, the functioning of free market, command and mixed economies
8. Consumer behavior, the concept of utility, the law of diminishing marginal utility, the distinction between Giffen, inferior and normal goods, the distinction between substitute and complementary goods, the difference between individual and market demand, and the notion and measurement of elasticity.
9. Supply and demand analysis to the working of markets both in equilibrium and disequilibrium.
10. Market structure - perfect competition, monopoly, oligopoly and monopolistic competition.

MODULE OUTLINE

BUSINESS MANAGEMENT

AIMS

The aims of this module are:

1. To development students' skills and knowledge that are important for business management.

LEARNING OUTCOMES

After completing this module the students should be able to:

1. Describe the major management functions and skills, and the management process.
2. Describe the planning and problem-solving process
3. Understand the process of decision making, planning and strategic management.
4. Describe the factors affect managerial ethics.
5. Examine the effects of international business on management practices.
6. Demonstrate competency by preparing, describing and representing a business plan.

SYLLABUS CONTENT

1. Business objectives and functions.
2. Management functions: Planning, Leading, Organizing, Controlling.
3. Forms of businesses: Sole, partnerships, limited liability partnerships, alliances, groups, incorporate, and unincorporated.
4. Organizational structure: Organizational theory, Line and staff relationships, Form and function of organizational structures, Team management.
5. Governance and ethics: Role in the management of a business, Stakeholders and their governance, Role and responsibilities of the members of executive board/ committee, Policies to promote an ethical culture.
6. HRM: Classical, Behavioral, Scientific Management, and Systems Schools, Maslow's hierarchy of needs, Needs of different stakeholders, Employee satisfaction, Recruitment, Hiring, Managing performance, Training & development..
7. Change management: Changing environment, Change and responses, Planning and implementing change, Creativity/ Innovation and Change management.
8. International Business: Barriers to international customs, Cultural bias, Hoffstedes dimensions of culture, Cultural differences.
9. Quality Management: Effective performance management systems, Financial and non-financial performance measures, Productivity, TQM, Reengineering, Customer satisfaction and employee management, Six Sigma.
10. Planning and Policy: SWOT, Goal vs. Budget, Marketing plan, Market research, Target market, Management plan, Financial plan (Pro forma statements)
11. Business Strategy: Strategy analysis, Strategy choice, and Implementation of strategy.

MODULE OUTLINE

TAXATION

AIMS

The aims of this module are:

1. To develop students' understanding of the structure and operation of the Hong Kong tax system.
2. To develop students' understanding of tax liabilities for individuals and businesses.
3. To develop in the student the ability to identify, analyze and apply relevant legislation to personal and business matters.
4. To enable students to apply the principles and scope of the Hong Kong tax system in different practical situations.
5. To enable students to provide basic tax planning in order to minimize tax liabilities

LEARNING OUTCOMES

After completing this module the students should be able to:

1. Demonstrate an understanding of the structure and operation of the system of taxation in Hong Kong and of the application of the various taxation regulations to individuals and businesses.

SYLLABUS CONTENT

1. Introduction to the Hong Kong taxation system and administration
2. Profits tax
3. Depreciation allowances, depreciation allowance for plant and machinery
4. Taxation on employment and office income
5. Property tax
6. Taxation on business income
7. Personal Assessment
8. Penalties and offences, tax planning
9. Tax planning and social responsibility

MODULE OUTLINE

AUDITING

AIMS

The aims of this module are:

1. To provide students with a general knowledge of the regulatory, legal and reporting framework of auditing in Hong Kong and an understanding of the basic principles of auditing.
2. To develop student a capacity to understand the responsibility and roles of an auditor, to identify risk and explain its relationship with the audit planning process and evaluate internal control system.
3. To develop in students a knowledge of the techniques, procedures and skills used in the internal and external auditing process for examining, verifying, evaluating and reporting on financial organizations
4. To develop in the student an understanding of the role of professional and legal bodies in the areas of auditing.

LEARNING OUTCOMES

After completing this module the students should be able to:

1. Demonstrate an understanding of the principles and practice of auditing;
2. Demonstrate an understanding of the role of legal and professional bodies in the area of auditing;
3. Understand the regulatory framework;
4. Understand auditors' professional ethics and responsibilities;
5. Understand audit approach and procedures;
6. Understand audit reports.

SYLLABUS CONTENT

1. The environmental and organizational context of auditing.
2. The regulatory framework of auditing
3. Professional ethics
4. The role of the auditor, qualifications, appointment, resignation and dismissal, the role of Professional Bodies.
5. Planning and risk assessment
6. Audit testing - types of audit tests, analytical review, verification of balance sheet items, the audit of key cycles.
7. Corporate governance and internal control
8. Audit approach
9. Audit procedures
10. Evidence gathering process
11. Reporting and progressing audit findings

MODULE OUTLINE

CHINA ACCOUNTING FRAMEWORK

PREREQUISITE

1. Financial Accounting; and
2. Management Accounting.

AIMS

1. The aim of this module is to introduce students to the financial system and accounting framework in China.

LEARNING OUTCOMES

After completing this module the students should be able to:

1. Understand the financial system in China and its restriction on foreign investors.
2. Perceive the regulatory framework of Accounting in China.
3. Differentiate the major differences in accounting and auditing practices between Hong Kong and China.
4. Understand financial statements prepared according to the PRC accounting standards.
5. Identify the major differences in financial reporting from the IFRS.
6. Interpret auditing practices and audit quality.

SYLLABUS CONTENT

1. Financial System in China – joint ventures, types of foreign investment, China stock market, and restrictions on foreign investors.
2. Regulatory Framework of Accounting in China – government and professional bodies.
3. Accounting concepts and conventions in China.
4. Treatment of P&L and Balance Sheet items in China.
5. Financial reporting framework in China.
6. The convergence of the new Accounting Standards for Business Enterprises (ASBE) toward international norms, the significant differences in ASBE from IFRS.
7. Auditing Practice in China – regulatory requirements, implementation status of two types of auditing in China (independent/ government auditing).
8. Taxation in China – Outline of taxation regulations and assessments, including tax collection and administration law, value-added tax and refund for export sales, the new unified enterprise income tax law, accounting treatment for value-added tax and income tax, further changes or reforms and their implications for different business sectors. Tax planning for a new production plant or service unit in China.