# Syllabi of Subjects offered by School of Accounting & Finance (AF)

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Subject Code : AF1603
Subject Title : Foundations of Economics
Level : 1
Credits : 3
Mode of Study : Lectures 28 hours
Tutorials 14 hours
Pre-requisites : None
Co-requisites : None
Exclusion : None
Assessment : Coursework 50%
Final Examination 50%
Minimum Pass Grade : Coursework D
Final Examination D

Role and Purpose
This subject contributes to the achievement of the BBA Outcomes by enabling students to apply fundamental economic concepts to analysis of real world economic activities, and communicate effectively. It also requires students to work effectively with and through others.

Learning Outcomes
On successfully completing this subject, students will be able to:

- explain the fundamental economic concepts.
- use appropriate tools to apply the fundamental economic concepts to analysis real world situations.
- evaluate basic economic data.

Indicative Teaching/ Learning Approach
Lectures will introduce the fundamental economic concepts, with specific reference to the analysis on common economic activities.

Tutorials provide students with the opportunity to deepen their understanding of the concepts taught in lectures. The activities in tutorials include student presentations and discussions of problems sets.

Indicative Assessment Tasks
The ability to explain fundamental economic concepts and use appropriate tools to apply them in real world situations will be assessed in a quiz and a final examination. Evaluation of basic economic data, effective communication and the ability to work with others are assessed in the Group presentation and the discussion of problem sets.
Indicative Content/ Outline Syllabus

What is economics?
Scarcity and opportunity cost, The role of the market, Positive and normative, Relation with other subject disciplines.

Demand and supply analysis
Determinants of the demand curve, Determinants of the supply curve, Market equilibrium.

Perfect competition
The quest of profits and the equilibrium in a competitive market.

The income and output of nations
National income accounting, output determination, Economic growth, fiscal policy and aggregate demand, monetary policy and aggregate demand.

Inflation and Unemployment
The causes and costs of inflation, the causes and costs of unemployment

International Trade
Exchange rates and the balance of payments, Foreign trade and output determination

Indicative Reading
AF Subjects Syllabi (2008-09) 3

Subject Code : AF1604
Subject Title : Hong Kong Business Environment
Level : 1
Credits : 3
Mode of Study : Lectures 28 hours
           : Tutorials 14 hours
Pre-requisites : Foundations of Economics (AF1603)
Assessment : Coursework 50%
             : Final Examination 50%
Minimum Pass Grade : Coursework (D)
                    : Final Examination (D)

Role and Purpose
Building on the foundation study in the working of Hong Kong being a modern city economy, this subject aims to introduce the essentials of the economy of Hong Kong which are basic to the study of the system and the territory's business environment. This subject contributes to the achievement of the BBA Outcomes by enabling students to analyze business situations and problems by applying concepts from economics and finance (Outcome 7), to identify and analyze various business issues of the domestic environment (Outcome 12), and communicate effectively (Outcomes 1 and 2).

Learning Outcomes
On successfully completing this subject, students are expected to be able to:

• Analyze the social and business structures of Hong Kong;
• Synthesize Hong Kong's business, financial and economic environment; and
• Evaluate the major policies implemented by the Hong Kong Government.

Indicative Teaching/Learning Approach
Concepts and business issues of the Hong Kong environment will be introduced through lectures, which students will be required to apply in their seminar activities.

Indicative Assessment Tasks
Classwork, including learning-to-learn exercises, will help students to apply concepts, and to identify and analyze various business issues (Outcomes 7 and 12). Effective communications will be assessed through group presentation and class discussion. Other coursework assessment tools include a presentation, a report and a mid-term test (Outcomes 1 and 2).

Indicative Content / Outline Syllabus
Economic Setting
Growth and industrialization, business and industrial structures
Social Structure
Community, prosperity and stability, income and inequality

Market Environment
Competition and competition policy, business restructuring

Trade and Financial Sector
External trade, international financial centre, security markets, retail and logistic businesses.

Labour and Employment
Employment, labour resources and Hong Kong’s competitiveness.

Government and Politics
Government and administration, executive council, legislative council

Hong Kong – China Mainland Integration
Economic integration and synergy effects, trade and investment, factor mobility

Indicative Reading

Essential Reading
Ng, S. K. and D. Lethbridge (eds.), The Business Environment in Hong Kong, Oxford University Press, most recent edition.

Reference List
Subject Code : AF1901 / LGT1201 / MM1001
Subject Title : Foundation Year Seminar I
Level : 1
Credits : 1
Mode of Study : Seminars 14 hours
Pre-requisites : None
Assessment : Coursework 100%

OBJECTIVES
To enable students to have a foretaste of studying Business and to provide opportunities for more interaction with the faculty members, through which students would also be helped to cultivate a sense of belonging to their parent departments and to build up their own identity.

LEARNING OUTCOMES
On successful completion of this subject, students are expected to be able to:

- Apply creative thinking to their university studies
- Identify and resolve ethical issues which arise in respect of university life
- Appreciate the requirement of their respective professions of study acquire skills for studying in University

KEYWORD SYLLABUS
All-rounded Education at PolyU
How to Excel in University and Business Studies
Introduction to the Faculty of Business
Introduction to Bachelor of Business Administration (BBA) Programmes
Introduction to Accounting and Finance
Introduction to Logistics
Introduction to Management and Marketing

TEACHING AND LEARNING APPROACH
Students are required to participate in sharing and discussion in order to shape the subject for themselves. Students will be required to submit a reflective essay at the end of the semester.

SUBJECT CO-ORDINATOR
DAVIES Howard
Subject Code : AF1902
Subject Title : Foundation Year Seminar II
Level : 1
Credits : 1
Mode of Study : Seminars 14 hours
Pre-requisites : None
Co-requisites : None
Exclusion : None
Assessment : Coursework 100%
Minimum Pass Grade : Coursework D

Role and Purpose
This subject contributes to the achievement of the BBA Outcomes by enabling students to have a foretaste of studying accounting and finance, to learn to identify and analyze those aspects of the domestic and global business environment that set the 'parameters of choice' within which business organizations set objectives and take actions (Outcome 12), to learn from faculty members and industry practitioners on how to identify and resolve ethical issues as they arise generally and in specific business settings (Outcome 5), to carry out and act upon self-appraisal and reflective thinking, in the areas of creativity, teamwork, leadership and career selection and learning to learn (Outcome 8), and to communicate verbally in English (Outcome 1) as well as to communicate in writing in English (Outcome 2). The seminars provide opportunities for more interaction with the faculty members and industry practitioners, through which students would also be helped to cultivate a sense of belonging to the School of Accounting and Finance and to build up their own identity.

Learning Outcomes
On successfully completing this subject, students will be able to:

• Gain exposure to the professions of accounting and finance
• Demonstrate a basic knowledge of the contemporary issues, threats and opportunities in the accounting and finance profession
• Acquire skills for studying in accounting and finance
• Demonstrate an ability to carry out reflective thinking in the areas of career development and career selection and an ability to communicate in writing in English at a level appropriate for their level of study.

Indicative Teaching/ Learning Approach
During seminars, students are required to participate in sharing and discussion. Guest speakers in the related industries and sectors will be invited to talk about the career prospects and expected attributes of potential employees. Firm visits may be arranged.
**Indicative Assessment Tasks**

Students will be required to submit a reflective essay, written in English (Outcome 2), at the end of the semester. They are required to reflect on what important lessons they have learned from the seminars (Outcome 5, Outcome 8, and Outcome 12), identify major issues in their study and future career development, and assess their own preparedness for studying and subsequently working in the accounting and finance professions (Outcome 8).

**Indicative Content / Outline Syllabus**

**Accounting and Finance Professions and Market Economy**

**Generic skills for a professional in Accounting and Finance**

**Knowledge Base for a Professional in Accounting and Finance**
Core Competence. Interdisciplinary Knowledge – Accounting, Finance, Tax, Law and Economics.

**Professional Accountants in Practice**

**Non-practising Professional Accountants**

**Professionals in Finance and Financial Services**

**Professionals in other disciplines**

**Indicative Reading**

Position Paper on Proposals to Strengthen the Regulatory Framework of the Accountancy Profession and Amendments to the Professional Accountants Ordinance and By-Laws
(http://www.hkicpa.org.hk/publications/other/position_paper.pdf)

A Plus magazine (http://www.hkicpa.org.hk/APLUS.php)

Information Paper “Setting Hong Kong Financial Reporting Standards”

Internal Control and Risk Management - A Basic Framework

(http://www.hksfa.org/about_HKSFA/publication.html)
Subject Code : AF2102
Subject Title : Accounting Concepts and Applications (Logistics)
Level : 2
Credits : 3
Mode of Study : Lectures 28 hours
           : Tutorials 14 hours
Pre-requisites : None
Assessment : Coursework 50%
             : Final Examination 50%
Minimum Pass Grade : Coursework (D)
                     : Final Examination (D)

Role and Purpose
This subject enables students
• to identify and evaluate the basic concepts in accounting and
• to apply the accounting knowledge for making business decisions.

It also requires students to
• Work effectively in groups and as individuals with an awareness of multidisciplinary influences and challenges and to
• apply problem solving and investigative skills.

Learning Outcomes
On successful completion of this subject, students should be able to:
• apply and use the building blocks of the accounting system.
• prepare simple financial statements.
• use accounting tools to examine financial statement numbers in a systematic way.
• apply various costing concepts in decision analysis
• apply the accounting knowledge and skills in solving business problems.

Indicative Teaching/Learning Approach
Students are initiated to the key concepts in lectures while the tutorial would provide an avenue for interactive discussion between the instructor and students and among students.
**Indicative Assessment Tasks**

Use accounting building blocks to build up the information system. Prepare simple financial statements. Use accounting tools to examine the financial statements of selected firms. Apply various costing concepts in case studies. Apply the accounting knowledge and skills in solving case problems.

**Indicative Content**

**Introduction to Accounting Information**
Accounting as an information system
Accrual Accounting Concepts
Merchandising Operations as a case study
Reporting and Analysing Receivables and Long-Lived Assets

**Preparation of Financial Statements**
Income Statement
Retained Earnings Statement
Balance Sheet
Statement of Cash flows

**Introduction to Financial Statement Analysis**
Objectives of financial statement analysis
Horizontal analysis and vertical analysis
Analysis of profitability, liquidity and capital structure

**Costing Principles and Operations Management issues**
Manufacturing costs, product costs and period costs.
Enterprise Resources Planning and other developments in operations management.

**Cost-Volume-Profit (CVP) Analysis**
Variable and fixed costs, contribution margin & breakeven analysis

**Incremental Analysis and Capital Budgeting**
Incremental analysis in make/ buy or stop/ process further and various decisions. The concept of present value and capital expenditure decision making

**Indicative Reading**


Subject Code : AF2104
Subject Title : Business Accounting
Level : 2
Credits : 3
Mode of Study : Lectures 28 hours
Tutorials 14 hours
Pre-requisites : None
Assessment : Coursework 40%
Final Examination 60%
Minimum Pass Grade : Coursework (D)
Final Examination (D)

Role and Purpose
This subject enables students to record and analyze accounting information and to apply it in a business context. It also enables students to identify and evaluate the accounting information required for different types of decision making.

Learning Outcomes
On successful completion of this subject, students will be able to:

1. identify the financial accounting concepts and evaluate the way the concepts are applied in the preparation of financial statements.
2. prepare and interpret a basic set of financial statements.
3. identify the uses and limitations of accounting information in decision-making
4. apply basic cost concepts and techniques for decision-making, planning and control
5. identify and evaluate the information for capital investment decision-making.

INDICATIVE TEACHING/LEARNING APPROACH
A two hour lecture will be conducted each week to initiate students into the ideas, concepts and techniques of the topics in the syllabus, which is then reinforced by a one hour tutorial designed to consolidate and develop students' knowledge through discussion and practical problem solving.

Indicative Assessment Tasks
The students will be assessed on how accounting information are formulated and to apply it to business context in the tutorial discussion, the group/individual assignments and the mid-term test. The application of accounting information and financial report analysis will be assessed in the mid-term test and the final examination.

Indicative Content/Outline Syllabus
Overview of Financial Statements and Reporting Process
Accounting as an information system, users of accounting information. Forms of business organizations. Overview of business activities. Accounting guidelines. Principal financial statements. Other items in published annual reports.
Preparation of the Basic Financial Statements

Accounting for Inventory and Fixed Assets
Choice of different valuation bases and their implications on financial statement reporting.

Introduction to Financial Statement Analysis

Introduction to Management Accounting

Short-term and Long-term Decisions Making
Basic cost concept and cost behavior and the application of cost-volume-profit analysis. Capital investment appraisal using the payback method, profitability index, accounting rate of return, net present value and internal rate of return.

Indicative Reading

Recommended Textbook

Recommended References
Horngren, Harrison and Bamber, Accounting, 6th edition, Prentical Hall.
Subject Code: AF2108
Subject Title: Financial Accounting
Level: 2
Credits: 3
Mode of Study: Lectures 28 hours
Tutorials 14 hours
Pre-requisites: None
Assessment: Coursework 50%
Final Examination 50%
Minimum Pass Grade: Coursework (Grade D)
Final Examination (Grade D)

Role and Purpose
This subject contributes to the achievement of BBA Outcomes by enabling students to analyse financial reports (Outcome 9), apply accounting conceptual framework in the business problems analysis (Outcome 7) and process a foundation of financial accounting skills and knowledge, on which to base the process of continuous professional development (Outcome 13). It also contributes to the development of information technology skill (Outcome 6) and ethical reasoning (Outcome 5).

Learning Outcomes
On successfully completing this subject, students will be able to:

- Explain the role and importance of accounting information in assisting decision-making in a business context.
- Apply the financial accounting conceptual framework in the recording, processing, summarizing and reporting phases of the accounting cycle.
- Evaluate the assumptions, principles and conventions underlying financial accounting processes.
- Identify and resolve accounting related ethical issues as they arise.
- Apply appropriate analytical tools for the interpretation of financial statements.

Indicative Teaching/Learning Approach
A two hour lecture will be conducted each week to initiate students into the ideas, concepts and techniques of the topics in the syllabus, which is then reinforced by a one hour tutorial designed to consolidate and develop students' knowledge through discussion and practical problem solving. Students will be assigned and assessed with a group project which simulates the maintenance of a set of accounting records for a company.
**Indicative Assessment Tasks**

The application of financial accounting framework (Outcome 7) and fundamental financial accounting skills and knowledge (Outcome 13) will be assessed in the pop quiz, mid-term test, the project assignment and the final examination. The knowledge in the use of current information technology (Outcome 6) is assessed in the mid-term test. The students will also be required to analyse financial statements (Outcome 9), identify and resolve accounting related ethical dilemmas (Outcome 5) in mini case studies in the final examination.

**Indicative Content/ Outline Syllabus**

**The Business and Accounting Environment**

Different types of businesses, their common objectives and basic features. The need for accounting as a basis for decision making. Ethical considerations in financial reporting.

**The Financial Accounting Framework**


**Accounting Principles and Concepts**

Fundamental accounting concepts and other accounting principles that underlie the preparation of financial statements.

**Company Accounting**


**Analysis and Interpretation of Financial Statement**

Need for analysis and interpretation of financial statements. Interpretation techniques including ratio analysis and cash flow statement. Calculation and interpretation of basic financial ratios. Limitations of ratio analysis.

**Indicative Reading**

*Recommended Textbook*


*Recommended References*


Subject Code : AF2110
Subject Title : Management Accounting 1
Level : 2
Credits : 3
Mode of Study : Lectures 28 hours
          : Tutorials 14 hours
Pre-requisites : None
Assessment : Coursework 50%
             : Final Examination 50%
Minimum Pass Grade : Coursework (D)
                    : Final Examination (D)

Role and Purpose
This subject contributes to the achievement of the BBA (Hons) Programme Outcomes by enabling students to analyse business situations and problems by applying conceptual frameworks drawn from accounting, finance, economics, behavioural science and quantitative methods (Outcome 7). It will prepare students for identifying, analyzing the means by which value is created in goods and services and delivered to end users (Outcome 10). The subject will also enable students to develop critical thinking and analytical skills (Outcome 4), and ethical awareness (Outcome 5) in the management accounting context. In addition, the subject will provide students with sufficient professionally-specific skills and knowledge in management accounting to make an immediate contribution to the organization in which they are first employed (Outcome 13).

Learning Outcomes
On successfully completing this subject, students will be able to:

- Understand and critically apply the appropriate concepts and techniques to generate cost information to help management in organizational planning and control (Outcomes 7 & 13).
- Identify and analyse the means to create value in goods and services and deliver to end users, using appropriate costing methods and management accounting techniques (Outcomes 10 & 13).
- Suggest alternative solutions to various management decision-making problems, based on their understanding of relevant cost information and other management accounting tools, in achieving business and corporate strategic objectives (Outcomes 4 & 13).
- Evaluate ethical issues from a management accounting perspective and suggest appropriate responses to aid management decision-making processes (Outcomes 5 & 13).

Indicative Teaching/Teaching Approach
The two-hour weekly lecture will be structured to guide and promote students’ understanding of relevant concepts and management accounting practices. In addition, there will be one tutorial of one hour per week. The tutorials will adopt a student-centered approach, including case analysis, electronic assignments, newspaper and professional articles for discussion and team-presentation.
Indicative Assessment Tasks
Assessment components include group-based case analysis with report and presentation; mid-term examination; participation; and final examination. The assessment tasks require students to demonstrate their understanding and critical application of the appropriate concepts and professional skills to generate cost information to help management in organizational planning, control and decision-making processes (Outcomes 4, 7 and 13); ability to identify and analyse the means to create value in goods and services and deliver to end users, (Outcomes 10 & 13); and ability to evaluate ethical issues from a management accounting perspective and suggest appropriate responses (Outcomes 5 & 13).

Indicative Content/Outline Syllabus

Managerial Accounting and the Business Environment

Cost Concepts, Cost Classification, Cost Estimation and Cost-Volume-Profit Analysis

Absorption and Marginal Costing
Differences between absorption and marginal costing. Effect of changes in production and sales level on profit. Use of information for external reporting and internal decision making.

Job Costing

Budgeting

Relevant Costs for Decision Making and Pricing
The decision making process. Cost concepts for decision making. Applications of relevant costs in different settings including constrained resources. Pricing policies for products and services.

Performance Measurement

An Overview of Contemporary Issues in Management Accounting

Indicative Reading
Prescribed Textbooks

References


Selected readings from professional journals and current news reports will be provided to students during the course.

* Only required for students who are going to take both Management Accounting 1 & 2 (AF2110 & AF3112).
**Subject Code**: AF2111  
**Subject Title**: Accounting for Decision Making  
**Level**: 2  
**Credits**: 3  
**Mode of Study**: Lectures 28 hours  
Tutorials 14 hours  
**Pre-requisites**: None  
**Exclusions**: Financial Accounting (AF2108)  
Management Accounting 1 (AF2110)  
**Assessment**: Coursework 50%  
Final Examination 50%  
**Minimum Pass Grade**: Coursework (D)  
Final Examination (D)

**Role and Purpose**
This subject contributes to equip students with sufficient professional skills and knowledge and enabling them to analyze business situations and problems in the investment context. It also enabling students to effectively communicate verbally and in writing in English, and identify ethical issues as they arise.

**Learning Outcomes**
On successfully completing this subject, students will be able to:

- Describe the role and importance of management and financial accounting information in assisting decision-making in a business environment.
- Identify assumptions, principles and conventions underlying financial reports.
- Interpret and analyze financial reports.
- Apply cost and accounting information to aid managerial decision-making.

**Indicative Teaching/Learning Approach**
A two hour mass lecture will be conducted each week to initiate students into the ideas, concepts and techniques of the topics in the syllabus, which is then reinforced by a one hour tutorial designed to consolidate and develop students’ knowledge through discussion and practical problem solving.

**Indicative Assessment Tasks**
Individual project assignment will enable students to apply professional skills and knowledge, to analyze business situations and problems, to think critically and creatively and to communicate effectively in English. Written test and examination will test students’ professional skill and knowledge of the subject and to communicate effectively in English.
Indicative Content/Outline Syllabus

Framework of Financial Reporting
Need for information in capital markets, basic financial statements, accounting cycle: capturing economics events; accruals and deferrals; reporting financial results, role of the auditor.

Elements of Financial Statements
Merchandising activities, financial assets, inventories and cost of goods sold, plant and intangible assets, liabilities, equities, income and changes in retained earnings, cash flow statement.

Analysis and Interpretation of Financial Statements
Financial ratios, financial statement analysis, measuring business performance, globalization and foreign currency transactions.

Managerial Accounting Information
Accounting systems for measuring costs: overhead allocations and absorption costing

Planning, Control and Analysis
Standard costing and budget, inventory planning and control, cost-volume-profit analysis, incremental analysis.

Indicative Reading
Subject Code : AF2116
Subject Title : Accounting Concepts for Decision Making I (Fashion and Textiles)
Level : 2
Credits : 3
Mode of Study : Lectures 28 hours
Tutorials 14 hours
Pre-requisites : None
Co-requisites : None
Exclusion : None
Assessment : Coursework 40 %
Final Examination 60 %
Minimum Pass Grade : Coursework D
Final Examination D

Role and Purpose
This subject contributes to enable students to effectively communicate verbally and in writing in English, and identify ethical issues as they arise. It also equips students with sufficient professional skills and knowledge and enabling them to analyze business situations and problems.

Learning Outcomes
On successfully completing this subject, students will be able to:

- Interpret financial accounting information
- Design and record accounting information in main manufacturing and trading activities
- Conduct accounting and costing information analyses for different types of operational decisions
- Measure profit performance by comparing accounting budgets with actual accounting records

Indicative Teaching/Learning Approach
Lectures aim to introduce the key issues of each topic to students and tutorials provide a forum for discussing assigned exercises and queries arising from lectures and readings.

Indicative Assessment Tasks
Individual project assignment will enable students to apply professional skills and knowledge, to analyze business situations and problems, to think critically and creatively and to communicate effectively in English. Written test and examination will test students’ professional skill and knowledge of the subject and to communicate effectively in English.
Indicative Content

Introduction to Accounting Information

Understanding Financial Statements
Principal financial statements and their information contents. Concepts underlying the preparation of these financial statements. Preparation of basic financial statements e.g. trial balance, profit and loss account, balance sheet and cash flow statement. Understanding of manufacturing accounts.

Introduction to Financial Statement Analysis

Introduction to Costing Principles
Cost classification and accumulation. Typical costing methods and their applications.

Cost-Volume-Profit (CVP) Analysis
CVP analysis as a decision making technique. The concepts of contribution. Break-even point and margin of safety. Limitations of CVP analysis.

Introduction to Budgetary Control
Budgetary control and the budgeting process.

Indicative Reading
Jones, Michael, Accounting, 2nd edition, John Wiley & Sons Ltd.
Subject Code : AF2303
Subject Title : Financial Services Environment
Level : 2
Credits : 3
Mode of Study : Lectures 28 hours
             Tutorials 14 hours
Pre-requisites : None
Assessment : Coursework 50%
             Final Examination 50%
Minimum Pass Grade : Coursework (D)
                     Final Examination (D)

Role and Purpose
This subject contributes to the achievement of the BBA in Financial Services Programme Outcomes by enabling students to enhance their global outlook (Outcome 3) through the studies on the domestic and international financial markets regulatory framework. This subject also provides foundation knowledge for other financial services subjects and develops the student’s understanding of the environment in which Hong Kong financial institutions operate (Outcome 9), and how the environment impacts upon the industry and vice versa (Outcome 12).

Learning Outcomes
On successfully completing this subject, students should be able to:

- Describe the different types of financial markets and institutions operating in Hong Kong, their structure and activities;
- Describe the financial markets and their features;
- Explain the role of various financial markets in the delivery of financial services;
- Examine the major financial services and products to personal and business clients;
- Outline the main characteristics of the domestic and international regulatory framework in which financial institutions and markets operate and discuss the implications for customers and service providers;
- Examine the key strategic issues facing the industry; and
- Assess the impact of the changing financial environment, both domestic and international, upon the operations and business strategy of financial institutions in Hong Kong.

Indicative Teaching/Learning Approach
Teaching will include lectures and seminars. Lectures will be used to introduce the underlying concepts. Seminars will be used to discuss some current issues affecting the local and international financial markets and institutions. Students may be required to undertake a group project and present a report on a topic within the subject area.
**Indicative Assessment Tasks**

The individual project will help students to apply concepts, and think critically and creatively (Outcome 4&7). The group project and class presentation will enhance students’ communication skills (Outcome 1&2). The ability to work with others will be assessed via a form of Evaluation of Group Performance (Outcome 8).

The final examination will assess the level of understanding of students in this subject. These include the understanding on the domestic and international financial markets regulatory framework (Outcome 3), the knowledge of the environment in which Hong Kong financial institutions operate (Outcome 9), how the environment affects the industry and vice versa (Outcome 12).

**Indicative Content/Outline Syllabus**

**Financial Services and the Economy**
Economic sectors, financial markets. Current situation and importance of financial services industry in Hong Kong. Functions of financial intermediaries.

**Financial Markets and Financial Institutions**
Overview of major financial markets in Hong Kong, their development, structure and competitiveness. Features of authorized institutions, insurance companies, pension funds, investment funds, stockbrokers, personal financial planning institutions in Hong Kong.

**Financial Services and Products in Hong Kong**
Characteristics of the mainstream services and products provided by authorized institutions, insurance companies, pension funds, investment funds, stockbrokers, and personal financial planning institutions.

**Regulation of the Financial Services Industry**
Rationale for government regulation of financial services industry. Regulatory framework of the financial sector in Hong Kong. Regulatory authorities including SFC, HKEx, HKFI, HKMA, and MPFSA. Investor protection. Depositor Protection. Overview of major financial services legislation in Hong Kong.

**Trends in Financial Services Industry in Hong Kong**
Developments and trends of international and regional regulation of financial services industry. Impact of technology, QFII, QDII and CEPA on the industry.

**Indicative Reading**


Hong Kong Exchanges and Clearing Company Limited, Investor Education, Frequently Asked Questions, Chapter 4, Securities Products

Relevant Material from the Following Internet Sources:
The Hong Kong Monetary Authority: http://www.info.gov.hk/hkma
The Securities and Futures Commission: http://www.hksfc.org/hk
Hong Kong Investment Funds Association: http://www.hkifa.org
The Mandatory Provident Fund Schemes Authority: http://www.mpfahk.org/
Subject Code : AF2304  
Subject Title : Finance and Society  
Level : 2  
Credits : 2  
Mode of Study : Lectures 28 hours  
Pre-requisites : None  
Exclusions : Financial Services Environment (AF2301), Business Finance (AF3302), Introduction to Finance (AF3308), Finance (AF3311)  
Assessment : Continuous Assessments 50%  
(include projects, assignments and group presentation)  
Final Examination 50%  
Minimum Pass Grade : This subject is graded by Pass or Fail only. Students are required to pass in both the continuous assessments and the final examination in order to obtain an overall pass in this subject.

ROLE AND PURPOSE

This subject will address the many ways in which finance affects our life and our society. With daily examples and issues commonly shown in the newspapers, this subject will help students of different disciplines to appreciate the relevance and importance of finance to their daily lives. The subject will also provide students with a broad and intellectual view on how finance affects the economy.

LEARNING OUTCOMES

On completing this subject, students will:

- Appreciate the relevance of finance and how finance affects their daily lives.
- Have a general understanding on how finance affects the economy and the society.
- Gain a critical perspective on corporate world and the finance industry

INDICATIVE CONTENT

Finance and the Financial System
What is finance? What is the financial system? What are the functions of the financial system to the economy?

Personal Financial Decision-making
The time value of money. Credit-card interest and payment. Education as investment. Buy or rent decision on property. Life-cycle financial planning.
**The Corporate World**

**Financial Market, Risks, and Bubbles**
Market efficiency and behavioral finance, financial innovations and risk management, fads, bubbles, and financial market collapse.

**Finance and Society**
Finance and the sources of economic growth, bubbles and economic downturn, corporate misconduct, corporate governance, and corporate ethics, the Hong Kong situation

**TEACHING/LEARNING APPROACH**
In the lectures the general principles of the syllabus topic will be presented and developed, together with guidance on further reading and activities. Lectures may also be used for the presentation and discussion of leading cases.

**INDICATIVE READING**

**References**


**SUBJECT CO-ORDINATOR**
NG Anthony
Subject Code: AF 2504
Subject Title: Introduction to Business Law
Level: 3
Credits: 3
Mode of Study: Lectures and Tutorials 42 hours
Pre-requisites: None
Co-requisites: None
Exclusion: None
Assessment:
- Coursework 50%
- Final Examination 50%
Minimum Pass Grade:
- Coursework: D
- Final Examination: D

Role and Purpose
This subject contributes to the achievement of the BBA Outcomes by enabling students to analyze business problems by applying conceptual frameworks drawn from case law and legislation (Outcome 7), demonstrate critical and creative thinking in the business setting (Outcome 4), identify and resolve ethical issues arising in the business (Outcome 5) and communicate effectively (Outcomes 1 and 2).

Learning Outcomes:
On successfully completing this subject, students will be able to:

- Identify, examine and resolve business-related legal problems by analyzing case law and legislation
- Identify and evaluate the practical actions required for resolving legal issues in business
- Follow future legal developments in commercial law

Indicative Teaching/Learning Approach
Lectures will introduce legal principles, legislation, and case law, which students will be required to apply during their tutorials and in their final examination.

Indicative Assessment Tasks
A legal problem based essay will help students to demonstrate critical and creative thinking (Outcome 4), apply appropriate legislation and common law principles (Outcome 7) and communicate effectively (Outcome 2), as will the role-play. Rubrics will be used for assessing learning outcomes for both assessment tasks. The examination will enable students to demonstrate their written English skills (Outcome 2), legal knowledge, legal reasoning and critical thinking skills by analyzing business problems and applying the law to resolve the problem (Outcome 7).
Indicative Content / Outline Syllabus

Legal Framework
The Hong Kong legal framework: the Executive Council the Legislative Council and the judiciary; dispute resolution.

The Law of Contract
Essentials of a valid contract; reasons for invalid or unenforceable contracts; terms of contract.; discharge of contract and remedies; electronic contracts; contracts for the supply of service.

Sale and Supply of Goods
The nature of goods; implied terms; transfer of property and risk; retention of title clauses; sale by non-owner; rights and remedies of the seller and buyer.

Law of Commercial Associations
Agency relationships; the nature of corporate personality and the comparison between partnerships and incorporated associations.

Employment Law
Employment contracts and terms; employees and independent contractors; common law duties of the employer and employee; constructive and unfair dismissal; bringing an action in the Labour Tribunal.

Tort
Negligence; professional liability for careless misstatements; ethical responsibility for words and conduct.

Indicative Reading

Textbooks

Legislation
The Laws of Hong Kong
Halsbury’s Annotated Ordinances
http://www.justice.gov.hk

Law Reports
Hong Kong Law Reports
Hong Kong Law Reports and Digest
Hong Kong Cases
Final Court of Appeal Cases
All England Law Reports (UK)
HK Electronic Citations (Westlaw)
Subject Code : AF2505
Subject title : General Principles of Business Law
Level : 2
Credits : 3
Mode of study : Seminars 42 hours
Prerequisites : None
Assessment : Coursework 50%
Final Examination 50%
Minimum Pass Grade : Coursework (D)
Final Examination (D)

Role and Purpose
This subject contributes to the achievement of the Higher Diploma in International Transport Logistics Outcomes by enabling students to investigate and analyze business problems by themselves and in groups (Outcome 2) applying conceptual frameworks drawn from case law and legislation (Outcomes 4 and 6), demonstrate critical and creative thinking in the business setting (Outcome 6), identify and resolve ethical and legal issues arising in the business (Outcome 6) and communicate effectively by presenting their findings and conclusions in concise, readable and organized prose (Outcome 1).

Learning Outcomes:
On successfully completing this subject, students will be able to:

- Identify, examine and resolve business-related legal problems by analyzing case law and legislation
- Identify and evaluate the practical actions required for resolving legal issues in the field
- Follow and appreciate future legal developments in commercial law

Indicative Teaching/ Learning Approach
Instruction will be delivered by way of lectures and seminars.

The lectures will explain and emphasise key concepts and will assist students in the assimilation of basic legal theory, together with its practical application to the business environment. Lectures will provide further analysis of the topics contained in the syllabus with particular emphasis on practical examples, and discussions of how the law effects business decisions. Lectures will be conducted in an interactive manner requiring prior preparation, and class participation by students.

Seminars will be problem based and promote student participation in the learning process, through discussion and application of law to facts. Students may also be expected to prepare relevant legal documents likely to be encountered in business. The emphasis throughout seminars will be on the practical application of legal theory. Seminars will reinforce topics, which have been dealt with more generally in the lecture.
Indicative Assessment Tasks
The individual assignment will require students to identify the applicable concepts (Outcome 2), to think critically and creatively (Outcome 6), apply the law to the given fact situations (Outcomes 4 and 6) and discuss legal issues in prose that is organized grammatical and readable (Outcome 1). The examination will call for the same skills and outcomes. Effective communication will also be involved in class presentations.

Indicative Content / Outline Syllabus

Sources of Law and the Hong Kong Legal System
Legal framework including the nature of law and custom. The Basic Law, common law equity and judicial precedent. The importance of legislation in the business environment and statutory interpretation. The role and jurisdiction of the Hong Kong civil and criminal courts. Tribunals and alternative methods of dispute resolution.

The Law of Contract

Sale and Supply of Goods

Law of Commercial Associations

Carriage of goods
CIF, FOB contracts.

Tort

Indicative Reading
Arjunan, Krishnan and Abdul Majid, Business Law in Hong Kong, Hong Kong, LexisNexis, 2002

Further Reading
Fisher, M. Contract Law in Hong Kong: Cases and Commentary, Hong Kong Sweet & Maxwell, 1996
Wright, C, W. Mcauliffe and A. Gamros, Internet Law in Hong Kong, Sweet & Maxwell Asia, Hong Kong 2003.
http://www.justice.gov.hk
**Law Reports**

Hong Kong Law Reports  
Hong Kong Law Reports and Digest  
Hong Kong Cases  
All England Law Reports  
Weekly Law Reports  
Appeal Cases  
Final Court of Appeal Cases  
Hong Kong Electronic Citations
Subject Code : AF2601
Subject Title : Introduction to Economics
Level : 2
Credits : 3
Mode of Study : Lecture 28 hours
Tutorials 14 hours
Pre-requisites : None
Co-requisites : None
Exclusion :
Assessment : Coursework 50 %
Final Examination 50 %
Minimum Pass Grade : Coursework D
Final Examination D

Role and Purpose
This subject contributes to the achievement of the BBA Outcomes by enabling students to analyze business situations and problems (Outcome 7) by applying conceptual frameworks drawn from Economics, and identify and analyze the means (Outcome 10) by which value is created in goods and services and delivered to users. It also identifies and analyzes (Outcome 12) those aspects of the domestic and global business environment that set the ‘parameter of choice’ within which business organizations set objectives and take actions.

Learning Outcomes
On successfully completing this subject, students will be able to

- Appraise the issues involved in the allocation of scarce resources for individual economic agents and the economy as a whole.
- Conduct economic analysis of the behaviour of firms and markets.
- Evaluate the issues relating to the macroeconomy and analyze the effectiveness of government economic policy.
- Apply relevant economic knowledge to enhance their understanding of other business subjects.

Indicative Teaching/ Learning Approach
Lectures focus on the introduction and explanation of key economic concepts, with specific reference to current economic issues wherever appropriate.

Tutorials provide students with the opportunity to deepen their understanding of the concepts taught in lectures and to apply the theories to the analysis of real-life economic issues. The activities in tutorials include student presentations and discussions of problem sets and case studies.
**Indicative Assessment Tasks**

During tutorials, students will be required to present and discuss problem set questions to test their ability to **analyze business situations and problems** (Outcome 7), and to **identify and analyze the means** (Outcome 10) by which value is created in goods and services. Discussion of economic analysis conducted by prominent economists will help students to **analyze** (Outcome 12) the business environment.

Mid term test and final examination are used to test students’ ability in understanding and applying the concepts learnt from the subject.

**Indicative Content/ Outline Syllabus**

**The Scope of Economic Analysis**


**Demand, Supply and the Price Mechanism**


**Market Structure**


**National Income Accounting and Determination**


**Fiscal Policy and Monetary Policy**


**The International Economy**

International exchange and gains from trade. The foreign exchange market and alternative exchange rate systems.

**Indicative Reading**

**Recommended Textbook**


**References**


Subject Code : AF2602
Subject Title : Global Economic Environment
Level : 2
Credits : 3
Mode of Study : Lectures 28 hours
Seminars 14 hours
Pre-requisites : None
Assessment : Coursework 50%
Final Examination 50%

Role and Purpose
This subject aims to provide students with an overview of global business environment (Outcome 1) and to develop students’ ability to analyze the impact of globalization on international business, trade and investment (Outcome 2). The subject provides a foundation for related higher level subjects (Outcome 3) in economics/finance, marketing/international business and China business studies. Leading-edge theories of international economics/business and current issues in globalization are covered in the subject to strengthen students’ knowledge (Outcome 4) on the development of the global economic environment. Assessment tools of the subject help students to enhance their oral and written skills and to communicate and work effectively with others. (Outcome 5)

Learning Outcomes
On successfully completing this subject, students will be able to:

- recognize the increasing integration of the world economy.
- develop the ability to assess international economic, financial and ethical issues.
- notify that there is an ethical dimension to many business decisions.
- evaluate the effect of political and cultural differences on international business.
- analyze the current trends of trade and investment in the global economy.
- apply the principles of foreign exchange in international trade.
- assess the strategies and behaviors of multinational companies.

Indicative Teaching/Learning Approach
Lectures are designed to provide outlines of key concepts and to provide guidance on further readings and applications. Videos are used occasionally to facilitate teaching.

Seminars are designed to provide the environment for discussions and critical analysis of the subject materials. Group presentations of assigned exercises are held in the seminars.

Indicative Assessment Tasks
A variety of assessment tools will be used, including case studies, in-class exercises, group projects and presentations, debates, quizzes and term tests. The case studies and in-class exercises will help students to understand the trend of globalization (Outcome 1), to develop students’ critical thinking and analytical skills (Outcome 2) and to provide a foundation for related higher level subjects (Outcome 3). Group projects and presentations help to strengthen students’ knowledge (Outcome 4) on specific topics and enhance teamwork, and oral and written communication skills (Outcome 5).
Indicative Content/Outline Syllabus

Globalization
Main forces and drivers of globalization. Concerns of globalization. The changing nature of international business in response to the changing global economy.

Country Differences
The nature of economic, political and legal systems for different countries. The determinants of economic growth and development. The nature of economic transformation and social culture. Ethical issues in international business.

Cross-Border Trade

Cross-Border Investment and Regional Economic Integration
Foreign direct investment in the world economy. Economic and political debate surrounding regional economic integration. Free trade agreements in different regions.

Global Money System
Functions and nature of foreign exchange market. Workings of the international monetary system. Financial crises and crisis management by the International Monetary Fund (IMF).

Competing in a Global Marketplace

Indicative Reading

Recommended Textbook and References
Subject Code : AF2617
Subject Title : Economics for Engineers
Level : 2
Credits : 3
Mode of Study : Lectures 28 hours
                         Tutorials 14 hours
Pre-requisites : None
Exclusion : AF3901

Role and Purpose
This subject aims to provide students with fundamental concepts of economics/mathematics/engineering and to develop students’ ability to analyze the economic situations or solve problems by application of these concepts. It also aims to explain how these concepts can be applied to affect the functioning of an engineering company and contribute to decision making in engineering operations. It provides a foundation for related higher level subjects in economics/engineering. Assessment tools of the subject help students to enhance their oral and written skills and to communicate and work effectively with others.

Learning Outcomes
On successfully completing this subject, students will be able to:

- understand the fundamental concepts of economics/mathematics/engineering.
- understand the concepts of costs and revenues in global business operation.
- develop the ability to understand economic and engineering issues in reality.
- identify, formulate and solve scientific and engineering problems in suitable mathematical or computable forms.
- build up the skills to think innovatively, critically and creatively.
- develop the problem-solving skills to deal with economic and engineering problems in reality.
- understand the ethical dimension and responsibility of business and engineering decisions and the social consequences of any decisions made.
- communicate effectively via graphic, numeric, verbal and written media.

Indicative Teaching/Learning Approach
There will be a lecture of two hours per week that will be structured to help students to understand engineering economics concepts. Besides, there will be an one-hour tutorial per week, for which students are required to present answers from tutorial questions and discuss relevant cases and examples relating to the subject.

Indicative Assessment Tasks
A variety of assessment tools will be used, including in-class exercises, group projects and presentations and mid-term test. The in-class exercises will help students to understand the fundamental concepts of economics/mathematics/engineering, to develop students’ critical thinking and analytical skills and to provide a foundation for related higher level subjects in economics/mathematics/engineering and decision making in reality. Group projects and presentations help to strengthen students’ knowledge and application and enhance teamwork, and oral and written communication skills.
**Indicative Content/Outline Syllabus**

**Introduction to Microeconomics**
Scarcity, Choice and Opportunity Cost; Demand, Supply and Price; Profit-maximizing Objective of a Firm; Cost and Output of a Firm; Depreciation and Cost.

**Engineering Economic Decisions**

**Time Value of Money and Project Evaluation**
Economic Equivalence and Interest Formulas; Evaluation of Engineering Projects using Methods of Present Value, Annual Worth, and Internal Rate of Return.

**Capital Budgeting Decision**
Methods of Financing Cost of Capital, and Evaluation of Investment Alternatives.

**Indicative Readings**

**Textbooks**

**Reference Books**

**Other Readings**
The Economist.
Far Eastern Economic Review.
Hong Kong Economic Journal.
Various newspaper articles.
**Subject Code**: AF3110  
**Subject Title**: Intermediate Accounting 1  
**Level**: 3  
**Credits**: 3  
**Mode of Study**: Seminars 42 hours  
**Pre-requisites**: Financial Accounting (AF2108) OR equivalent  
**Assessment**:  
- Coursework: 50%  
- Final Examination: 50%  
**Minimum Pass Grade**:  
- Coursework: (D)  
- Final Examination: (D)

### Role and Purpose
This subject contributes to the achievement of the BBA outcomes by enabling students to identify and resolve (outcome 5) ethical issues as they arise generally and in the specific business setting for which they are being prepared, and apply (outcome 9) basic financial theories, analyze financial reports and understand the operation of financial markets.

### Learning Outcomes
On successful completion of this subject, students will be able to:

- Demonstrate a thorough understanding of the conceptual framework of financial reporting, concepts and techniques of accounting.  
- Apply generally accepted accounting principles to situations.  
- Extend and refine the conceptual understanding and practical application skills in corporate financial accounting.

### Indicative Teaching/Learning Approach
In the seminars, the general principles of the syllabus topic will be presented and developed, together with guidance on further reading and activities. Furthermore, students will develop and apply the general principles of the topic in student-centred activities, including student presentations and discussions.

### Indicative Assessment Tasks
Class work will help students apply concepts learnt to situations involving ethical dilemma (outcome 5), and to financial reporting in various situations (outcome 9).

### Indicative Content/Outline Syllabus

**Foundations of Financial Accounting**

The conceptual framework of accounting. The financial reporting process. The regulatory format and content. The balance sheet, the statement of income and other comprehensive income, and the statement of changes in equity.
Operating Activities of a Business

Investing Activities of a Business
Investments in non-current operating assets. Investments in debt and equity securities. Investments in intangible assets. Impairment of assets.

Indicative Reading

Recommended Textbook

References
Hui, W.F. and P.H. Ng, Accounting in Hong Kong: Regulatory Framework and Advanced Accounting Practice, SCOPE, City University of Hong Kong, 2008.
Hong Kong Institute of Certified Accountants (HKICPA), Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards.
(Available at the HKICPA website: http://www.hkicpa.org.hk/index.php)

Subject Co-ordinator
LAI Kam Wah
Subject Code : AF3111
Subject Title : Intermediate Accounting 2
Level : 3
Credits : 3
Mode of Study : Seminars 42 hours
Pre-requisites : Intermediate Accounting 1
Co-requisites : None
Exclusion : None
Assessment : Coursework 50 %
Final Examination 50 %
Minimum Pass Grade : Coursework D
Final Examination D

Role and Purpose
This subject contributes to the achievement of the BBA Outcomes by enabling students to demonstrate a global outlook in the context of business (Outcome 3), identify and resolve ethical issues as they arise (Outcome 5), obtain sufficient financial accounting skills and knowledge to make an immediate contribution to their employers (Outcome 13) and analyze financial reports (Outcome 9) prepared according to Hong Kong Accounting Standards and International Financial Reporting Standards.

Learning Outcomes
On successfully completing this subject, students will be able to:

- apply and evaluate the accounting standards generally accepted in Hong Kong for major items on the liabilities and equity side of the statement of financial position.
- compare the conceptual understanding and practical application skills in corporate financial reporting in a global context.
- apply analytical skills and critical thinking on key accounting issues related to liability and equity.

Indicative Teaching/ Learning Approach
The subject uses a mix mode of teaching with a weekly two-hour lecture and one-hour seminar. The one-hour seminar will be conducted to initiate students into ideas, concepts and techniques of the topics, which is then reinforced by their participation in Class Discussion, Multiple-choice Questions, Individual Case-study based Essay, and Written Examination. These are designed to consolidate and develop students’ understanding and analytical ability through problem solving and working on relevant questions.
Indicative Assessment Tasks
Classwork, including the use of tutorial questions and the Individual Case-study based Essay, will help students to apply concepts, to demonstrate analytical skills (Outcome 9), to think critically and to identify ethical issues (Outcome 5) and possess sufficient financial accounting skills and knowledge (Outcome 13) suitable for future career. Examine the different accounting treatment in liability and equity locally and internationally through classwork will enable student to demonstrate a global outlook (Outcome 3) in the context of accounting.

Indicative Content/ Outline Syllabus

Financial Liabilities
Financial instrument; Classification of financial liability; Initial recognition and subsequent measurement of financial liability; Distinction of financial liability from equity instrument; Financial liability with characteristic of equity; Split accounting for compound instrument.

Provisions, Contingent Liabilities and Contingent Assets
Provision before HKAS 37; Distinction between accruals, provisions and contingent liabilities; Definition, recognition and measurement of provision, contingent liabilities and contingent assets; Change in provisions; Restructuring provision; Provision for onerous contracts.

Leases
Classification of lease; Accounting for lessee and lessor on both finance and operating leases; Sales and lease back arrangements; Distinguish investment property from property, plant and equipment; Leasehold property; Operating lease investment property alternative for leasehold property.

Shareholders’ Equity
Background of Companies Ordinance; Bonus and rights issue of shares; Legal concept of capital maintenance related to redemption of shares; Redemption of shares at a premium; Redemption or purchase of own shares out of capital; Maximum distribution of profits.

Ethical Responsibilities of Accountants in Business
Fundamental principles; Threats to compliances and the safeguards

Income Taxes
Introduction to profit tax calculation; Permanent and timing difference; Over- and under-provisions; Conceptual basis for recognition of temporary difference and tax base; Determination of deferred tax asset and deferred tax liability; Recognition criteria for deferred tax asset and deferred tax liability; Deferred tax on revaluation of non-current asset and available-for-sale investment.

Employee Benefits
Short-term and post-retirement benefits; Defined contribution and benefit scheme; Actuarial assumptions; Projected unit credit method; Components of net defined benefit plan liability and asset; Actuarial gains or losses and amortization; Past service costs.

Share-based Payments
Problem before HKFRS 2; Equity-settled share-based payments; Performance condition affecting equity-settled share-based payments; Effect on change in performance vesting condition; Cash-settled share-based payments.
Earnings per Share
Importance and reason for standardization in earnings per share (EPS) calculation; Basic EPS with change in capital; Diluted EPS with convertible instruments; Order of dilutive factors.

Indicative Reading
Required Textbook

Reference Textbooks
Subject Code : AF3112
Subject Title : Management Accounting 2
Level : 3
Credits : 3
Mode of Study : Lectures 28 hours
           : Tutorials 14 hours
Pre-requisites : Management Accounting 1 (AF2110)
Assessment : Coursework 50 %
             : Final Examination 50 %
Minimum Pass Grade : Coursework D
                     : Final Examination D

Role and Purpose
This subject contributes to the achievement of the BBA (Hons) Programme Outcomes by enabling students to analyze business situations and problems by applying conceptual frameworks drawn from accounting, finance, economics, and quantitative methods (Outcome 7). It will enable students to develop critical thinking and analytical skills (Outcome 4), and ethical awareness (Outcome 5) in the management accounting context. This subject will also prepare students to communicate verbally and in writing in English at a level of effectiveness sufficient for a business presentation (Outcome 1 and 2). This subject will contribute to build students' professionally-specific skills and knowledge to 1) enable them to make an immediate contribution to the organization they are first employed and 2) base the process of continuous professional development (Outcome 13).

Learning Outcomes:
On successfully completing this subject, students will be able to:

• Apply and critically compare the cost classification, accumulation, and allocation approaches and techniques.
• Evaluate the considerations and issues in cost and management accounting system design.
• Identify and prepare cost information for accounting purposes.
• Develop critical thinking, analytical skills and ethical awareness in the management accounting context.

Indicative Teaching/ Learning Approach
A two-hour mass lecture will be conducted each week to initiate students into the ideas, concepts and techniques of the topics in the syllabus. In addition, there will be one tutorial of one hour per week. The tutorials will adopt a student-centered approach, including problem solving and case analysis for discussion and team-presentation.
**Indicative Assessment Tasks**

Assessment components include group-based case analysis with report and presentation; mid-term examination; participation; and final examination. The assessment tasks require students to demonstrate their understanding and critical application of the appropriate concepts and techniques to generate cost information to help management in organizational planning, control and decision-making processes (Outcome 7 and 4); ability to evaluate ethical issues from a management accounting perspective and suggest appropriate responses (Outcome 5); and ability to communicate in both written and verbal English at a level of effectiveness sufficient for a business presentation (Outcome 1&2); and ability to build professionally-specific skills and knowledge (Outcome 13).

**Indicative Content/ Outline Syllabus**

**Process Costing**


**Spoilage, Rework and Scrap**

Accounting for spoilage, rework and scrap under Job costing and process costing

**Joint-Product Costs and By-Product Costing**


**Service Department Cost Allocation**

Reasons for service department cost allocation. Allocation bases. Methods of allocating service department costs.

**Activity Based Costing**


**Standard Costing and Variance Analysis**


**Transfer Pricing**


**Capital Budgeting Decisions**


**Innovative Inventory and Production Management Techniques**

Indicative Reading

Textbook(s)


Subject Code : AF3210
Subject Title : Hong Kong Tax Framework
Level : 3
Credits : 3
Mode of Study : Lecture and tutorial (42 hours)
Pre-requisites : Financial Accounting (AF2108) or equivalent
Co-requisites : None
Exclusion : None
Assessment : Coursework 50 %
              Final Examination 50 %
Minimum Pass Grade : Coursework (Grade D)
                      Final Examination (Grade D)

Role and Purpose
This subject contributes to the achievement of the BBA (Hons) Outcomes by enabling students to analyze business situations and problems by applying tax law principles to determine the tax liabilities for individuals and business in Hong Kong (Outcome 7), to identify and resolve ethical issues as they arise in the capacity of a tax professional (Outcome 5), to work effectively with other students as a team (Outcome 8), and to communicate in English effectively (Outcomes 1 and 2).

Learning Outcomes:
On successfully completing this subject, students will be able to:

- apply tax principles to determine the tax liabilities for individuals, partnerships and corporations in Hong Kong;
- effectively interpret tax statutes, analyse practical tax problems and apply tax rules;
- evaluate legal arguments in tax cases and present one’s own arguments in a reasoned manner;
- formulate and advise on basic tax mitigation arrangements; and
- recognise the social responsibility of a tax professional.

Indicative Teaching/Learning Approach
Lectures will impart students with a fundamental understanding of the principles of taxation and of the current law and practice relating to taxation of individuals, partnerships and corporations in Hong Kong. Tutorials reinforce students’ understanding and application of law and principles to practical situations.
Indicative Assessment Tasks
Assessment components include solving of tax problems/cases in presentation, term test and final examination. These assessment components require students to demonstrate their ability to analyse and solve problems by applying tax law and principles (Outcome 7) and to communicate in English effectively (Outcomes 1 and 2). Students are required to deliver the presentation in small group and their ability to work as a team will be indirectly assessed in the presentation component (Outcome 8). Their ability to identify ethical issues in business settings (Outcome 5) will be assessed through their explanation given in presentation, term test and/or final examination.

Indicative Content/Outline Syllabus
Tax System and Administration in Hong Kong
Introduction to Hong Kong tax system and administration.

Taxation on Property
Scope of charge and computation of property tax in Hong Kong.

Taxation on Employment and Office Income
Scope of charge and computation of salaries tax in Hong Kong for individuals and married persons.

Taxation of Business Income
Scope of charge and computation of profits tax in Hong Kong for individuals, partnerships and corporations, including basic source principles and concepts, assessment and deduction rules, depreciation allowance, and loss relief.

Taxation on Total Income for Individuals
Personal assessment and computation of tax liabilities.

Tax Management
Introduction to anti-avoidance legislation and tax planning opportunities. Social responsibility of a tax professional.

Indicative Reading
Inland Revenue Ordinance (Chapter 112) and Inland Revenue Rules, updated edition and amendments, Hong Kong SAR Government.
Smith, D.G. and A. Macpherson, Hong Kong Taxation: Law and Practice, latest edition, the Chinese University Press.
Lee, D, Advanced Taxation in Hong Kong, latest edition, Longman Asia Ltd.
Subject Code : AF3211  
Subject Title : Accounting Information Systems  
Level : 3  
Credits : 3  
Mode of Study : Seminar/Laboratory 42 hours  
Pre-requisites : Information Technology for Business (MM2421)  
Assessment : Coursework 50%  
Final Examination 50%  
Minimum Pass Grade : Coursework (D)  
Final Examination (D)

ROLE AND PURPOSE
This subject contributes to the achievement of the BBA Programme Outcomes by enabling students to use and evaluate information technology effectively (Outcome 6) and to analyze business situations and problems by applying conceptual frameworks drawn from the subject (Outcome 7). In addition, students studying the subject should acquire sufficient professionally-specific skills and knowledge, on which to base the process of continuous professional development and to make an immediate contribution to the organization in which they are first employed (Outcome 13).

LEARNING OUTCOMES
On successfully completing this subject, students should be able to:

- Document the AIS so as to understand and evaluate them.
- Design and implement AIS using data modeling technique, database application software and accounting software.
- Apply the internal control frameworks to AIS control.
- Explain the systems development life cycle related to AIS development.

INDICATIVE TEACHING/LEARNING APPROACH
This course will use an integrative approach that combines lectures, exercises, and computer laboratory work within a three-hour session. Students will have opportunity to gain hands on experience in using certain database and accounting software applications.

Indicative Assessment Tasks
Assessment components include AIS projects, class exercises, midterm test and final examination. These assessment components require students to demonstrate their ability to use and evaluate information technology effectively (Outcome 6), to analyze business situations and problems by applying conceptual frameworks drawn from the subject (Outcome 7), and to acquire professionally-specific skills and knowledge (Outcome 13).
**Indicative Content/Outline Syllabus**

**Foundation**
Overview of AIS and its subsystems. The role of the AIS in the company value chain. Overview of the five major transaction cycles. Transaction processing: the data processing cycle within AIS. Ledgers, chart of accounts, journals. Batch and on-line processing.

**Information Systems Documentation Techniques**
Documentation techniques used to understand, evaluate, and design information systems. Preparation and interpretation of data flow diagrams. Interpretation of document flowcharts relating to internal control. Differences between data flow diagrams and document flowcharts.

**Data Management**

**Business Processes**
Core business processes within the revenue and expenditure cycles. The general ledger and reporting system. Extensible Business Reporting Language (XBRL).

**Controlling Accounting Information System**
Overview of control concepts. COSO’s internal control framework and Enterprise Risk Management Model. Threats and controls in the revenue and expenditure transactions cycles, as well as in the general ledger and reporting system activities.

**Systems Development**

**INDICATIVE READING**
- *MYOB Premier user guide*, Latest Version, MYOB Hong Kong.
Subject Code : AF3311
Subject Title : Finance
Level : 3
Credits : 3
Mode of Study : Lectures 28 hours
           : Tutorials 14 hours
Pre-requisites : None
Assessment : Coursework 50%
             : Final Examination 50%
Minimum Pass Grade : Coursework (D)
                     : Final Examination (D)

Role and Purpose
This subject aims to introduce to students a range of basic concepts and ideas in modern
finance. After completing this subject, the participants should know the principles involved in
making investment and financing decisions, understand the functions of financial markets
and financial managers, and acquire a basic knowledge of option pricing and financial
planning. This foundation prepares students for more in-depth studies at a later stage.

Learning Outcomes:
On successfully completing this subject, students will be able to:

- Understand the role of financial managers and the functions of the financial market;
- Understand the concept of present value and its applications in investment appraisal;
- Understand the risk-return relation and the determination of cost of capital;
- Acquire a broad knowledge of financing decision-making under uncertainty and under
  conditions of market imperfection;
- Apply basic finance theory to solve practical problems.

Indicative Teaching/ Learning Approach
This class can be seen as an introductory finance class to students with applied
mathematics background. Beside application of mathematics and numerical methods to
finance, students are also required to understand how financial decisions are to be made.

Indicative Assessment Tasks
1. Students are required to actively participate in tutorial sessions. Participation scores are
   based on attendance rate and class-room performance. Students who do not prepare for
   tutorial will be treated as absence.
2. Midterm Examination would be consisted of thirty multiple choice questions and two long
   questions. Questions in the midterm examination are mainly testing students’
   understanding of the basic ideas in finance.
3. Final Examination would be consisted of both multiple choice and long questions. In the final exam, questions are mainly calculation based and some basic application of applied mathematics for financial decision making. Students are also required to explain results of their calculation in essay forms.

**Indicative Content/ Outline Syllabus**

**Fundamental Concepts**
Goals of management, functions of the financial system, financial statement analysis and financial planning, asymmetric information, agency problem.

**Value**
Opportunity cost, discounted cash flow analysis, nominal and real interest rates, future value, present value, net present value, principles of valuation.

**Risk and Return**
Portfolio theory, systematic and unsystematic risks, asset pricing, risk/return trade-off, capital budgeting under uncertainty.

**Market Efficiency**
Competition, sources of information, weak form efficient market hypothesis, semi-strong form efficient market hypothesis, strong form efficient market hypothesis, evidence of market efficiency, implications of market efficiency for financial decision-making.

**Dividend Policy and Capital Structure**
Dividend policy, leverage, capital structure, weighted average cost of capital.

**Options**
Option-pricing theory, spotting and valuing options, real options.

**Indicative Reading**

**TEXTBOOK**

**Main Text:**

**Optional text:**
Subject Code : AF3312
Subject Title : Bank Credit Management
Level : 3
Credits : 3
Mode of Study : Lectures 28 hours
Seminars 14 hours
Pre-requisites : Business Finance (AF3313)
Assessment : Coursework 50%
Final Examination 50%
Minimum Pass Grade : Coursework (D)
Final Examination (D)

Role and Purpose
Building on the foundation studies in Accounting and Finance the subject contributes to the achievement of the BBA Outcomes by equipping the students with an understanding of the techniques of effective credit assessment, credit risk management, the customer’s ability to repay, lending administration, the legal framework within which lending operate, credit control and recovery. (Outcomes 7, 9 and 13).

Learning Outcomes
On successfully completing this subject, students will be able to:

- Understand the nature of bank lending activities and credit risk;
- Apply the principles of good lending in assessing credit propositions from bank customers;
- Conduct credit analysis the purpose of bank lending; and
- Assess, modify and justify loan proposals from borrowers.

Students will be able to formulate lending propositions taking into account borrowers’ specific financial needs, legal regulation on bank credit and social responsibility of the lending institutions.

Indicative Teaching/Learning Approach
A combination of lectures and seminars will be used. Problem based case studies will be part of teaching and relevant software will be used such as balance sheet analysis and Excel. Student assignments will emphasize on investigation and solution of problems in a holistic inter-disciplinary approach.

Indicative Assessment Tasks
Individual assignments will be used to test knowledge and understanding of credit analysis to explore the issues and methodologies to be adopted in assessing a lending proposition. Group presentations will evaluate the various loan proposals for business customers, personal customers and professionals and recommend appropriate solutions. The written examination will require students to apply both practical knowledge and their ability to draw upon the theoretical principles relevant to the issues concerned. (Outcomes 7, 9 and 13).
**Indicative Content/Outline Syllabus**

**An Introduction to the Nature of Bank Lending**
The nature of bank lending and credit risk. Purposes and principles of credit analysis. Sources of information available for bank credit analysis. Steps taken by banks in dealing with lending propositions.

**Types of Bank Credit Facilities and their Features**

**Analysis of Financial Information for Lending Propositions**

**Evaluation of Financing Propositions**
Feasibility of projects. Risk analyses, e.g. resources, marketing, completion, operation ... etc. Country risk. Evaluation of the types and amount of finance required. Analyses of off-balance sheet items. Analyses of non-quantitative data, e.g. management quality, appropriateness of technology, motivation, political / social variables. Legal aspects and valuation of securities. Viability of repayment scheme / funds flow.

**Monitor and Control of Loan Account**

**Credit Risk Management**
Loan policies of banks. Traditional methods of managing credit risk of loan portfolios. Credit risk modeling such as Altman’s Z-score model and KMV’s model. Credit risk management with the application of securitization and credit derivatives. Legal requirements on bank lending in Hong Kong.

**INDICATIVE READING**

**Recommended Textbook**
References


Terry, B. J., *The International Handbook of Corporate Finance*, CIOB, latest edition


*Hong Kong Banking Ordinance (Sections related to bank lending)*

*Hong Kong Monetary Authority, Lending Guidelines and various publications on bank lending activities.*

*Journal of Commercial Lending*

*Journal of Managerial Finance*
Subject Code : AF3313
Subject Title : Business Finance
Level : 3
Credits : 3
Mode of Study : Lectures 28 hours
Tutorials 14 hours
Pre-requisites : Financial Accounting (AF2108) or equivalent
Assessment : Coursework 40%
Final Examination 60%
Minimum Pass Grade : Coursework (D)
Final Examination (D)

Role and Purpose
This subject contributes to the achievement of the BBA Outcomes by enabling students to develop strong analytical skills and critical thinking (Outcome 4), and apply financial methods to analyze business problems (Outcome 7) and apply basic financial theories, analyze financial reports and understand the operations of financial markets (Outcome 9) and present and communicate in English effectively (Outcome 1 and Outcome 2).

Learning Outcomes
On successfully completing this subject, students will be able to:

- Identify the major responsibilities of financial managers;
- Apply different investment appraisal techniques and evaluate the limitations;
- Apply the portfolio theory to construct a diversified portfolio;
- Determine the corporate cost of capital and
- Analyze the key characteristics of working capital and its individual elements.

Indicative Teaching/Learning Approach
The mass lectures cover the basic concepts and theories. Tutorial sessions allow students to discuss the lectures and present the applications of financial methods in smaller groups.

Indicative Assessment Tasks
A variety of assessment tools, including written assignments, presentations, midterm test and final examination will be used.

In-class presentations show whether students can apply the financial methods to analyze business problems (Outcome 7) and apply the basic financial theories (Outcome 9) and present in English effectively (Outcome 1).

Written assignments assess the analytical skills (Outcome 4) and English writing skills of students (Outcome 2).

Midterm test and final examination evaluate whether the students can apply the financial methods to analyze business problems (Outcome 7) and apply the basic financial theories (Outcome 9) and communicate in written English effectively (Outcome 2).
Indicative Content/Outline Syllabus

Introduction
Corporate Goal. The Agency Problem and Control of the Corporation

Valuation of Securities
Time value of money. Valuation of Stocks and bonds.

Investment Appraisal Techniques and the limitations

Risk Analysis, Real Options and Capital Budgeting
Decision trees, Real Options. Sensitivity Analysis. Scenario Analysis. Breakeven Analysis

Portfolio Theory

Cost of Capital

Net Working Capital Management
Short-term Finance and Planning. Cash Management. Credit Management

Indicative Reading
Subject Code : AF3314
Subject Title : Financial Institutions and Markets
Level : 3
Credits : 3
Mode of Study : Lectures 28 hours
Seminars 14 hours
Pre-requisites : Business Finance (AF3313)
Assessment : Coursework 50%
Final Examination 50%
Minimum Pass Grade : Coursework (Grade D)
Final Examination (Grade D)

Role and Purpose
This subject contributes to the achievement of the BBA Outcomes by enabling students to analyze business situations and problems within the financial system by applying concepts from Accounting, Finance, Economics, Law and Quantitative methods (Outcome 7), critically assess the performance of financial institutions by applying theories in finance, financial markets and financial reporting (Outcome 9), identify and analyze various aspects of the domestic and global business environment that set the parameters of choice within which financial institutions set objectives and take actions (Outcome 12). It also requires students to communicate effectively in English either in individual report writing or group presentation (Outcome 2).

Learning Outcomes
On successfully completing this subject, students will be able to:

- identify the key differences in different financial systems and evaluate the implications on the operations of the principal financial institutions and markets;
- apply appropriate tools to analyze the movements of funds in financial markets and the determination of interest rates;
- critically assess the different roles performed by different financial institutions and the different management problems faced by different financial institutions;
- evaluate the rationale for financial regulation and its impact in the financial system.

Indicative Teaching / Learning Approach
Lectures will be used to discuss concepts and issues relating to the financial system. Case studies and / or mini projects will be used in seminars to reinforce students’ learning by illustrating that techniques discussed in lectures have application to real-life problems. Students will be asked to analyze and provide solutions to cases / projects which should reflect understanding and ability of applying the knowledge covered in this subject.
Indicative Assessment Tasks
Seminar presentation of discussion questions will help students to apply concepts (Outcome 7), mini projects / case studies will require students to critically assess the performance of financial institutions (Outcome 9) and identify and analyze the risks involved in the management of financial institutions (Outcome 12). Group seminar presentation, individual report and the final examination will require students to communicate effectively in English.

Indicative Content / Outline Syllabus

Functions of Financial System and Institutional Structure
Functions of financial system. Savings, financial investment vs real investment. Factors shaping the institutional structure of financial system.

Determination of Interest Rates
Loanable fund analysis. Valuation of financial securities. Term and risk structure of interest rates.

Financial Markets

Financial Institutions
Insurance companies. Investment funds. Commercial and investment banks.

Management of Financial Institutions

Regulation of the Financial System

Indicative Reading

Textbooks

References
Articles from newspapers, magazines and journals. Examples are Financial Times, Hong Kong Monetary Authority and Financial Analyst Journal…etc.
Subject Code : AF3315
Subject Title : Foreign Exchange and Finance of International Trade
Level : 3
Credits : 3
Mode of Study : Lectures 28 hours
          : Tutorials 14 hours
Pre-requisites : None
Assessment : Coursework 50%
             : Final Examination 50%
Minimum Pass Grade : Coursework (D)
                     : Final Examination (D)

Role and Purpose
This subject contributes to the achievement of the BBA Outcomes by enabling students to examine the theory and practice of international trade and foreign exchange and train students to explain methods of payment for imports and exports, documentation and shipping terms, international payment systems, sources of finance for exports and foreign currency hedging techniques (Outcomes 5 and 13).

Learning Outcomes
On completion of the subject, students should be able to:
1. Analyse how spot and forward foreign exchange markets work and evaluate their importance in international trade;
2. Compare the techniques, both internal and external, used by corporations to manage foreign exchange risk;
3. Discuss the methods and risks of payment involving letters of credit and documentary collections and the ability to apply ICC Uniform Rules for Collections and ICC Uniform Customs and Practice for Documentary Credits; and
4. Compare and evaluate different sources of finance for exports.

Indicative Teaching/Learning Approach
Lectures are used for imparting theoretical principles. In the seminars students will have the opportunity to examine actual documents used in documentary credits and documentary collections in order to understand the practice of uniform rules and customs for international trade.

Indicative Assessment Tasks
Assessment components include written problem/case assignments, seminar participation and presentation of problems/cases and final examination with practical problems/cases. These assessment components require students to effectively interpret international rules, customs and practice, and apply the knowledge to provide practical solutions/explanations of international trade and foreign exchange (Outcomes 5 and 13).
Indicative Content/Outline Syllabus

An Overview of International Trade
An overview of needs of importers and exporters. Risks associated with international trade and how these may be mitigated. Terms of payment. Major shipping terms (Incoterms).

Documentary Credits
Operations of a documentary credit. Roles and liabilities of various parties to a documentary credit. Types and uses of documentary credit. The importance of documents in documentary credits. Uniform Customs and Practice for Documentary Credits (UCP 600).

Documentary Collections

Finance of International Trade
Methods of international settlement through banks. Finance for exporters and importers. Non-financial services for exporters and importers.

Foreign Exchange

Indicative Reading

Recommended Textbook

References
Euro Money, Video Cassette: Documentary Letters of Credit: Parts I and II.
Euro Money, Video Cassette: An Introduction to Foreign Exchange Advanced Foreign Exchange: Parts I and II.
International Chamber of Commerce, Case Studies on Documentary Credits under UCP 500.
Hong Kong Export Credit Insurance Corporation, Protect Yourself against Export Risk, Latest Edition.
International Chamber of Commerce, Managing Exchange Rate Risks, ICC Publication No. 549.
Role and Purpose
This course provides a comprehensive coverage of the basic concepts, theories, applications and decision-making rules for financial investments. It is a complement to modules in Financial Markets and Institutions, Securities Regulation, Risk Management, Principles of Insurance, and Management of Financial Institutions.

While this subject contributes towards the achievement of almost all of the BBA program objectives, more direct contribution is towards enabling students to (i) analyze business situations by applying conceptual frameworks drawn from finance (Outcome 7), (ii) apply basic financial theories, analyse financial reports, and understand the operation of financial markets (Outcome 9), and (iii) communicate their analyses verbally and in writing in English (Outcomes 1 & 2).

Learning Outcomes
On successfully completing this subject, students will be able to:

- Explain the different types of securities and their risk and return profiles;
- Understand the security analysis and portfolio analysis process;
- Plan, manage and review client portfolios according to customer profile and needs in order to recommend and justify appropriate types of savings and investment;
- Recognize ethical and environmental issues that they might face in real world situations;
- Demonstrate an ability to recognize, analyze, and deal with global issues relating to investments.

Indicative Teaching/Learning Approach
The three contact hours per week will be divided into a 2-hour lecture for the whole class, and a 1-hour tutorial for smaller groups. The lecture would be used to impart the knowledge base, and enable students to learn and apply financial concepts to solve investment-related problems (Outcomes 7 & 9). The tutorial sessions would be used flexibly by the instructor for discussing key concepts, going through assignments, tutorial questions, and student presentations. Students are expected to share their views and experiences actively with their instructors and other classmates, allowing the students to improve their communication skills (Outcomes 1 & 2).
Indicative Assessment Tasks

Individual participation during tutorial sessions would require students to demonstrate their ability to apply investment and finance theories (Outcome 9), to think critically and creatively (Outcomes 7), and to communicate their analysis effectively (Outcome 1). The mid-term test and the final examination would test student’s ability to apply finance theories to business situations (Outcome 9).

Indicative Content/Outline Syllabus

Basics of Financial Investments
The process of portfolio management. Trading mechanisms. Mutual funds, hedge funds and other investment vehicles. Asset classes and financial instruments. Asset allocation

Risk and Return

Efficient Market Hypothesis

Equity Valuation
Fundamental analysis. DCF models. Relative valuation.

Fixed-Income Securities
Bond Basics, Interest rate sensitivity, Duration, Convexity, Term structure of interest rates, Immunization, Managing fixed income portfolios

Introduction to Derivatives

Performance Evaluation

Indicative Reading

Recommended Textbook

References
Subject Code : AF3317
Subject Title : Risk Management
Level : 3
Credits : 3
Mode of Study : Lectures 28 hours
Seminars 14 hours
Pre-requisites : Business Finance (AF3313) AND Quantitative Methods for Business (AMA2101)
Assessment : Coursework 50%
Final Examination 50%
Minimum Pass Grade : Coursework (D)
Final Examination (D)

Role and Purpose
This subject contributes to the achievement of the BBA Outcomes by enabling students to apply concepts in Economics, Finance, Quantitative Methods and Business Law to give the students an insight into how a business can identify and measure its loss exposures and select appropriate tools for the management of that exposure (Outcome 7). It also requires students to demonstrate critical and creative thinking (Outcome 4) work effectively with and through others (Outcome 1&2&8). This subject is to prepare the students to establish the body of knowledge necessary for independent risk management analysis and decision-making.

Learning Outcomes
On successfully completing this subject, students will be able to:

- **explain** the principles of risk management in relation to Economics, corporate Finance, investment, and corporate governance
- **evaluate** the role of risk management in business firms
- **apply** all tools to identify, measure and control risk exposures related to operation, financing and investment in a global market

Indicative Teaching/Learning Approach
Lectures will be used to provide theoretical concepts. During seminar sessions, students will be required to apply the theory to solve risk management problems in the real world.

Indicative Assessment Tasks
Coursework, including the project, will help students to apply concepts, and think critically and creatively (Outcome 4&7). Effective communication (Outcome 1&2) will be assessed the group project.

The project is carried out in groups and the ability to work with others (Outcome 8) is assessed through a form of Evaluation of Group Performance.
**Indicative Content/Outline Syllabus**

**Introduction to Risk**
Definition of Risk. Various concepts of risk and uncertainty. Classifications of Risks

**Basic Concepts of Risk Management**

**Risk Identification**

**Risk Evaluation**

**Risk Control**

**Applications of Risk Management**
Portfolio risk management. Case studies.

**Indicative Reading**


鄭子云，司徒永富著, 企業風險管理, 商務印書館 (香港)有限公司, 2001年(CS)。


(http://www.gsm.uci.edu/~jorion/)

Subject Code : AF3318
Subject Title : Principles of Insurance
Level : 3
Credits : 3
Mode of Study : Lectures 28 hours
          Seminars 14 hours
Pre-requisites : None
Assessment : Coursework 50%
              Final Examination 50%
Minimum Pass Grade : Coursework (D)
                     Final Examination (D)

Role and Purpose
This subject contributes to the achievement of the BBA Outcomes by providing students with general knowledge of insurance both in principle and in practice, and demonstrate critical and creative thinking (Outcome 4). It is designed to help students understand the theory, the practical operation procedures, and the major products of insurance. After successful completion of this course, students should be able to use insurance as a tool for financial consultation to manage personal and/or group assets (Outcome 7). It also requires students to work effectively with and through others (Outcome 1&2&8).

LEARNING OUTCOMES
On successfully completing this subject, students will be able to:

• explain what insurance is, why insurance works and how to determine insurance needs;
• explain insurance operation: functions of insurance, insurance markets, insurance regulation and financial assessment and know how insurance works along with its practical operation procedures;
• apply major insurance products, such as life insurance, health insurance, property and liability insurance;
• evaluate various kinds of insurance plans as well as the contract selection criteria from a cost-benefit point of view; and
• use insurance as a tool for personal financial consultation to manage personal and/or group assets.

Indicative Teaching/Learning Approach
Lectures will be used to provide theoretical concepts. During seminar sessions, students will be required to apply the theory to solve practical situations relating to insurance contacts.

Indicative Assessment Tasks
Coursework, including the project, will help students to apply concepts, and think critically and creatively (Outcome 4&7). Effective communication (Outcome 1&2) will be assessed the group project.

The project is carried out in groups and the ability to work with others (Outcome 8) is assessed through a form of Evaluation of Group Performance.
**INDICATIVE CONTENT/OUTLINE SYLLABUS**

**Introduction to Insurance and Risk**
Principles of Risk: introduction to risk, insurance and risk  
Principles of Insurance: fundamental legal principle, analysis of insurance contracts

**Property and Liability Insurance**
Personal property and liability insurance, liability risk and personal property and liability insurance, homeowners insurance, automobile insurance, personal accident, travel, major illnesses

**Commercial Property Insurance**
Commercial property, commercial liability insurance, crime insurance and surety bonds

**Life and Health Insurance**
Life insurance, fundamentals of life insurance, types of life insurance, life insurance contractual provisions, choosing life insurance, applications of life insurance, annuities and individual retirement accounts, individual health insurance and disability insurance

**The Insurance Industry**
The insurance company, types of insurance and marketing systems, insurance company operations, insurance pricing

**Insurance Regulations**
Government regulation, industry self regulation, other legal regulation

**INDICATIVE READING**

**Recommended Textbook**

**References**
Insurance Intermediaries Quality Assurance Examination Scheme Study Notes: *Principle and Practice*, Published by Office of Insurance Commissioner, Hong Kong, 2004

Insurance Intermediaries Quality Assurance Examination Scheme Study Notes: *Long-term Insurance*, Published by Office of Insurance Commissioner, Hong Kong, 2007

Insurance Intermediaries Quality Assurance Examination Scheme Study Notes: *General Insurance*, Published by Office of Insurance Commissioner, Hong Kong, 2005

Insurance Intermediaries Quality Assurance Examination Scheme Study Notes: *Investment-linked Long Term Insurance*, Published by Office of Insurance Commissioner, Hong Kong, 2004

Insurance Intermediaries Quality Assurance Examination Scheme Study Notes: Travel Insurance Agents, Published by Office of Insurance Commissioner, Hong Kong, 2006.

Insurance Intermediaries Quality Assurance Examination Scheme Study Notes: Study Notes for the Mandatory Provident Fund Schemes Examination (2007 Edition)
Subject Code : AF3321
Subject Title : Global Financial Markets
Level : 3
Credits : 3
Mode of Study : Lectures 28 hours
Seminars 14 hours
Pre-requisites : Financial Services Environment (AF2303)
Assessment : Coursework 50%
Final Examination 50%
Minimum Pass Grade : Coursework (D)
Final Examination (D)

Role and Purpose
This subject contributes to the achievement of the BBA in Financial Services Programme Outcomes by enabling students to enhance their global outlook (Outcome 3) through studies on financial globalizations, apply finance and economics (Outcome 9) to analyze the operations of global financial markets, and analyze the implications for decision-making of management in a changing business environment (Outcome 12).

Learning Outcomes
On successfully completing this subject, students will be able to:

- Compare the operations of global money, stock, bond and foreign exchange markets
- Analyze the effect of monetary policies on the operation of international financial markets
- Evaluate the effectiveness of financial regulations in a global setting

Indicative Teaching/Learning Approach
The key concepts and the institutional arrangements of the global financial markets will be explained in lectures. Students will be split into small groups with each delivering a presentation on pre-set questions on each topic. They are encouraged to participate in group discussions.

Indicative Assessment Tasks
The presentation and report will require students to apply concepts (Outcome 3) and to demonstrate an effective understanding of the financial globalization (Outcome 9). Discussions, quizzes can enhance students' awareness of the changing business environment and its implications for management (Outcome 12). A mid-term test seeks to reinforce the above learning outcomes.

Indicative Content/Outline Syllabus

Financial Markets in a Global Marketplace
Foreign exchange and Eurocurrency markets; international money and capital markets; their operations and pricing
Role of International Organizations
The International Monetary Funds, World Bank, Bank for International Settlements and the International Organization of Securities Commissions; their roles in the global financial market

Problems of the Global Financial Markets
Inflation risks, default risks, interest risks and currency risks. Global financial crisis

Regulations of the Global Financial Markets
Theories of Regulation, Regulation of hedge funds and international banks

Changing Environment and Management
Changing risks & regulations and their implications for management

Indicative Reading

Recommended Textbook

References
Subject Code : AF3507
Subject Title : Company Law
Level : 3
Credits : 3
Mode of Study : Lectures 28 hours
Seminars 14 hours
Pre-requisites : Introduction to Business Law (AF2504)
Assessment : Coursework 50%
Final Examination 50%
Minimum Pass Grade : Coursework (D)
Final Examination (D)

Role and Purpose
The subject builds upon the general principles of business law studies at level 2 and in particular focuses on business associations in the form of a registered company. The purpose of the subject is to focus on those aspects of company law which are of particular significance and relevance to the accountancy profession and also to focus on the interaction of company law and business practices (Outcome 13). It contributes to the achievement of BBA Programme Outcomes by enabling students to identify and resolve legal and ethical issues in companies (Outcome 5), and analyze business situations and problems by applying legal concepts in company law (Outcome 7).

Learning Outcomes:
On successfully completing this subject, students will be able to:

- Explain the principles of Hong Kong Company Law relevant to the discipline of accountancy.
- Explain the laws applying to companies which are established overseas but establish a place of business in Hong Kong.
- Advise clients on various means by which a company may raise capital and provide security for its lending
- Critically evaluate the roles and responsibilities of officers of the company and also of shareholders
- Explain the regulatory framework applying to private and public companies and analyze its effectiveness
- Identify and resolve legal and ethical issues in companies
- Analyze business situations and problems by applying legal concepts in company law.

Indicative Teaching/ Learning Approach
Legal principles and concepts will be introduced through lectures. In seminars, students will be required to analyse and apply the legal principles to various issues involving companies in the form of case study.
Indicative Assessment Tasks
Assessment components include written company law problems/cases in coursework, mid-term test and a final examination set with company law problems/cases. These assessment components require students to demonstrate their ability to interpret up-to-date company law statute, including the Companies Ordinance and Securities and Futures Ordinance, and case law principles and analyze practical company law issues (Outcome 7), apply company law concepts to provide legal and ethical advice to clients (Outcome 5). Students’ ability to identify and resolve ethical and legal issues in companies will be assessed in their explanations/advices through assessment components and final examination (Outcome 13).

Indicative Content / Outline Syllabus

Formation of a Company
The process of formation and the documentation required. The legal nature of corporation and the doctrine of separate legal entity. The significance of the memorandum and articles of association. Overseas companies regulation in Hong Kong.

Share and Loan Capital
Types of share capital and methods of raising and re-organising share capital including prospectuses and the legal responsibilities of promoters. Debt financing from a corporation’s perspective. Company debentures and registration.

Officers of the Company
Appointment and removal of directors and company secretary; powers and duties of directors and company secretary. Disclosure requirements.

Limitation and Control of Company
Types of company’s meetings and their significance. The role and function of auditors and inspectors. The protection of minority members.

External Regulation of Companies

Indicative Reading

Recommended Textbook

Students are advised to obtain a copy of the Companies Ordinance (Cap.32) from the Government Stationer or download an electronic copy from BLIS.

References
Lipton & Herzberg’s Understanding Hong Kong Company Law, Law Book Company, 1996.
Subject Code : AF 3508 
Subject Title : Employment Law
Level : 3
Credits : 3
Mode of Study : Lectures and Tutorials 42 hours
Pre-requisites : AF2504 - Introduction to Business Law
Co-requisites : None
Exclusion : None
Assessment : Coursework 50 %
Final Examination 50 %
Minimum Pass Grade : Coursework D
Final Examination D

Role and Purpose
This subject contributes to the achievement of the BBA Management Outcomes by enabling students to analyze employment problems by applying conceptual frameworks drawn from case law and legislation (Outcome 7), demonstrate critical and creative thinking in the business setting (Outcome 4), identify and resolve ethical issues arising in the workplace (Outcome 5) and communicate effectively (Outcomes 1 and 2).

Learning Outcomes:
On successfully completing this subject, students will be able to:

- Examine and resolve employment-related legal problems by analyzing case law and legislation.
- Identify and evaluate the practical actions required for implementing ethical and legal compliance.
- Follow future legal developments.

Indicative Teaching/Learning Approach
This subject is built around a role-play, which students develop in and out of the classroom. Lectures will introduce legal principles, legislation, case law and codes of conduct, which students will be required to apply in the context of their role-plays.

Indicative Assessment Tasks
An individual employment contract drafting task, will help students to demonstrate critical and creative thinking (Outcome 4), apply appropriate legislation and common law principles (Outcome 7) and communicate effectively (Outcome 2), as will the role-play. The role-play will also help students to demonstrate effective spoken English (Outcome 1) and identify and resolve ethical issues arising in the workplace (Outcome 5). Rubrics will be used for assessing learning outcomes for both assessment tasks. The examination will enable students to demonstrate their legal knowledge, legal reasoning and critical thinking skills by analyzing business problems and applying the law to resolve the problem (Outcome 7).
**Indicative Content / Outline Syllabus**

**Legal Framework and Institutions**
The Hong Kong legal framework, Labour Tribunal and Equal Opportunities Commission.

**Employment Relationship**
Distinction between employees, apprentices and independent contractors.

**Discrimination: Gender, Disability, and Family Status**
Ethical issues, and codes of conduct. Starting a claim under the anti-discrimination legislation. Rights and remedies.

**Form and Terms of Employment Contracts**

**Trade Unions**
Membership and industrial action.

**Health and Safety at Work**
The duties of employers and employees under legislation and at common law, legal exemptions and remedies. Compensation for employment related injuries and diseases.

**Disciplinary Action and Termination of Employment**
The legal obligations of employers in relation to staff appraisal and references. Dismissal and remedies for unfair dismissal. Severance payments and long service payments.

**Indicative Reading**

**Textbooks**
Bruckhaus Deringer (Freshfields, 2006) *Employment law in Hong Kong*, CCH Hong Kong Ltd.

**Legislation**
The Laws of Hong Kong
Halsbury’s Annotated Ordinances

**Law Reports**
Hong Kong Law Reports
Hong Kong Law Reports and Digest
Hong Kong Cases
Final Court of Appeal Cases
All England Law Reports (UK)
Weekly Law Reports (UK)
Appeal Cases (UK)
HK Electronic Citations (Westlaw)
Subject Code : AF3511
Subject Title : Aspects of Insolvency Law
Level : 3
Credits : 3
Mode of Study : Lectures 28 hours
              Seminars 14 hours
Pre-requisites : Company Law (AF3507)
Assessment : Coursework 50%
              Final Examination 50%
Minimum Pass Grade : Coursework (D)
                       Final Examination (D)

Role and Purpose
This subject is specifically designed for students studying in the Faculty of Business. Today it is generally recognized that a strong and advance insolvency regime does not only create and protect confidence in the business community but it also has an important role in the economic recovery process of any jurisdiction in serious economic recession. Thus the purpose of the subject is to equip the students with the fundamentals of the law and practice relating to the insolvency of individuals and corporations (Outcome 13). It is expected that at the end of the course the students will thoroughly understand their role in the existing insolvency regime and understand the ethical and legal issues (Outcome 5) and problems surrounding the insolvency of individuals and corporations, and cross-border insolvencies and how they may be resolved under the current legal framework (Outcome 7).

Learning Outcomes
On successfully completing this subject, students will be able to:

- Explain Hong Kong’s insolvency regime for both individuals and for companies.
- Explain the process of being adjudicated bankrupt and the consequences of such an order.
- Explain the alternative voluntary procedure/scheme of arrangement of a debtor’s affairs.
- Advise clients on various options a debtor, who is in financial difficulty, may have.
- Explain the process of winding up a company, the role of the liquidator and the dissolution of companies.
- Analyze business situations and problems by applying legal concepts in insolvency law
- Identify the ethical and legal issues arising in cross border insolvency.
- Critically Evaluate the need for reform of insolvency law and explain the various form such reform may take.

Indicative Teaching/Learning Approach
The lectures will explain and emphasize the fundamental principles and will assist students in the application of the legal principles in the practical environment. Lectures will constantly use practical examples to show the important role and function of professional accountants in the field of individual and corporate insolvency.

The seminars will promote student participation in the learning process through discussion and case analysis. The emphasis throughout seminars will be on the practical application of legal theory.
Indicative Assessment Tasks
Assessment components include written individual bankruptcy law and corporate insolvency law problems/cases in coursework, mid-term test and a final examination set with insolvency law problems/cases. These assessment components require students to demonstrate their ability to interpret up-to-date insolvency law statute, including the Bankruptcy Ordinance and Companies Ordinance, and case law principles and analyze practical insolvency law issues (Outcome 7), apply insolvency law concepts to provide legal and ethical advice to clients (Outcome 5). Students’ ability to identify and resolve ethical and legal issues in insolvency situation will be assessed in their explanations/advice through assessment components and final examination (Outcome 13).

Indicative Content

Introduction to Hong Kong Insolvency Legal Framework
Purpose of Insolvency Law. Nature of Insolvency, Bankruptcy and Liquidation.

Individual Insolvency
Bankruptcy Administration: Courts; Official Receiver; and Trustees. Alternative procedure to bankruptcy. Bankruptcy proceedings: the statutory demand; bankruptcy petition; the hearing; bankruptcy order; and proof of debts. Consequential effect of bankruptcy over person and property of bankrupt. Criminal law and bankruptcy.

Corporate Insolvency
Liquidation Administration: Courts; Official Receiver; Liquidator; Registrar of Companies; and the Financial Secretary. Distinction between voluntary and compulsory liquidation. Corporate rescue and alternative to liquidation. The process of compulsory winding up: winding up petition; consequences of petition; the hearing; winding up order; and proof of debts. Consequences of winding of order and subsequent proceedings on the corporate entity and property. The process of voluntary winding by members and creditors. Consequences on directors and others.

Cross Border Insolvencies
Classification of types of insolvency regimes: e.g. the United Kingdom, the United States and the People’s Republic of China. Legal and practical problems relating to recovery of debts and enforcement of securities in different insolvency regime. Legal and practical problems of competing jurisdictions in parallel insolvency proceedings.

Reforms
Overview of future reforms of Insolvency Laws from the domestic and international perspectives.
Indicative Reading

Recommended Textbook

References

Legislation
The Bankruptcy Ordinance (Cap. 6).
The Bankruptcy Rules.
The Companies Ordinance (Cap. 32).
The Companies Winding Up Rules.
Subject Code : AF3601
Subject Title : Managerial Economics
Level : 3
Credits : 3
Mode of Study : Lectures 28 hours
Tutorials 14 hours
Pre-requisites : None
Co-requisites : None
Exclusion : None
Assessment : Coursework 50%
Final Examination 50%
Minimum Pass Grade : Coursework D
Final Examination D

Role and Purpose
This subject contributes to the achievement of the BBA Outcomes by enabling students to analyze business situations and problems by applying conceptual frameworks drawn from Economics (Outcome 7); and to identify and resolve ethical issues as they arise generally and in the specific business settings for which they are being prepared (Outcome 5).

Learning Outcomes:
On successfully completing this subject, students will be able to:

• apply economic analysis to major categories of business decision.
• identify and resolve ethical issues in the principal-agent problem.
• present (individually and with others) economic arguments in a logically consistent manner.

Indicative Teaching/ Learning Approach
The instructor will provide students with structured lectures on the underlying economic concepts and their applications in business decisions. Students will be required to participate in discussion in lectures, to undertake guided reading and case analyses, and to make group presentations in the seminars.

Indicative Assessment Tasks
Group project and case analyses will require students to apply economic concepts (Outcome 7) to different categories of business decisions. Presentations will require them to present economic arguments logically (Outcome 7). Individual problem sets will assess their ability to choose and use the appropriate economic frameworks (Outcome 7), while a mid-term test and the final examination will assess their ability to evaluate practical business issues, including ethical issues in business decisions (Outcome 5).
**Indicative Content/ Outline Syllabus**

**The Scope of Managerial Economics**
Model-building, theories and assumptions.

**Models of the Firm**
The profit-maximizing model, managerial and behavioural models.

**The Nature of the Firm**
Coasian analysis and Williamson's analysis.

**Ownership and Control of the Firm**
The extent of managerial discretion. Diversifications, mergers and acquisitions.

**Consumer Demand and Production**
Estimating and forecasting demand. Production functions, cost curves and cost drivers.

**Pricing Decisions**
The simple model and its extensions; price discrimination; pricing new products and pricing to deter entry; pricing in practice.

**Game Theory and Strategic Behaviour**
The prisoners' dilemma and collusion; entry deterrence; new product development. The impact of network effects.

**Competition and Competition Policies**
Competition law, government regulation, deregulation and privatization.

**Indicative Reading**
Subject Code : AF3604
Subject Title : Monetary and Financial Systems
Level : 3
Credits : 3
Mode of Study : Lectures 28 hours
           : Tutorials 14 hours
Pre-requisites : Introduction to Economics (AF2601) OR equivalent
Co-requisites : None
Exclusion : 
Assessment : Coursework 50%
             : Final Examination 50%
Minimum Pass Grade : Coursework D
                    : Final Examination D

Role and Purpose
This subject contributes to the achievement of the BBA Outcomes by enabling students to analyze business situations and problems (Outcome 7) by applying conceptual frameworks drawn from Economics, and to apply basic financial theories and understand the operation of financial markets (Outcome 9).

Learning Outcomes:
On successfully completing this subject, students will be able to

- Apply the concept of risk-return tradeoff in financial economics.
- Analyze the determinants of interest rates.
- Explain the importance and operations of the banking system.
- Examine the implication of monetary policy.
- Evaluate the role and functioning of various financial markets and institutions.

Indicative Teaching/ Learning Approach
Lectures are used to explain the basic concepts related to the subject. Tutorials involve small groups of students working on a series of presentations and problem set solving. Students are also required to write individual essays and to discuss findings from published research articles.

Indicative Assessment Tasks
During tutorials, students will be required to present and discuss problem set questions to test their ability to analyze business situations and problems (Outcome 7). Students are also required to present empirical issues relating to the monetary and financial systems in Hong Kong and to conduct data analysis. These activities will help students to apply basic financial theories and understand the operation of financial markets (Outcome 9).

Mid term test and final examination are used to test students’ ability in understanding and applying the concepts learnt from the subject.
Indicative Content/Outline Syllabus

Basic Financial Economics

Money and Interest Rate
What is money? Concept and behaviour of interest rates. Risk and term structure of interest rates.

Banking System and Monetary Policy
Economic analysis of banking system. The money supply process. Central banking. Tools and conduct of monetary policy.

Monetary Theory

Financial Markets

Financial Institutions
Banking and non-banking institutions. Regulation of financial institutions.

Indicative Reading
Recommended Textbook

References
Publications of Hong Kong Monetary Authority.
Publications of the U.S. Federal Reserve Bank.
The Journal of Money, Credit and Banking.
Role and Purpose
This subject aims to provide students with fundamental concepts of economics/mathematics/engineering and to develop students’ ability to analyze the economic situations or solve problems by application of these concepts. It also aims to explain how these concepts can be applied to affect the functioning of an engineering company and contribute to decision making in engineering operations. It broadens students’ global outlook by introducing economic issues in Hong Kong and worldwide context. Assessment tools of the subject help students to enhance their oral and written skills and to communicate and work effectively with others.

Learning Outcomes
On successfully completing this subject, students will be able to:

- understand the fundamental concepts of economics/mathematics/engineering.
- understand the concepts of costs and revenues in global business operation.
- develop the ability to understand economic and engineering issues in reality.
- develop the budgetary planning and capital budgeting skills to deal with economic and financial problems in engineering operations.
- identify, formulate and solve scientific and engineering problems in suitable mathematical or computable forms.
- build up the skills to think innovatively, critically and creatively.
- assess the strategies and behaviors of firms operating under various market structures in the global economy.
- understand the ethical dimension and responsibility of business and engineering decisions and the social consequences of any decisions made.
- communicate effectively via graphic, numeric, verbal and written media.

Indicative Teaching/Learning Approach
There will be a lecture of two hours per week that will be structured to help students to understand engineering economics concepts. Besides, there will be an one-hour tutorial per week, for which students are required to present answers from tutorial questions and discuss relevant cases and examples relating to the subject.
**Indicative Assessment Tasks**

A variety of assessment tools will be used, including in-class exercises, group projects and presentations and mid-term test. The in-class exercises will help students to understand the fundamental concepts of economics/mathematics/engineering, to develop students' critical thinking and analytical skills and to provide a foundation and broaden the global outlook for decision making in reality. Group projects and presentations help to strengthen students' knowledge and application and enhance teamwork, and oral and written communication skills.

**Indicative Content/Outline Syllabus**

**Part I**
Basic Principles of Economics; Price Mechanism; Theory of Demand and Supply; Behaviour of the Firm; Organisation of Industry.

**Part II**
Economic model of an engineering company; Composition of costs; Costing systems; Activity and time based costing; Profit and loss control. Budgetary planning and control; Investment and sources of finance; Time value of money and Investment appraisal.

**Indicative Readings**
Subject Code : AF4106
Subject Title : Advanced Financial Accounting
Level : 3
Credits : 3
Mode of Study : Seminars 42 hours
Pre-requisites : Intermediate Accounting 2 (AF3111)
Co-requisites : None
Exclusion : None
Assessment : Coursework 50 %
             Final Examination 50 %
Minimum Pass Grade : Coursework D
                     Final Examination D

Role and Purpose
This subject contributes to the achievement of the BBA Outcomes by enabling students to apply financial theories and analyze financial reports (Outcome 9), demonstrate a global outlook in analyzing business situations and problems (Outcome 3) and identify and resolve ethical issues (Outcome 5). In addition, the subject will provide students with sufficient professionally-specific skills and knowledge in management accounting to make an immediate contribution to the organization in which they are first employed (Outcome 13).

Learning Outcomes
On successfully completing this subject, students will be able to:

- Explain and compare different types of business combinations.
- Prepare group accounts.
- Identify and resolve accounting issues of consolidation and foreign currency translation.

Indicative Teaching/Learning Approach
THIS SUBJECT USES A MIX MODE OF TEACHING WITH ABOUT TWO-HOUR LECTURE AND ONE-HOUR TUTORIAL. LECTURES WILL INTRODUCE PERSPECTIVES, CONCEPTS AND TECHNIQUES WHICH STUDENTS WILL BE REQUIRED TO APPLY FINANCIAL THEORIES AND PREPARE GROUP ACCOUNTS. TUTORIALS WILL INITIATE STUDENTS FOR IDEAS, CONCEPTS AND TECHNIQUES OF THE TOPICS.

Indicative Assessment Tasks
Classwork, including the use of tutorial questions, will help students to apply financial theories and analyze financial report (Outcomes 9 and 13). Cases and problems will enable students to demonstrate global outlook in analyzing business situations and problems (Outcomes 3 and 13) and identify and resolve ethical issues (Outcomes 5 and 13).
**Indicative Content/ Outline Syllabus**

**Business Combination**

**Consolidation of a Group of Companies**

**Multinational Accounting**
Foreign currency transactions and financial instruments. Translation of foreign entity financial statements. Different methods of foreign currency translation. Accounting practices of foreign currency translation for individual companies and group of companies.

**Indicative Reading**
Lynne Chow, Shirley Kan, Dennis Taylor, Christina Tsui, *Advanced Financial Accounting in Hong Kong*, Longman.
Subject Code : AF4107
Subject Title : Financial Statement Analysis (Elective subject)
Level : 4
Credits : 3
Mode of Study : Seminars 42 hours
Pre-requisites : Intermediate Accounting 2 (AF3111) AND Business Finance (AF3313)
Assessment : Coursework 50%
Final Examination 50%
Minimum Pass Grade : Coursework (D)
Final Examination (D)

Role and Purpose
This subject aims to introduce an analytical framework for carrying out business analysis and valuation by using information provided in financial statements. It is primarily designed for accountancy students who wish to qualify as a professional user of financial statements at an entry level.

It contributes to the achievement of 02002 and 21045 Programme Outcomes by enabling students to analyse business situations and problems by applying conceptual framework drawn from Accounting and Finance (Outcome 5), apply accounting and financial theories to analyze financial reports (Outcome 9) and function as a professional user of financial statements (Outcome 13).

Learning Outcomes
On successfully completing this subject, students will be able to:

• Develop a framework for analysis that sets accounting and financial analysis in the context of competitive strategies adopted by a company;
• Analyze accounting choices, combine them into meaningful financial analyst reports and use this information in assessing company value and
• Demonstrate skills and knowledge as a professional user of financial statements.

Indicative Teaching/Learning Approach
The three hours per week will be used flexibly by the instructor for discussing both concepts and applications with students and carrying out other learning activities. Students will be encouraged to share their views and experiences actively with the instructor and other classmates.

To maximize learning, students are requested to read the assigned textbook chapter(s), do exercises and cases before they come to the seminar. It normally requires 4-5 hours preparation for a 3-hour seminar.
**Indicative Assessment Tasks**

50% Continuous assessment
- contribution in discussions to demonstrate students’ knowledge on application of accounting and finance concepts/theories (Outcome 5, 9 and 13),
- mid-term test, a direct approach to test students’ understanding and application of accounting and financial concepts (Outcome 5 & 13) and
- written analysis on assigned cases to demonstrate students’ ability to analyze financial reports in the context of a company’s strategies and produce meaningful financial analyst reports so as to qualify as professional users of financial statements (Outcome 5, 9 and 13).

50% Final examination

Problems/cases to test students’ understanding on various types of analysis, their ability to process, interpret and professionally use relevant information from financial reports (Outcome 5, 9 and 13)

**Indicative Content/Outline Syllabus**

**A Framework for Business Analysis**
Structure of a corporation: Board, Ownership and Capital structure; Incentives, moral hazard and adverse selection; Corporate reporting – Financial Statements, Business Analysis, Tools for Analysis

**Business Strategy Analysis**
Business Environment analysis; Actual and potential competition; Sources of competitive advantages; Achieving and sustaining competitive advantage; Formulation and deployment of strategy through operations, investment, financing and reporting

**Accounting Analysis**
Factors affecting accounting quality; Assessing accounting flexibility; Potential red flags.

**Financial Analysis**
Common-sized financial statements; Ratio analysis; Cash flow analysis.

**Prospective Analysis and Valuation**
Forecasting; Cash-flow and Accounting-based valuation techniques.

**Indicative Readings**

**Recommended Textbooks**


**Reference**
Subject Code : AF4108
Subject Title : Issues in Management Accounting
Level : 4
Credits : 3
Mode of Study : Seminars 42 Hours
Pre-requisites : Management Accounting 1 (AF2110) AND
Management Accounting 2 (AF3112) AND
Accounting Information Systems (AF3211)
Assessment : Coursework 50%
Final Examination 50%
Minimum Pass Grade : Coursework (D)
Final Examination (D)

Role and Purpose
This subject contributes to the achievement of the BBA (Hons) Programme Outcomes by enabling students to analyze strategic management problems by applying conceptual frameworks drawn from accounting, finance, economics, behavioral science and quantitative methods (Outcome 7), by identifying and analyzing those aspects of the domestic and global business environment that set the 'parameters of choice' within which business organizations set objectives and take actions (Outcome 12). It will prepare students for using current information technology effectively and evaluating new technologies as they emerge in the management accounting context (Outcome 6). This subject will also prepare students to develop ethical awareness from the managerial accounting and information technology perspectives (Outcome 5). This subject will contribute to build students’ professionally-specific skills and knowledge to 1) enable them to make an immediate contribution to the organization they are first employed and 2) base the process of continuous professional development (Outcome 13).

Learning Outcomes:
On successfully completing this subject, students will be able to:

- Identify problems and formulate alternatives for strategic management decisions.
- Apply the recent global development in management accounting techniques to management control and decision making.
- Design and evaluate information systems for planning, control and performance measurement.

Indicative Teaching/ Learning Approach
Using active and problem-based learning approaches, a three-hour seminar will be conducted each week to develop students’ knowledge through case analyses, discussions, presentations and team projects. This subject adopts “real-life” organization-based cases in teaching. Through case analysis and presentation, students are provided with the ambiguous issues and problems found in actual organizations, enabling them to apply management accounting theory to these problems. This approach encourages students to think in terms of management accounting theory as a way of conceptualizing problems and prescriptions for management accounting systems design. Computer laboratory sessions will be organized to provide students’ hands-on experience in retrieving information from management accounting information systems for planning, control and decision making.
Indicative Assessment Tasks
Assessment components include group-based case analysis with report and presentation; mid-term examination; participation; an information system design project and final examination. The assessment tasks require students to demonstrate their understanding and critical application of the appropriate concepts and techniques in management accounting to help management in organizational planning, control and decision-making processes (Outcome 7); ability to identify and analyze aspects of the domestic and global business environment when proposing strategic actions in meeting corporate objectives (Outcome 12); ability to use current information system to aid management for decision-making and internal control (Outcome 6); and ability to evaluate ethical issues from a management accounting and information technology perspective and suggest appropriate responses (Outcome 5); and ability to build professionally-specific skills and knowledge (Outcome 13).

Indicative Content/ Outline Syllabus
Cost Management Concepts and Cost Behaviour

Traditional Cost Management System

Activity Based Costing and Activity Based Management
Activity cost drivers. Limits of traditional costing system. Using ABC for pricing and analyzing customer profitability.

Management Accounting Information for Activity and Process Decisions

Cost Information for Pricing and Product Planning

Management Accounting and Control Systems: Assessing Performance over the Value Chain

Motivating Behavior in Management Accounting and Control Systems

Financial Control

Using Budgets to Achieve Organizational Objectives
Management Control System Design
The nature of management control systems. The management control environment and process. Contingency approach to system design. Computer technology in management control system design.

Strategy and the Balanced Scorecard
The Balanced scorecard, the strategy map and the balanced scorecard. Balanced scorecard objectives and measures.

Indicative Reading

Textbook(s)

References
Subject Code: AF4109
Subject Title: International Accounting
Level: 4
Credits: 3
Mode of Study: Seminars 42 hours
Pre-requisites: Advanced Financial Accounting (AF4106)
Assessment: Coursework 50%
Final Examination 50%
Minimum Pass Grade: Coursework (Grade D)
Final Examination (Grade D)

Role and Purpose
This subject contributes to the achievement of BBA Outcomes by enabling students to obtain sufficient accounting skills and knowledge to make an immediate contribution to their employer (Outcome 13) and broaden their global outlook (Outcome 3) through evaluating the diversity of accounting practices across countries. It also enables the students to identify and resolve the consequent international accounting issues facing the professional, investors, multinational companies and regulators.

Learning Outcomes
On successfully completing this subject, students will be able to:

- Identify the impact of environmental and cultural factors on the evolution of the accounting system of a country.
- Make a comparative analysis of accounting systems in various countries.
- Evaluate accounting concepts on significant technical issues in financial reporting and managerial accounting for multinational corporations.
- Apply analytical skills and critical thinking on key international accounting issues.

Indicative Teaching/Learning Approach
The three hours per week will be used flexibly by the instructor for seminar-based teaching, case studies and discussion. To maximize benefits, students are expected to develop their global outlook and apply their knowledge on international accounting through a combination of research, discussion, individual assignments and group project.

Indicative Assessment Tasks
The assignments and the group project will help students to develop their global outlook (Outcome 3), accounting skill and knowledge, analytical skills and critical thinking through identifying and resolving international accounting issues. The students will also be required to demonstrate the accounting skills and knowledge (Outcome 13) suitable for their future career through unstructured essay questions and structured computational questions in the Final Examination.
Indicative Content/Outline Syllabus

Overview

International Accounting Standards and Organisations

Comparative Accounting Systems
Environmental and cultural factors that influence national accounting systems and lead to accounting diversity. Comparison of accounting and reporting practices in a sample of developed countries.

Financial Reporting and Disclosure Issues for Multinational Corporations
Foreign currency transaction and translation. Accounting for price changes and inflation. Segment Reporting.

Managerial accounting issues for Multinational Companies

Indicative Reading

Recommended Textbook

Recommended References
Subject Code : AF4212
Subject Title : International Tax Planning and Management
Level : 4
Credits : 3
Mode of Study : Seminars 42 hours
Pre-requisites : Hong Kong Tax Framework (AF3204)
Assessment : Coursework 50%
Final Examination 50%
Minimum Pass Grade : Coursework (D)
Final Examination (D)

Objectives
This subject aims:
(a) to impart students the principles and techniques in international tax planning and the commonly used tax avoidance devices. The concepts will be illustrated by up-to-date cases pertaining to the business practices and tax laws in Hong Kong, in selected countries which have close economic ties with Hong Kong, and in Mainland China.
(b) to enhance students’ understanding and appreciation in applying the tax knowledge in business and investment decisions.
(c) to provide students a background knowledge in the PRC taxation system and its implications to foreign investors.
(d) to arouse students’ appreciation of the contemporary issues in taxation both within and outside Hong Kong.

Indicative Teaching/Learning Approach
The three hours per week will be used flexibly by the instructor for discussing key concepts and their applications with students and carrying out other learning activities with them. To maximize benefits, students are encouraged to share their views and experiences actively with their instructors and other classmates.

Indicative Content
International Taxation – Concepts and Principles

Taxation Of Inbound and Outbound Investments

PRC Tax and Investment Implications

Current Issues in Taxation
Other forms of taxation, electronic commerce, tax agency, and latest taxation development in Hong Kong and at international scene.

INDICATIVE READING
Recommended Textbook
Subject Code : AF4215
Subject Title : Information Systems Audit and Control
Level : 4
Credits : 3
Mode of Study : Seminars 42 hours
Pre-requisites : Computer Systems for Accountants (AF3205) OR Management of Accounting Information Systems (AF4203) OR ANY IT subject deemed as appropriate
Assessment : Coursework 50%
Final Examination 50%
Minimum Pass Grade : Coursework (D)
Final Examination (D)

Role and Purpose
The main purpose of this subject is to introduce the various contemporary concepts, approaches, and techniques of auditing information systems (IS) and information technologies (IT), as well as the application of IT in auditing. This subject is especially useful for those students who want to pursue a career in IT auditing or IT security administration.

Learning Outcomes
On successful completion of this subject, students should be able to:

- Understand the relationship between IS auditing and general auditing, and the roles of an IS auditor in the Audit Department as well as the whole business organization.
- Familiarize with the various types of IS audits and their associated auditing concepts and techniques.
- Evaluate how IT can be used to improve the efficiency of general audit reviews.

Indicative Teaching/Learning Approach
Seminars are used to discuss the key IS audit, security and control concepts. A group presentation, an individual assignment, and a test will be used to reinforce students’ learning. Hands-on experience, such as the use of a commercial computer audit software package, will be provided if possible.
**Indicative Content**

IT audit management

Conducting IS audits

Auditing systems development

Auditing application systems

Using IT in auditing

Contingency planning and disaster recovery

Computer fraud and abuse

**Indicative Reading**


ROLE AND PURPOSE
This subject contributes to the achievement of the BBA (Hons) Outcomes by enabling students to apply basic business financial theories, analyze financial reports and understand the operation of financial markets (Outcome 9), analyze business situations and problems by applying conceptual frameworks drawn from accounting, finance, economics, behavioural science, law and quantitative methods (Outcome 7), and identify and resolve ethical issues as they arise generally and in the specific business settings of auditing (Outcome 5). In addition, this subject also contributes to the achievement of the BBA (Hons) Outcomes by enabling effective written and verbal communications in English (Outcomes 1 and 2) and working effectively in groups (Outcome 8).

LEARNING OUTCOMES
Upon successful completing this subject, the students will be able to:

- apply the agency theory to the role of auditing in understanding the operation of the financial market;
- analyze audit and assurance situations and problems by applying conceptual framework on financial reporting; and,
- identify and resolve ethical issues arisen from auditor independence.

INDICATIVE TEACHING/LEARNING APPROACH
LECTURES WILL INTRODUCE THE VARIOUS CONCEPTS AND TECHNIQUES OF AUDIT AND ASSURANCE. THESE ARE TO BE REINFORCED BY TUTORIAL EXERCISE, CASE STUDIES, AND SMALL SCALE RESEARCH INTO TO CURRENT ISSUES.
**INDICATIVE ASSESSMENT TASKS**

ASSESSMENT COMPONENTS INCLUDE SOLVING AUDIT AND ASSURANCE CASES IN PRESENTATIONS, TERM TEST(S) AND FINAL EXAMINATION. THESE ASSESSMENT COMPONENTS REQUIRE STUDENTS TO DEMONSTRATE THEIR ABILITY TO ANALYZE AND SOLVE PROBLEMS BY APPLYING RELEVANT LAW AND PRINCIPLES IN AUDIT AND ASSURANCE (OUTCOME 7) AND TO COMMUNICATE EFFECTIVELY IN ENGLISH (OUTCOMES 1 AND 2). STUDENTS ARE ALSO REQUIRED TO DELIVER THEIR PRESENTATIONS IN GROUPS AND THEIR ABILITY TO WORK AS A TEAM WILL BE INDIRECTLY ASSESSES IN THE PRESENTATION COMPONENTS (OUTCOME 8). THEIR ABILITY TO IDENTIFY ETHICAL ISSUES IN BUSINESS SETTINGS (OUTCOME 5) AND AUDITOR INDEPENDENCE ISSUES IN CORPORATE REPORTING AS THEY APPLY TO THE OPERATION OF THE CAPITAL MARKET (OUTCOME 9) WILL BE ASSESSES THROUGH THEIR WORK IN PRESENTATION, TERM TEST(S) AND/OR FINAL EXAMINATION.
Subject Code : AF4217
Subject Title : Auditing and Assurance 2
Level : 4
Credits : 3
Mode of Study : Seminars 42 hours
Pre-requisites : Auditing and Assurance 1 (AF4216)
Co-requisites : None
Exclusion : None
Assessment : Coursework 50%
              Final Examination 50%
Minimum Pass Grade : Coursework (Grade D)
                      Final Examination (Grade D)

Role and Purpose
This subject contributes to the achievement of the BBA (Hons) Outcomes by enabling students to effectively communicate verbally in English (Outcome 1), and work effectively with and through others (Outcome 8). It also equips students with sufficient professional skills and knowledge (Outcome 13), enabling them to analyze business situations and problems in providing auditing and assurance services (Outcome 7), and to identify ethical issues as they arise (Outcome 5).

Learning Outcomes:
On successfully completing this subject, students will be able to:

- understand thoroughly the major auditing and assurance services;
- compare other assurance and related services provided by auditors;
- apply the knowledge learnt in conducting auditing and assurance in a supervised manner; and
- keep abreast of and evaluate the current developments in auditing, assurance and corporate governance.

Indicative Teaching/ Learning Approach
The three hours per week classes will be used flexibly by the instructor for discussion of concepts and their applications with students and for carrying out other learning activities with them. To maximize benefits, students are encouraged to share their views and experiences actively with their instructors and their classmates.
**Indicative Assessment Tasks**

Classwork, including the use of cases, problems, research topics and current issues, **written test and examination will enable students to apply professional skills and knowledge (Outcome 13) to analyze business situations and problems (Outcome 7) and to identify ethical issues (Outcome 5). Effective communication in English (Outcome 1) will be assessed in class presentation and participation. Class presentations are carried out in groups and students’ ability to work with others (Outcome 8) is assessed.**

**Indicative Content**

**Advanced Topics on Auditing and Assurance**

Auditing and assurance issues related to conglomerates including group entities, related parties, reliance on other auditors and experts.

**Assurance of Other Historical Financial Statements**

Review of interim financial statements and other financial information.

**Other Assurance and Non-assurance Services**

Reporting on prospective financial information. IPOs and due diligence. Agreed-upon procedures. Compilation of financial statements.

**Assurance on Non-Financial Information**

Internal audit and operational audit. ISO audit. Reporting on an entity’s internal control over financial reporting.

**IS Audit**

The impact of information technology (IT) on internal controls and auditor’s control evaluation and risk assessment. IT system organization and internal controls. IT-based audit tools.

**Current Issues**

Current trend and development in auditing and assurance. Other current issues and corporate governance matters.

**INDICATIVE READING**


Auditing, Assurance and all other relevant Standards, and Code of Ethics for Professional Accountants issued by Hong Kong Institute of Certified Public Accountants.
INDICATIVE CONTENT

Auditing and Assurance
Auditing, corporate governance and institutions; agency theory and the economic demand for auditing; auditor independence and professional ethics; responsibilities and legal liabilities of auditors; auditing standards

Audit planning, Materiality, Audit Risk, Sample Testing and Evidence
Engagement planning and its importance, the assessment of materiality and audit risk, the audit-risk model, sample testing and evidential matters.

Internal Control
Corporate governance and internal controls; evaluating internal controls; effects of information technology on internal control system and audit testing.

Auditing the Financial Statements
Audit methods and approaches, the audit of the transactions and balances, performing analytical review and completing the financial statement audit.

Reporting
Audit qualifications and different types of audit reports.

INDICATIVE READING
Gul, F., Hong Kong Auditing – Economic Theory and Practice, City University of Hong Kong Press, latest edition.
All relevant up-to-date Standards on Auditing and Code of Ethics issued by the Hong Kong Institute of Certified Public Accountants.
Subject Code : AF4218
Subject Title : Financial Reporting Framework in China
Level : 4
Credits : 3
Mode of Study : Seminars 42 Hours
Pre-requisites : AF2108 Financial Accounting
Co-requisites : None
Exclusion : None
Assessment : Coursework 50%
Final Examination 50%
Minimum Pass Grade : Coursework D
Final Examination D

Role and Purpose
This subject contributes to the achievement of the BBA Outcomes by enabling students to applying accounting framework to analyze business enterprises in China (Outcome 7), more specifically, to apply accounting knowledge to analyze financial reports of China’s listed companies and understand the operation of stock market in China (Outcome 9). With a focus on Chinese market, this course enables students to get professionally-specific skills and knowledge to deal with China-related clients and make an immediate contribution to the organization in which they are first employed; these skills may also form a base for future professional development (Outcome 13). This course also enables them to demonstrate a global outlook and an understanding of cultural difference between China and western countries (Outcome 3). It also requires students to work effectively as a team, carry out self-review and peer review to enhance the team performance (Outcome 8) and to communicate both orally and in writing for effective business communication (Outcome 2).

Learning Outcomes
On successfully completing this subject, students will be able to:

- Analyze financial reporting framework in the context of accounting and auditing framework for PRC firms and foreign-invested entities operating businesses in mainland China.
- Evaluate the laws and practices of various types of accounting and auditing reporting in mainland China.
- Evaluate the achievements and problems in the economic reform since 1978 especially in accounting and auditing industry, as well as the contemporary issues in mainland China.

Indicative Teaching/ Learning Approach
The three hours per week will be used flexibly by the instructor for discussing key concepts and their applications with students and carrying out other learning activities with them. To maximize benefits, students are encouraged to share their views and experience actively with their instructors and other classmates.
**Indicative Assessment Tasks**

Short discussion topics will be given to students on selected weeks, which will help students to apply accounting framework to analyze business enterprises (Outcome 7) and to understand the culture differences (Outcome 3). Quizzes will be conducted on selected weeks for students to apply accounting knowledge to accounting transactions (Outcome 9). A case analysis will also be given to students for analysis and a report in the form of a business recommendation letter is required, which will help students improve their ability to communicate in writing for business communication (Outcome 2) and get ready for handling real business situation (Outcome 13). The short discussion and the case analysis are done on group basis with an aim to enhance students’ ability to work with others and effective communication skills (Outcome 8). Students will be required to assess their own performance and other team members’ performance through peer review.

**Indicative Content/Outline Syllabus**

**Chinese Market Overview**

**Financial Reporting Framework**

**Practices of Auditing**
Auditing practices and framework in mainland China. Contemporary issues in auditing, including recent CPA firm ownership reform and independent auditing standards.

**Contemporary Accounting Issues in the Mainland China**
Contemporary accounting and auditing issues mainly related to listed companies in China (such as earnings management, corporate governance, audit quality, etc.).

**Indicative Reading**

*Recommended Textbook*

*References*
Selected journal articles, rulings, regulations, reports, cases and newsletters.
Subject Code :  AF4220  
Subject Title : Forensic Accounting  
Level : 4  
Credits : 3  
Mode of Study : Lectures 14 hours  
Seminars 28 hours  
Pre-requisites : Auditing and Assurance 1 (AF4216)  
Co-requisites : None  
Exclusion : None  
Assessment : Coursework 50%  
Final Examination 50%  
Minimum Pass Grade : Coursework (Grade D)  
Final Examination (Grade D)  

ROLE AND PURPOSE
This subject contributes to the achievement of the BBA (Hons) Outcomes by enabling students to identify and invoke mechanisms for the simulations of creative thinking in the business setting (Outcome 4), identify and resolve ethical issues as they arise generally and in the specific business settings for which they are being prepared (Outcome 5), and, analyze business situations and problems by applying conceptual frameworks drawn from accounting, finance, economics, behavioural science, law and quantitative methods (Outcome 7). In addition, this subject also contributes to the achievement of the BBA (Hons) Outcomes by enabling effective written and verbal communications in English (Outcomes 1 and 2) and working effectively in groups (Outcome 8).

LEARNING OUTCOMES
Upon successful completion of the course, the student will be able to:

- identify and invoke mechanisms for the simulation of fraud investigation in the business setting;
- identify and resolve ethical issues as that arise in the prevention of fraud in a business setting; and,
- analyze business situations and problems by applying conceptual framework drawn from accounting, finance, economics, behavioural science, law and quantitative methods

Indicative Teaching/Learning Approach
Lectures will introduce the various concepts and techniques of fraud examination. These are to be reinforced by tutorial exercise, case studies of financial statement fraud, and online fraud investigation exercises.
**Indicative Assessment Tasks**

Assessment components include identifying issues and resolving problems relating to fraud in online fraud investigations, computer labs, term test(s) and final examination. These assessment components require students to demonstrate their analytical skill and ability in creative thinking in resolving online fraud cases (Outcome 4), as well as by applying relevant principles for identifying symptoms of financial statement frauds in computer labs (Outcome 7), and to communicate effectively in English (Outcomes 1 and 2). Students are also required to carry out their online investigation and computer labs in groups and their ability to work as a team will be indirectly assessed in these components (outcome 8). Their ability to identify ethical issues in business environments as they relate to fraud prevention (Outcome 5) will be assessed through their work in term test(s) and/or final examination.

**INDICATIVE CONTENT**

**Financial Reporting and Fraud**

The relationship between financial reporting structure, earnings management and fraudulent accounting. Fraud schemes and audit failures.

**Types of Fraud**

The taxonomy of economic crimes. The fraud triangle focuses in assessing fraud – incentive, opportunity and rationalization. Definition of financial statement fraud. Economic crime survey reports and a perspective on recent fraud cases.

**Fraud Realization, Prevention and Detection**

Organizational considerations in controlling fraud – corporate governance, audit, and assurance. The legal and regulatory frameworks / agencies in fraud prevention and detection.

**Fraud Examination**

Fraud examiners – their roles and functions. The nature and characteristics of forensic and investigative assignments

**Information Technology and Fraud**

Introduction to the impact of information technology on financial statement fraud. Using Computer-based Analysis Techniques for Fraud Detection.

**INDICATIVE READING**

**Recommended Textbook**

Albrecht, Steve, W., C.C. Albrecht, C.O. Albrecht, and M. F. Zimbelman, *Fraud Examination*, latest edition, CENGAGE.

**References**


Robertson, Jack C., Fraud examination for managers and auditors, FEMA, Latest Edition.

OTHER RESOURCES
Association of Certified Fraud Examiners: http://www.cfenet.com/home.asp
Forensic Accountants' Society of North America: http://www.fasna.org/
Subject Code : AF4221
Subject Title : Strategic Tax Planning and Management
Level : 4
Credits : 3
Mode of Study : Seminars 42 hours
Pre-requisites : Hong Kong Tax Framework (AF3210)
Co-requisites : None
Exclusion : None
Assessment : Coursework 50 %
Final Examination 50 %
Minimum Pass Grade : Coursework (Grade D)
Final Examination (Grade D)

Role and Purpose
This subject contributes to the achievement of the BBA (Hons) Outcomes by enabling students to communicate effectively in both verbal and written English (Outcomes 1 & 2), demonstrate a global outlook and an understanding of cultural diversity (Outcome 3), demonstrate creative thinking (Outcome 4), apply taxation concepts to analyze business situations and problems (Outcome 7), and carry out and act upon self-appraisal and reflective thinking, in the areas of creativity, teamwork, leadership and learning to learn (Outcome 8). In addition, it requires students to identify and analyze taxation aspects of the domestic and global business environment (Outcome 12).

Learning Outcomes
On successfully completing this subject, students will be able to:

- apply advanced aspects of the corporate and individual tax laws, rules and practices in the Hong Kong context to real life scenarios, taking into account also the latest development of the tax laws in the neighboring tax regimes that may affect tax planning decisions on cross-border investment and trading;
- explain the impact of changes in tax laws and tax cases on business transactions, organizations and individuals with particular reference to Hong Kong situation;
- evaluate the development of international tax principles and practices and how it impinges on business structures and transactions that are organized on a global basis; and
- identify tax planning opportunities and integrate appropriate tax strategies in corporate and personal business planning decisions.

Indicative Teaching/ Learning Approach
The three hours of seminar per week will be used flexibly by the lecturer for discussing key concepts and their applications with students and carrying out other learning activities with them. To maximize benefits, students are encouraged to share their views and experiences actively with their lecturers and other classmates.
Indicative Assessment Tasks
Group Presentation, Group Critique Reports on other classmates’ presentation and an Individual Case Study will help students to think critically and creatively (Outcome 4), to analyze business situations (Outcome 7), to carry out self-appraisal and reflective thinking (Outcome 8), and to analyze domestic and global business environment (Outcome 12). Effective communication (Outcomes 1&2) and global outlook (Outcome 3) will be assessed against rubrics in the Group Presentation, Group Critique Reports and Individual Case Study.

Indicative Content/ Outline Syllabus

Taxation Concepts and Principles

Taxation of Inbound and Outbound Investments

Taxation on Instruments, Wealth and Individuals
Scope of charge, assessment, exemptions and tax planning opportunities of Hong Kong stamp duty. Tax planning for individuals and expatriates working in Hong Kong.


Current Issues in Taxation

Indicative Reading

Textbook(s)

Ordinance(s)
Inland Revenue Ordinance (Chapter 112) and Inland Revenue Rules, Revised Edition and Amendments, Hong Kong Special Administrative Region Government.
Stamp Duty Ordinance (Chapter 117), Revised Edition and Amendments, Hong Kong Special Administrative Region Government.
Subject Code : AF4222
Subject Title : China Tax Framework
Level : 4
Credits : 3
Mode of Study : Seminars  42 hours
Pre-requisites : Financial Accounting (AF2108) OR equivalent
Exclusion : None
Assessment : Coursework 50%
              Final Examination 50%
Minimum Pass Grade : Coursework (Grade D)
                      Final Examination (Grade D)

Role and Purpose
This subject contributes to the achievement of the BBA (Hons) Outcomes by enabling students to communicate effectively in both verbal and written English (Outcomes 1 and 2), demonstrate a global outlook and an understanding of cultural diversity (Outcome 3), identify planning mechanisms of creative thinking (Outcome 4) and apply established tax principles and practices to analyze business situations and problems (Outcome 7) for making their business operation and investment decisions in the specific business setting of the mainland China. In addition, students are able to work effectively with other classmates upon self-appraisal and reflective thinking in the teamwork assignments (Outcome 8).

LEARNING OUTCOMES
On successfully completing this subject, students will be able to:
- analyze various tax scenarios and prepare tax computations for individual and foreign-invested entities operating business in the mainland China
- evaluate the tax consequences of various types of structure of business transactions and provide professional advices on the China tax system and its operation as well as tax implications on individuals and business entities.
- formulate and carry out basic China tax planning ideas and strategies in relation to individual and business transactions in order to minimize their explicit tax liabilities or enhance their tax efficiency and effectiveness.

INDICATIVE TEACHING / LEARNING APPROACH
The three hours of seminar per week will be used flexibly by the lecturer for discussing key concepts, techniques and their applications with students and carrying out other learning activities with them. To maximize benefits, students are encouraged to share their views and experiences actively with their lecturers and other classmates.

INDICATIVE ASSESSMENT TASKS
Group Presentation, Group Critique Reports on other classmates’ presentation and an Individual Case Study will help students to think critically and creatively (Outcome 4), and to analyze business situations (Outcome 7). Effective communication (Outcomes 1 and 2), global outlook (Outcome 3) and teamwork (Outcome 8) will be assessed against rubrics in the Group Presentation, Group Critique Reports and Individual Case Study.
INDICATIVE CONTENT / OUTLINE SYLLABUS

**Overview of PRC Taxation System and Tax Administration**

**Corporate Income Tax and Tax Incentives**

**Individual Income Tax**

**Turnover Tax System**

**Transfer Pricing Rules**

**Double Taxation Arrangement**

**Other Types of Taxes and Issues**

**Other Special Forms of Investment**
**Strategic Tax Planning**


**INDICATIVE READING**

**Textbook(s)**

Subject Code : AF4223  
Subject Title : Analysis and Design of Accounting Information Systems  
Level : 4  
Credits : 3  
Mode of study : Seminars 42 hours  
Pre-requisites : Accounting Information Systems (AF3211) and Information Technology for Business (MM2421)  
Assessment : Coursework 50%  
Final Examination 50%  
Minimum Pass Grade : Coursework (D)  
Final Examination (D)  

Role and Purpose  
This subject contributes to the achievement of the BBA Outcomes by enabling students to use and evaluate information technology effectively (Outcome 6). It also requires students to analyze business situations and problems by applying conceptual frameworks drawn from the subject (Outcome 7). It helps accounting students master the techniques of analysis, design, development and management of accounting systems, and get sufficient professionally-specific skills and knowledge to make an immediate contribution to their future employers (Outcome 13).

Learning Outcomes  
On successful completion of this subject, the student will be able to:

- Explain the roles of an accountant in a systems development project;
- Analyze the strengths and weaknesses of the systems development approaches and methodologies used by the systems personnel;
- Design the interface and database of accounting systems; and
- Communicate effectively and efficiently with systems professionals and business users in relation to systems development.

Indicative Teaching/Learning Approach  
Seminars are used to discuss the key concepts and issues related to the topics listed in INDICATIVE CONTENT. These may be supplemented by assignments, small projects, and a mid-term test when appropriate. Students are required to learn how to use the relevant software, e.g. ACCESS, in developing accounting systems.

Indicative Assessment Tasks  
Assessment components include projects, assignments, midterm test and final examination. These assessment components require students to demonstrate their ability to use and evaluate information technology effectively (Outcome 6), to analyze business situations and problems by applying conceptual frameworks drawn from the subject (Outcome 7), and to apply professionally-specific skills and knowledge in business cases (Outcome 13).
Subject Code : AF4224
Subject Title : Information Systems Audit and Control
Level : 4
Credits : 3
Mode of Study : Seminars 42 hours
Pre-requisite : Accounting Information Systems (AF3211)
Co-requisite : None
Exclusion : None
Assessment : Coursework * 50%
              Final Examination 50%
* Hands on experience of using a commercial audit software system will be provided if possible.
Minimum Pass Grade : Coursework (Grade D)
                     Final Examination (Grade D)

Role and Purpose
This subject contributes to the achievement of the BBA (Hons) Outcomes by enabling students to apply the concepts/techniques of auditing information systems (IS) and information technologies (IT) (Outcomes 6 and 13), analyze the use of IT in financial auditing (Outcomes 6 and 13), and demonstrate creative thinking (Outcome 4).

Learning Outcomes
On successfully completing this subject, students will be able to:

• apply the concepts and techniques of IT audit in organizations
• apply the appropriate IT audit tools in financial auditing
• analyze the current development of IT and its impact on various security and control issues

Indicative Teaching / Learning Approach
Lectures will introduce the various concepts and techniques of IT audit. A commercial audit software system will be used to demonstrate the use of IT in financial auditing.

Indicative Assessment Tasks
Programme Outcomes 4, 6 and 13, and the three Learning Outcomes listed above will be assessed by means of a group presentation, an individual assignment, and a test. The group presentation and its question-and-answer session will also be used to assess the creative thinking of the students (Programme Outcome 4).
Indicative Content / Outline Syllabus

IT Audit Management
Need for control and audit of information systems. Types and consequences of computer abuse. Impact of IT auditing on organizations. Effects of computers on internal controls. Information security policy. Staffing the IT audit function.

Conducting IT Audits

Auditing Systems Development
Waterfall and prototyping models. Pre-implementation audit of systems development.

Auditing Application Systems

Using IT in Auditing
Motivations for audit software. Typical system functions of audit software. Major audit tasks using audit software. Limitations of audit software.

Contingency Planning and Disaster Recovery
Types of IT asset. Securing IT assets. Analysis of exposures. IT threats. Disaster recovery plan.

Computer Fraud and Abuse

Indicative Reading
Indicative Content

Overview of Accounting Information Systems
Files versus databases; different business cycles; data processing; role of accountants in accounting information systems

Project Management
Initiating, planning, executing, and closing down the project; representing and scheduling project plans

Systems Development Approaches
Systems development life cycle (SDLC); waterfall model; rapid prototyping

Requirements Analysis and Specification for Accounting Systems
Process of determining and structuring requirements; traditional and modern methods for requirements determination

Structural Analysis and Design for Business and Accounting Processes
Identifying business and accounting processes for reengineering; process modeling; conceptual data modeling; alternative design strategies; human interface design

Database Modeling & Design
Relational database model; entity-relationship (E-R) diagram; functional dependencies and primary keys; database normalization

Systems Implementation
Concepts of systems implementation; testing and operation; systems documentation; user training and support. (Extensive programming knowledge is not required for this subject)

Indicative Reading
Subject Code : AF4300  
Subject Title : Introduction to Derivative Securities  
Level : 4  
Credits : 3  
Mode of Study : Seminars 42 hours  
Pre-requisites : Introduction to Finance (AF3308)  
Assessment : Continuous Assessment 50%  
Mid-term Examination 35%  
Presentation, Participation 15%  
Final Examination 50%  
Minimum Pass Grade : Continuous Assessment (D)  
Final Examination (D)

ROLE AND PURPOSE

The objective of the subject is to introduce students to the theory and practice of derivative securities.

LEARNING OUTCOMES

On successfully completing this subject, students will be able to:

- Understand the issues in pricing, hedging, and arbitrage in the derivative securities markets.
- Familiarise with various derivative products, including exotic over-the-counter derivatives.
- Able to apply various trading and hedging strategies in real life situations to enhance portfolio returns.

INDICATIVE CONTENT

Introduction
What derivatives are and their economic role. The organisation of derivatives markets and how derivatives are traded. Recent development of derivatives in Hong Kong will be discussed.

Options

Futures and Forwards
TEACHING/LEARNING APPROACH

Lectures are given on the topics of the syllabus. The three hours per week will be used flexibly for discussing key concepts and their applications with students and carrying out other learning activities with them. To maximize benefits, students are encouraged to share their views and experiences actively with their lecturers and other classmates. Seminars provide students with the opportunity to strengthen their understanding of the concepts taught in lectures and to apply the theories to the real-life situations. The activities in seminars include student presentations and discussions of problem sets and case studies (to develop students’ critical thinking, analytical skills, teamwork, and oral and written communication skills).

INDICATIVE READING

Essential Readings

Supplementary Readings


Journals
Journal of Future Markets
Journal of Derivatives
Derivatives Quarterly
Review of Derivatives Research
Financial Analysts Journal

SUBJECT CO-ORDINATOR

CHUNG Alan
Subject Code : AF4306
Subject Title : International Finance
Level : 4
Credits : 3
Mode of Study : Seminars 42 hours
Pre-requisites : Introduction to Finance (AF3308)
Assessment : Coursework 45%
              Final Examination 55%
Minimum Pass Grade : Coursework (D)
                      Final Examination (D)

ROLE AND PURPOSE

This module builds on the basic principles of finance and put them under an international context. The aim is to introduce students to various international financial markets and instruments, and examine their implications for financial management.

LEARNING OUTCOMES

On successfully completing this subject, students will be able to:

- Understand the functions and characteristics of various markets and instruments in international finance;
- Understand how different exchange rate systems (especially Hong Kong’s currency board system) function;
- Appreciate the sources of risks in international transactions;
- Manage and hedge those risks;
- Understand how the international debt and equity markets can be utilized by companies and investors.

INDICATIVE CONTENT

Introduction
Characteristics of multinational corporations. Features of multinational financial management.

The Foreign Exchange Market
Exchange rate defined. Spot and forward markets. Interest rate parity relationships.

Exchange Rate Systems
Fixed vs. Floating exchange rates. How to maintain a fixed exchange rate? Pros and cons of fixed exchange rates. How does Hong Kong’s currency board work?
**Exchange Rate Determination**

**Foreign Exchange Risk Management**

**International Financial Markets: The Manager's Perspective**
International capital structure and the cost of capital. International corporate governance.

**International Financial Markets: The Investor's Perspective**

**International Capital Budgeting**
The NPV and the real options approaches

**Multinational Cash Management**
Transfer pricing

**TEACHING/LEARNING APPROACH**
The three hours per week will be used flexibly by the instructor for discussing key concepts and their applications with students and carrying out other learning activities with them. To maximize benefits, students are encouraged to share their views and experiences actively with their instructors and other classmates.

**INDICATIVE READING**


**SUBJECT CO-ORDINATOR**
CHUE Timothy K.
Subject Code : AF4314
Subject Title : Company Valuation and Analysis
Level : 4
Credits : 3
Mode of Study : Seminar 42 hours
Pre-requisites : Intermediate Accounting 2 (AF3111) OR
                Corporate Accounting 2 (AF3106) AND
                Business Finance (AF3313) OR
                Introduction to Finance (AF3308)
Assessment : Coursework 60%
              Final Examination 40%
Minimum Pass Grade : Coursework (D)
                    Final Examination (D)

ROLE AND PURPOSE

This course is about how to use financial information – particularly firms’ financial statements – to value and to analyze firms. The primary focus is on Company or Business Valuation using different Valuation Techniques. It is designed for accountancy students who wish to qualify as a professional user of financial statements at an entry level.

LEARNING OUTCOMES

By the end of the course, students should be able to:

- Understand the relationship between accounting/financial statements and company valuation;
- Analyze accounting and financial statements in the context of strategies adopted by a company;
- Apply analysis to make forecasts and review a range of valuation techniques that are available;
- Choose appropriate valuation models in specific decision contexts like securities analysis, credit assessment and acquisition and merger and
- Value a business and present to appropriate readers/audiences in effective manners.

INDICATIVE CONTENT

Valuation Models
Methods of Fundamental Analysis, Discounted Cash-flow Analysis, Accounting-based Valuation, Use of multiples

Analysis of Information for making forecasts
Diagnosing accounting quality and red flags, Analysis of Shareholders’ Equity, Profitability, Sustainable growth and Value generation, Risk and the Cost of Capital
Forecasting and Valuation
Analysis of strategy, Forecasting earnings and cash flows, Choice of Valuation Models

TEACHING/LEARNING APPROACH

The three hours per week will be used flexibly by the instructor for discussing key concepts and carrying out exercises and case assignments with students. Heavy emphasis is placed on the students’ oral and written communication skills. Active participation is expected from every student. To maximize benefits, students are requested to read the assigned textbook chapter(s), do exercises and cases before they come to the seminar.

INDICATIVE READING

Prescribed Text


Supplementary Text


SUBJECT CO-ORDINATOR

LAI Karen
Subject Code : AF4317
Subject Title : Derivative Securities
Level : 4
Credits : 3
Mode of Study : Seminars 42 hours
Pre-requisites : AF3313 Business Finance
Assessment : Coursework 50%
              Final Examination 50%
Minimum Pass Grade : Coursework (D)
                  Final Examination (D)

Role and Purpose
The subject contributes to the achievement of the BBA outcomes by enabling students to think critically in the application of the uses derivatives markets and the underlying operation of financial markets (Outcome 9) and to identify and resolve the ethical issues as they arise in the context of derivatives (Outcome 5).

Learning Outcomes
On successfully completing this subject, students will be able to:

- Evaluate the issues in pricing, hedging, and arbitrage in the derivative securities markets.
- Evaluate the price determination of derivatives and derive the price of derivatives by using different models
- Apply various trading and hedging strategies in real life situations to enhance portfolio returns
- Evaluate the real-life situations in which financial derivatives resulted in success or failure while exploring everyday uses of financial derivatives

Indicative Teaching/Learning Approach
In the first part of each class, the lecturer will provide students with a structured lecture on the underlying concepts and their applications and highlight the importance of each topical area exemplified with real-world situations. Students are required to participate in discussion in the lectures, and undertake guided reading, which will form the basis for student presentations in the later part of each class.

Indicative Assessment Tasks
Presentations, independent essay and case analyses will require students to apply concepts (Outcome 9) and to demonstrate the application and techniques of the uses of derivative markets. Problem sets, mid-term test, project/essay, and the final examination will assess their ability to evaluate the concepts, strategies, theories, techniques and the ethical issues covered in this subject (Outcome 5).
Indicative Content/Outline Syllabus

Introduction
What derivatives are and their economic role. The organisation of derivatives markets and how derivatives are traded. Recent development of derivatives in Hong Kong will be discussed.

Options

Futures and Forwards

Management Risk in Corporations
Risk management function in a company. Avoiding derivatives losses.

Indicative Readings

Essential Readings

Supplementary Readings


Journals
Journal of Future Markets
Derivatives Quarterly
Review of Derivatives Research
Financial Analysts Journal
Subject Code : AF4318
Subject Title : Financial System in China
Level : 4
Credits : 3
Mode of Study : Lectures 28 hours
             Seminars 14 hours
Pre-requisites : None
Assessment : Coursework 50%
              Final Examination 50%
Minimum Pass Grade : Coursework (D)
                     Final Examination (D)

Role and Purpose
This subject contributes to the achievement of the BBA in Financial Services Programme Outcomes by enabling students to enhance their global outlook (Outcome 3) through studies on the internationalization of the Chinese financial sector. It also applies finance and economics (Outcome 9) to analyze the operations of Chinese financial markets and institutions.

Learning Outcomes
On successfully completing this subject, students will be able to:

- Compare the institutional arrangements of financial markets and institutions in China with those in developed financial sectors
- Identify and evaluate the problems underlying the operations of financial institutions and markets in China
- Assess the prospects for the internationalization of the China’s financial system.

Indicative Teaching/Learning Approach
Basic theories and the institutional arrangements of the Chinese financial sector will be covered in lectures. Students will be split into small groups with each delivering a presentation on pre-set questions on each topic. They will be required to participate in discussions.

Indicative Assessment Tasks
Discussions, quizzes can allow students to evaluate the development of the Chinese financial sector with an international perspective (Outcome 3). The presentation and report will require students to apply the economics and finance theories to analyze the operations of the Chinese financial sector (Outcome 9).

Indicative Content/Outline Syllabus
Financial Institutions and Markets
Commercial banks, insurance firms, and other non-bank financial institutions, money markets, bond markets and stock markets, foreign exchange markets
Efficiency of the Chinese Financial Sector
Administrative versus economic controls, interest rate control, foreign exchange control, state ownership of financial institutions

Problems of Monetary Control
Inadequate financial regulations and rules, limitations of monetary policy tools, exchange rate stability and growth

Internationalization of the PRC Financial System
Foreign financial institutions in Mainland, outward investment of Chinese financial institutions

Role of Hong Kong
Issues of H shares and Rmb bonds, Hong Kong and Shanghai as an international financial centre

Indicative Reading

Journals
Almanac of China’s Finance and Banking
Year book of China’s Insurance
The China Quarterly
China Information
Journal of Contemporary China
Subject Code : AF4320
Subject Title : Corporate Finance
Level : 4
Credits : 3
Mode of Study : Seminars 42 hours
Pre-requisites : Business Finance (AF3313)
Assessment :
Coursework 40%
Final Examination 60%
Minimum Pass Grade :
Coursework (D)
Final Examination (D)

Role and Purpose
This subject builds on the AF3313 Business Finance and covers some advanced topics of corporate finance. This subject contributes to the achievement of the BBA Outcomes by enabling students to apply basic financial theories, analyze financial reports and understand the operations of financial markets (Outcome 9) and identify ethical issues as they arise (Outcome 5) and communicate in English effectively (Outcome 1 and Outcome 2).

Learning Outcomes
On completion of this subject, students should be able to:

- Identify the major responsibilities of financial managers;
- Apply financial theories to maximize firm value or shareholders’ wealth
- Identify ethical issues of corporate finance.

Indicative Teaching/Learning Approach
The seminars mainly cover the key concepts and theories in Corporate Finance. Students have opportunities to present the applications of financial theories.

Indicative Assessment Tasks
A variety of assessment tools, including written assignments, presentations, midterm test and final examination will be used. In-class presentations show whether students can apply the basic financial theories (Outcome 9) and present in English effectively (Outcome 1). Written assignments are designed to test whether students can identify the ethical issues of corporate finance (Outcome 5) and communicate in written English effectively (Outcome 2).

The midterm test and final examination test whether students are able to apply the basic financial theories, analyze financial reports and understand the operations of financial markets (Outcome 9) and communicate in written English effectively (Outcome 2).

Indicative Content/Outline Syllabus

Corporate Governance
Corporate goal. Agency problem and Control of the Corporation.
Fisher Separation Theorem
Consumption decisions and utility theory. Capital markets and production opportunities. Implications of Fisher Separation Theorem.

Efficient Market Hypothesis

Long-term Financing in Hong Kong Capital Market
Different types of equity and debt securities. Alternative equity and debt Issue methods. Cash and Rights offerings. Bond refunding

Capital Structure

Valuation and Capital Budgeting for the Levered Firms
Adjusted Present Value approach, Flow-to-Equity approach, Weighted Average Cost of Capital (WACC) approach.

Dividend Policy

Options
Option Basics. Put-call parity, Option Pricing. Stocks and Bonds as options.

Mergers and Corporate Restructuring

Indicative Reading
Subject Code: AF4321  
Subject Title: Case Study in Finance  
Level: 4  
Credits: 3  
Mode of Study: Seminars 42 hours  
Pre-requisites: Business Finance (AF3313) and Corporate Finance (AF4320)  
Assessment: Coursework 50%  
Final Examination 50%  
Minimum Pass Grade: Coursework (D)  
Final Examination (D)

**Role and Purpose**

This subject provides a platform for students to integrate financial and business analysis skills and apply them systematically in solving multifaceted case problems. It contributes to the achievement of the BBA(Hons) Outcomes by enabling students to apply the theories and principles in finance to solve finance-oriented cases problems (Outcome 9), exercise critical and creative thinking in analyzing multifaceted business problems from the perspective of finance, accounting, economics and management to generate sound financial strategies to address them (Outcome 7), communicate the analysis and recommendations effectively (Outcome 1).

**Learning Outcomes**

On successfully completing the subject, students will be able to:

- Integrate and expand upon the concepts they have learnt in earlier courses, such as business strategy, management, business law, accounting, investment banking etc.
- Identify the prioritize business and finance issues from complex business cases and address them in a systematic manner.
- Apply appropriate finance principles and business analysis techniques in analyzing complex case problems.

**Indicative Teaching/Learning Approach**

Key concepts and issues will be introduced through lectures. Case discussions will be used extensively throughout this course to enable students to stimulate critical thinking and to integrate the concepts which they have learned in prior finance, accounting, economics and management courses in solving case problems.

**Indicative Assessment Tasks**

Individual participation on case discussions requires students to demonstrate their ability to apply finance theories and business knowledge (Outcome 9), to think critically and creatively (Outcomes 7), and to communicate their analysis and the recommended course of action effectively (Outcome 1). The group case write-up and presentation, along with the final exam case report and further reinforce these learning objectives.
Indicative Content/Outline Syllabus

Introduction to the Course

Financial Analysis Basics

Optimal Capital Structure

Cost of Capital Concepts

Valuation and Capital Budgeting

Payout Policy


Derivative Instruments and Risk Management

Financing Decisions and Tactics: Convertibles

Initial Public Offering (IPO)

Hostile Takeovers

Valuing Projects

Indicative Reading


Subject Code : AF4322
Subject Title : Management of Financial Institutions
Level : 4
Credits : 3
Mode of Study : Lectures 28 hours
Seminars 14 hours
Pre-requisites : Business Finance (AF3313)
Assessment : Coursework 50%
Final Examination 50%
Minimum Pass Grade : Coursework (Grade D)
Final Examination (Grade D)

Role and Purpose
This subject contributes to the achievement of the BBA Outcomes by enabling students to analyze the management of assets and liabilities of financial institutions by applying concepts from Accounting, Finance, Economics, Law and Quantitative methods (Outcome 7), critically assess the performance of financial institutions by applying theories in finance, financial markets and financial reporting (Outcome 9), identify and analyze various sources of risks in financial intermediation in implementing strategies across all types of financial institutions (Outcome 12). It also requires students to communicate effectively in English either in individual report writing or group presentation (Outcome 2).

Learning Outcomes
On successfully completing this subject, students will be able to:

- critically assess the specialness and the roles of financial institutions;
- evaluate the impact of different regulatory and ethical issues on the management of financial institutions;
- apply appropriate tools to assess financial institutions performance;
- identify the various sources of risks in financial intermediation and the methods for measuring and managing such risks.
- identify and evaluate the different strategies of assets and liabilities management of financial institutions.

Indicative Teaching / Learning Approach
Lectures will be used to discuss concepts and issues arising in respect of the management of financial institutions. Case studies and / or mini projects will be used in seminars to reinforce students’ learning by illustrating that techniques discussed in lectures have application to real-life problems. Students will be asked to analyze and provide solutions to cases / projects which should reflect understanding and ability of applying the knowledge covered in this subject.
Indicative Assessment Tasks
Seminar presentation of discussion questions will help students to apply concepts (Outcome 7), mini projects / case studies will require students to critically assess the performance of financial institutions (Outcome 9) and identify and analyze the risks involved in the management of financial institutions (Outcome 12). Group seminar presentation, individual report and the final examination will require students to communicate effectively in English.
Subject Code : AF4323
Subject Title : International Finance
Level : 4
Credits : 3
Mode of Study : Seminars 42 hours
Pre-requisites : AF 3313 Business Finance
Co-requisites : None
Exclusion : None
Assessment : Coursework 45 %
Final Examination 55 %
Minimum Pass Grade : Coursework (D)
Final Examination (D)

Role and Purpose
This subject contributes to the achievement of the BBA Programme Outcomes by: developing students’ ability to analyze aspects of the global business environment (Outcome 12) and to apply their understanding of financial theories and markets (Outcome 9) in making international financial management decisions.

Learning Outcomes
On completion of this subject, students will be able to:

1. Understand the structure and characteristics of various international financial markets and instruments;
2. Understand how different exchange rate systems (especially Hong Kong’s currency board system) function and how they affect an economy’s business environment;
3. Identify the sources of risks in international transactions and understand how these risks can be managed;
4. Identify and analyze the international dimensions of the debt and equity markets, and understand their implications for a company’s financing decisions and investment policies.

These four Subject Learning Outcomes all contribute to the BBA Programme Outcomes 9 and 12 as discussed above.

Indicative Teaching/ Learning Approach
In the first part of most classes, the instructor will provide students with a lecture on the underlying concepts and their application in practical settings. Students will be required to participate in the lectures and class discussions, to solve analytical problems and case studies, to make presentations, and to submit written reports.
**Indicative Assessment Tasks**

Students will be required to solve problems that test their understanding of how exchange rates are determined, the relationship between exchange rates and interest rates, the characteristics of international financial instruments, the impact of different exchange rate systems on the business and economic environment, and of what the sources of risks are in international financial transactions. There will also be cases and problems that test if students can make use of financial instruments and/or operational hedges to manage risks in international financial transactions, and understand the implications of the international nature of the debt and equity markets for corporate financial decisions. These problems and cases will test students' ability to apply concepts (Outcome 9) and test if students possess the global outlook (Outcome 12) to appreciate the financial linkages between international economies, how various international financial markets can be utilized from a corporate financial perspective, and how the risks that arise from international transactions can be effectively managed.

**Indicative Content**

**The Foreign Exchange Market**
Exchange rate defined. Spot and forward markets. Interest rate parity relationships.

**Exchange Rate Systems**
Fixed vs. Floating exchange rates. How a fixed exchange rate is maintained? Pros and cons of fixed exchange rates. How does Hong Kong's currency board work?

**Exchange Rate Determination**

**Foreign Exchange Risk Management**

**International Financial Markets: The Manager's Perspective**
International capital structure and the cost of capital. International corporate governance.

**International Financial Markets: The Investor's Perspective**

**Indicative Reading**


Indicative Content / Outline Syllabus

Specialness and Roles of Financial Institutions
Differences between of financial institutions and non-financial firms. Social, economic, financial, technological, and demographic forces affecting the financial services industry.

Performance Assessment of Financial Institutions
Financial statements analysis. CAMEL model. Du Pont analysis of ROE.

Risk Measurement & Management

Assets & Liabilities Management of Financial Institutions
Assets management. Liabilities and liquidity management. Deposit insurance. Capital adequacy. The Basel II.

Strategic Planning and Management

Indicative Reading

Textbooks

References
Annual reports of various financial institutions.
Articles from US Federal Reserve, Bank for International Settlement, Hong Kong Monetary Authority, and various newspapers such as Financial Times.
Subject Code : AF4324
Subject Title : Financial Planning
Level : 4
Credits : 3
Mode of Study : Lectures 28 hours
Seminars 14 hours
Assessment : Continuous Assessment 50%
Final Examination 50%
Minimum Pass Grade : Continuous Assessment (D)
Final Examination (D)

Role and Purpose
This is an introductory course on financial planning and a course that has been recognized by the Institute of Financial Planners of Hong Kong (IFPHK) as a substitute for Module One in its education program (i.e., those who have passed this course will not be required to take Module One of the education program for Certified Financial Planners).

It contributes to the achievement of BBA Programme Outcomes by enabling students to understand, analyze and apply the elements and steps relevant in practicing financial planning services. This module will set the background of financial planning for students and equip them with the essential knowledge and skills to perform financial planning services for clients. Topics including the major steps of financial planning, job knowledge requirement of CFP\textsuperscript{CM} and the latest financial planning tools and techniques will be covered.

Learning Outcomes
After successfully completing this module, students should be able to:

- Identify and resolve ethical issues relevant in the context of financial planning, by complying with Code of Ethics (Outcome 5);
- Identify roles of regulators and scopes of regulations that govern the financial services industry, and interpret regulations of financial markets of Hong Kong;
- Analyze real-life situations and problems encountered by financial planners by applying conceptual frameworks drawn from the different context areas such as investment planning and estate planning areas (Outcome 7);
- Carry out and act upon self-appraisal and reflective thinking in the areas of teamwork, leadership and career selection to equip students with the skills and knowledge (Outcome 8) for continuous development;
- Apply the essential concepts in investment planning, insurance planning, risk management, retirement planning, estate planning, and tax planning;
- Apply the six-step financial planning approach to construct a financial plan in the different personal planning areas, and analyze the means by which value is created in delivery process of financial planning services (Outcome 8);

Indicative Teaching/Learning Approach
Lectures will be used to provide theoretical concepts. During seminar sessions, students would be asked to discuss and solve real-life issues related to the topics.
Subject Code : AF4325
Subject Title : Wealth Management
Level : 4
Credits : 3
Mode of Study : Lectures 28 hours
Seminars 14 hours
Pre-requisites : Any ONE of the finance theory related subjects (AF3313 Business Finance, AF3314-Financial Institutions and Markets, AF3316-Investments, AF4320-Corporate Finance, AF4324 Financial Planning)
Assessment : Coursework 50%
Examination (3-hour unseen examination) 50%
Minimum Pass Grade : Coursework (D)
Final Examination (D)

ROLE AND PURPOSE
This subject examines the basic principles and skills for wealth management. It covers all the important concepts for a financial planner and a wealth manager on managing the financial wealth for individual clients. After completing this subject, the student is expected to master wealth management knowledge, understand risk profile of Asian clients, understand effective ways to communicate with clients, and integrate economics, accounting and finance concepts in preparing the wealth management report.

LEARNING OUTCOMES
On successfully completing this subject, students will be able to:

- Comprehend the principles of wealth management in relation to Economics, Accounting, and Finance (BBA Outcome 7)
- Understand the comprehensive view of wealth management
- Adopt a six-step financial planning evaluation process in wealth management (BBA Outcome 9)
- Apply risk profiling in the context of Asian culture (BBA Outcome 3)
- Understand various aspects of asset allocation strategies
- Develop all-roundedness skills by integrating interpersonal skills, communication skills, and subject knowledge (BBA Outcome 2)
INDICATIVE CONTENT

General Overview
- An Overview of Financial Planning and Wealth Management Profession
- Basic Concepts, Professional Ethics and Practice Standards
- Step 2 –Determining Client Goals and Expectations and Gathering Client Data
- Step 3 – Determining Client’s Current Financial Status
- Step 4 –Developing and Presenting the Financial Plan

Wealth Management
- Profiling and Life-cycle Analysis
- Investment Techniques (Part I)
- Investment Techniques (Part II)
- Asset Allocation Strategies

Advanced Topics and Conclusion
- Total Wealth Index
- Cases, Application and Conclusion

INDICATIVE TEACHING/LEARNING APPROACH
In addition to classroom discussion and exam evaluation, a research project and individual assignments are designed to educate and evaluate students.

Research project:
The students are required to form groups to conduct a case study on risk profiling (BBA Outcome 3) and portfolio allocation for high net worth clients. Both qualitative and quantitative analyses are expected (BBA Outcome 7). A comprehensive financial planning approach with emphasis on investment planning is required (BBA Outcome 9). Section 1: Group report of 12-15 pages and a presentation are expected. Section 2: Individual report of 3 pages (300 – 400 words) (BBA Outcome 2)

Individual assignment:
You are required to conduct a case analysis on financial planning and wealth management. The case report should include the 6-step financial planning analysis using personal profiling (BBA Outcome 7) and some basic quantitative analysis on investment for goals.

INDICATIVE READING

Recommended Textbook

References

STAFF RESPONSIBLE
Louis Cheng
Indicative Assessment Tasks
Coursework, including the project, will help students to apply concepts, and think critically and creatively (Outcome 4 & 7). Effective communication (Outcome 1& 2) will be assessed in the group project.

Discussions and presentations are carried out in groups and the ability to work with others (Outcome 8) is assessed through a form of Evaluation of Group Performance.

Indicative Content/Outline Syllabus

Fundamental Concepts of Financial Planning
The financial planning areas and the roles of financial planners
Overview of the Financial Planning Market

Ethical Financial Planning Practice
Practicing Ethics and Professional Responsibilities

Application of Time Value of Money concepts in financial planning
Basic concepts and applications in real-life examples

Regulatory Framework of the Financial Services Industry
Hong Kong Regulations Related to Financial Planning

The Planning Components and Life Cycle Analysis
The Concept of Life-Cycle Analysis
Short-term and Medium Term Investment Planning
Risk Management and Insurance Planning
Retirement Planning, and Tax Planning Estate Planning

The Financial Planning Process
The Six-step approach in practice

Applications
Financial planning cases

Indicative Reading


Subject Code : AF4326
Subject Title : Fixed Income Securities
Level : 4
Credits : 3
Mode of Study : Lectures / Seminars 42 hours
Pre-requisites : Investments (AF3316)
Co-requisites : None
Exclusion : None
Assessment : Coursework 50%
Final Examination 50%
Minimum Pass Grade : Coursework (D)
Final Examination (D)

Role and Purpose
This course is concerned with fixed income securities and interest rate risk management. It will introduce tools used to explore the theoretical and empirical aspects of fixed income securities and their derivatives. It contributes to the achievement of the BBA programme outcomes by enabling students to understand and analyze real life issues related to fixed income securities (Outcome 7), and apply relevant concepts and tools to solve problems on fixed income investment (Outcome 9).

Learning Outcomes
On successfully completing this subject, students will be able to:

• Understand, explain and analyze the issues in pricing, hedging, and arbitrage in the fixed income securities markets.
• Evaluate various types of fixed income products and analyze their potential risk and return.
• Apply theories and concepts learned and analyze fixed income investment decisions.
• Understand and explain the recent developments and issues of the fixed income markets.

Indicative Teaching/Learning Approach
Lectures and seminars will be conducted on the topics of the syllabus. Lecture time will be used flexibly for discussing key concepts and their applications with students and carrying out other learning activities with them. Such activities include group discussions and student presentations of their work. To maximize benefits, students are encouraged to share their views and experiences actively with their lecturer and classmates.

Indicative Assessment Tasks
Coursework, including assignments, an Individual Essay and a Group Presentation, will help students to identify and analyze real life issues in fixed income markets (Outcome 7) and to apply relevant concepts and theories to solve fixed income problems (Outcome 9).

Exams will test students’ understanding of and ability to apply taught concepts and theories.
Indicative Content/Outline Syllabus

The Basic Products

Risk Management

Pricing Interest Rate Claims
Theories of the term structure. Arbitrage free pricing.

Corporate Bonds and Credit Risk
Credit ratings. Default risk and credit spread. Credit derivatives.

Mortgages and Their Derivatives
Residential mortgages and mortgage backed securities. Prepayment risk.

Bonds with Embedded Options
Basic pricing principles. Static spread and option-adjusted spread. Negative convexity. Effective duration and convexity.

Indicative Reading
Subject Code : AF4328
Subject Title : Mergers and Acquisitions
Level : 4
Credits : 3
Mode of Study : Seminars 42 hours
Pre-requisites : Business Finance (AF3313) and Corporate Finance (AF4320)
Assessment : Coursework 50%
Final examination 50%
Minimum Pass Grade : Coursework (D)
Final Examination (D)

Role and Purpose
This subject aims to provide a theoretical framework as well as practical knowledge on mergers and acquisitions. It contributes to the achievement of BBA Programme Outcomes by enabling students to demonstrate a global outlook and an understanding of cultural diversity, as evidenced by an understanding of globalization, the dimensions along which cultures vary and the implications of both for merger business (Outcome 3). Besides, students have to apply and analyze merger situations and problems by using conceptual frameworks drawn from Accounting, Finance, Economics, Behavioral Science, Law and Quantitative Methods (Outcome 7). A lot of real case examination will demonstrate that there is strong linkage on the capital market action and the merits of M&A transactions. In this connection, students are required to apply basic financial theories, analyze financial reports and understand the operation of financial markets as well (Outcome 9).

Learning Outcomes
On successfully completing this subject, students will be able to:

- Evaluate the economic functions played by M&A activities and the importance of capital markets in supporting such activities;
- Examine various valuation methods used in M&A process;
- Review the regulatory framework governing M&A-related activities in Hong Kong;
- Assess the strategies and tactics of different forms of takeovers and acquisitions, offers and defenses; and
- Enhance their global outlook and cultural awareness in cross-border takeover deals and negotiations

Indicative Teaching/Learning Approach
The 3-hour seminar per week will be used flexibly by the instructor for discussing key concepts and their applications with students and carrying out other learning activities. To maximize benefits, students are encouraged to participate actively in the discussions and share their views with their peers. This course also places a lot of emphasis on team work. Students will be organized into teams and assigned to work on problem sets and real-life case studies.
**Indicative Assessment Tasks**

Assessment components include written merger problems/cases in coursework and subject final examination set with merger problems/cases. The coursework will cover cases from Hong Kong, China, Japan, India, Europe and the US in order to provide students a global perspective and how different cultural issues have affected merger decisions (Outcome 3). These assessment components require students to demonstrate their ability to apply and analyze merger situations and problems by using conceptual frameworks drawn from Accounting, Finance, Economics, Behavioral Science, Law and Quantitative Methods (Outcome 7). Besides, students will be assessed by how they apply basic financial theories, analyze financial reports and understand the operation of financial markets as well (Outcome 9).

**Indicative Content/Outline Syllabus**

**Overview of Mergers and Acquisitions**
Types of acquisitions; dynamics of the M&A process; merger theories and empirical evidence.

**Takeover Regulation in Hong Kong**
Substantial shareholding; Takeovers Code; Securities Ordinance; Companies Ordinance; SEHK Listing Rules.

**Valuation Issues**
Valuation methodologies; valuation of target firms; valuation issues for the offeror.

**Structuring M&A Deals**
Consideration; method of payment; impact of financial strategy.

**Bid Strategies and Tactics**
Choice of offer consideration and conditions; management and board considerations.

**Takeover Defenses**
Resistance motives; defense strategies; impact and cost of strategies; right of minority shareholders.
Indicative Reading
Subject Code : AF4331
Subject Title : Business Valuation
Level : 4
Credits : 3
Mode of Study : Lectures and Seminars 42 hours
Pre-requisites : Corporate Finance (AF4320)
Assessment : Coursework 50%
              Final Examination 50%
Minimum Pass Grade : Coursework (D)
                    Final Examination (D)

Role and Purpose
This subject contributes to the achievement of BBA (Hons) Outcomes by enabling students to evaluate the economic, legal, regulatory, and industry environment, in which both domestic and international firms operate (Outcome 7), and understand the function of firms by analyzing financial reports (Outcome 9) for valuing different kinds of businesses. It requires students to present and communicate effectively so as to provide a solid foundation for students to advance further into the field of business valuation as investment analysis (Outcome 1 and 2). It provides a solid foundation for students to advance further into the field of business valuation as investment analysts (Outcome 13).

Learning Outcomes
On successfully completing this subject, students will be able to:

- Assess a firm’s financial condition through analyzing financial statements;
- Apply analytical tools to make forecasts and value firms and projects using different valuation techniques;
- Evaluate and compare corporate valuation decision in specific contexts like securities analysis, credit assessment and acquisition and merger.

Indicative Teaching/Learning Approach
The three hours per week will be used flexibly by the instructor for discussing key concepts and carrying out exercises and case assignments with students. Heavy emphasis is placed on the students’ oral and written communication skills. Active participation is expected from every student. To maximize benefits, students are expected to share their views actively with instructors and other classmates.
**Indicative Assessment Tasks**

Assessment components include mid-term examination, written report/cases in coursework and subject final examination set with cases. These assessment components require students to demonstrate their ability to evaluate the economic, legal, regulatory, and industry environment in which firms operate (Outcome 7), and understand the functions of firms by analyzing financial reports (Outcome 9) for valuing different kinds of businesses.

Project and presentation are carried out to assess the student’s both written and oral communication skills. (Outcome 1 and 2). These are designed to assess students’ ability to apply techniques of equity valuation which serve as a base for continuous development as investment analysts (Outcome 13).

**Indicative Content**

**Essential Principles and Valuation Techniques**

The equities market; meaning of value; common techniques used in valuation (e.g. ratio analysis, DCF, FME, capitalisation of dividends, asset-based valuation, WACC, CAPM) of business and securities.

**The Company and its Industry**

Private or public firms; sources of information; sector analysis; analysis of management and company performance reporting.

**Application of Valuation Principles**

Management structure; historical financial performance, segmental information; analysis of assets and liabilities; projection of earnings; special valuation situations.

**Other Factors affecting Valuations**

Impact of accounting treatments; taxation; regulatory requirements; dilution and new issues.

**Valuation of Business under Special Situations**

Special nature of industries; valuing synergy; corporate control; leveraged buyouts and takeovers; re-organisation and restructure.

**Other Valuation Techniques**

Special equity analysis (e.g. charting, QA); break-up valuation; Economic Value Added (EVA).

**Valuing New Economy**

The characteristics of new economy; the business models of new economy; the supply and demand for new economy stocks; valuation methods for new economy companies; IPO of new economy stocks.

**Indicative Reading**


Subject Code : AF4332
Subject Title : Corporate Risk Management
Level : 4
Credits : 3
Mode of Study : Lectures / Seminars 42 hours
Pre-requisites : Investments (AF3316)
Co-requisites : None
Exclusion : None
Assessment : Coursework 50%
Final Examination 50%
Minimum Pass Grade : Coursework (D)
Final Examination (D)

Role and Purpose
This course is to prepare students to establish the body of knowledge necessary for independent risk management analysis and decision-making. It builds on basic finance concepts and gives the students an understanding on how a business can identify, measure and control its risks. It contributes to the achievement of the BBA programme outcomes by enabling students to apply relevant tools and concepts to identify and explain real life risk management issues of non-financial and financial institutions and analyze systematically the underlying factors that lead to sound risk management (Outcome 7). It will also help students improve their ability to communicate verbally in English through discussions and presentations (Outcome 1).

Learning Outcomes
On successfully completing this subject, students will be able to:

• Understand the basic principles of risk management and the role of risk management in business firms.
• Identify and analyze underlying factors that lead to good/poor risk management of a business.
• Apply relevant tools to identify, measure and control risk exposure related to operation, financing and investment in a global market.
• Apply Value-at-Risk (VAR) methodology to assess various types of risk for a business.
• Enhance their ability to communicate verbally in English through discussions and presentations.

Indicative Teaching/Learning Approach
Lectures and seminars will be conducted on the topics of the syllabus. Lecture time will be used flexibly for discussing key concepts and their applications with students and carrying out other learning activities with them. Such activities include group discussions and student presentations of their work. To maximize benefits, students are encouraged to share their views and experiences actively with their lecturer and classmates.
Indicative Assessment Tasks
Coursework, including assignments, an Individual Essay and a Group Presentation, will help students to identify and explain real life risk management issues of business firms and to apply relevant concepts and theories to analyze systematically the underlying factors that contribute to a firm’s risk exposures and to manage them (Outcome 7).
Exams will test students’ understanding of and ability to apply taught concepts and theories.

Indicative Content/Outline Syllabus

Basic Concepts of Risk and Risk Management
Definitions of risk and risk management. Risk concepts and processes.

Risk Identification, Measurement and Control

Liquidity Risk
Asset liquidity risk. Funding liquidity risk. Liquidity-adjusted VAR.

Credit Risk
Credit exposure. Default risk. Pricing credit risk.

Operational Risk
Identification, assessment and loss distributions. Data challenge.

Integrated/Enterprise Risk Management
Enterprise-wide risk management, its importance and principles.

Indicative Reading
Subject Code : AF4510  
Subject Title : Law and Practice of Banking  
Level : 4  
Credits : 3  
Mode of Study : Lectures 28 hours  
Seminars 14 hours  
Pre-requisites : Introduction to Business Law (AF2504)  
Assessment : Coursework 60%  
Final Examination 40%  
Minimum Pass Grade : Coursework (D)  
Final Examination (D)  

Role and Purpose
The subject builds on students' knowledge acquired in business law and explains the legal aspects and practice relating to a wide range of daily banking operations. The legal nature of the various instruments commonly used in banking transactions will be considered in depth with a view to understanding the complexities of domestic and international banking. Thus the purpose of the subject is to equip the students with the fundamentals of the law and practice relating to banking industry (Outcome 13). It is expected that at the end of the course the students will thoroughly understand their role in the existing banking regime and understand the ethical and legal issues (Outcome 5) and problems surrounding the banking industry, the participants in the banking industry, including individuals and corporations and how they may be resolved under the current legal framework (Outcome 7).

Learning Outcomes
On successfully completing this subject, students will be able to:

• Explain the development and complexity of Hong Kong’s banking industry
• Explain the legal principles governing the daily banking operations of commercial banks
• Explain the implications of differing types of customers transacting business with bankers
• Advise clients on the use of different forms of negotiable instrument and security – including guarantees, indemnities and charges
• Advise clients on the consequences of money laundering and evaluate the various forms of control
• Advise clients to make sound business decisions based on their knowledge of the bank customer relationship
• Critically evaluate the effectiveness of the existing banking law regime
• Identify and resolve legal and ethical issues in banking industry.

Indicative Teaching/Learning Approach
Lectures will be used mainly for introducing to students the application of theoretical legal principles to real life banking operations. Banking practices will be considered in detail and members of the banking profession will be invited to contribute to the subject.

Seminars will, through case studies and problem based learning, encourage critical analysis of the course materials and promote debate on current related issues.
Indicative Assessment Tasks
Assessment components include written banking law problems/cases in coursework, mid-term test and a final examination set with banking law problems/cases. These assessment components require students to demonstrate their ability to interpret up-to-date banking law statute, including the Banking Ordinance and Bills of Exchange Ordinance, and case law principles and analyze practical banking law issues (Outcome 7), apply banking law concepts to provide legal and ethical advice to clients (Outcome 5). Students’ ability to identify and resolve ethical and legal issues in banking industry will be assessed in their explanations/advises through assessment components and final examination (Outcome 13).

Indicative Content/Outline Syllabus

The Banker/Customer Relationship

Types of Customer
The opening and the conduct of accounts in credit and debit for individuals, joint customers, executors, administrators and trustees, minors, sole proprietors, partnerships, companies, solicitors, unincorporated clubs etc.

Effect of death, insolvency, mental disorder, and legal processes on a customer's account.

Banking Operations
Payment by cheques and other instruments. The rights and duties of the various parties of negotiable instruments. Statutory protection of collecting and paying banker. The Hong Kong cheque clearing and settlement systems. Electronic banking and its legal impact.

Securities for Advances
Creation and enforcement of individuals' and companies' securities including: stocks and shares; land and buildings; guarantees; debentures; book debts; fixed deposit receipts; insurance policies; gold and goods.
Indicative Reading

Recommended Textbook
Chan, S., Halsbury’s Law of Hong Kong – Bills of Exchange and Other Negotiable Instruments, LexisNexis, 2007

References
Ko S.H., *Law & Practice of Banking Services in Hong Kong*, City University, Hong Kong, 1998.
Subject Code : AF4511
Subject Title : E-Business Law
Level : 4
Credits : 3
Mode of Study : Lectures 14 hours
Seminars 28 hours
Pre-requisites : AF2504 Introduction to Business Law
Assessment : Coursework 50%
Final Examination 50%
Minimum Pass Grade : Coursework (D)
Final Examination (D)

Role and Purpose

This subject contributes to the achievement of the BBA programme outcomes by enabling students to demonstrate their ability to analyze e-business situations and problems by applying legal conceptual frameworks (outcome 7). The subject will examine the impact of electronic services upon the basic concepts of business law already learnt and will introduce current legal issues relevant to users, managers and providers of e-services and information. The subject will therefore extend to the laws of other jurisdictions and will enable students to demonstrate a global outlook to e-business (outcome 3).

Learning Outcomes

On successfully completing this subject, students will be able to:

- Understand the impact of the continuing developments in the technology of commerce on the law relating to business
- Understand the different approaches taken to governing e-business in different jurisdictions
- Explain the law of defamation in the context of e-business
- Appraise the intellectual property issues arising in e-business
- Understand the criminal laws applying to the abuse of e-business systems.
- Formulate solutions to new problems for businesses brought about by the global nature of Internet transactions

Indicative Teaching /Learning Approach

Lectures will be used mainly to introduce the essential principles of each subject in the syllabus.
Seminars will deal with the application of the principles to practical situations by the use of case studies. Students will be expected to prepare answers to the case studies and actively participate in the discussions.
Indicative Assessment Tasks

Class work will comprise a series of cases which require that students (working in small groups) identify the legal issues, research the relevant law and report on for further discussion by all members of the class. These cases will require that students analyze e-business situations and problems and apply legal conceptual frameworks (outcome 7) not only in the context of Hong Kong but also globally and so require that students demonstrate a global outlook (outcome 3). The examination will also be case based and to will reinforce these outcomes.

Indicative Content/Outline Syllabus

National and International Laws

Impact of Electronic Transactions in relation to Contract Law

Impact of Electronic Services in relation to Negligence
Liabilities in relation to on-line advice services.

Principles of Defamation
Basic legal principles of the tort of defamation and problems for information service providers.

Law of Intellectual Property and Electronic Technology
Domain names, infringement of trade marks and copyright, passing off.

Data Privacy
Legal framework relating to the protection of personal and business data. SPAM.

Criminal Law Issues

New Developments in E-commerce
Alternative payment systems suitable to the electronic format: electronic cash, virtual banks.
Indicative Reading


Electronic Transaction Ordinance.

Personal Data (Privacy) Ordinance.
Subject Code : AF4512
Subject Title : Corporate Governance and Compliance
Level : 4
Credits : 3
Mode of Study : Lectures/Seminars 42 hours
Pre-requisites : Company Law (AF3507)
Assessment : Coursework 50%
Final Examination 50%
Minimum Pass Grade : Coursework (D)
Final Examination (D)

Role and Purpose
This subject aims to impart students with a sound knowledge of the legislative and regulatory framework of companies registered in Hong Kong and an understanding of the importance of the corporate governance system (Outcome 7). It contributes to the achievement of the BBA Outcomes by enabling students to apply the concepts relating to corporate governance issues of Hong Kong registered companies (Outcome 7), to formulate codes of ethics and codes of best corporate governance practice (Outcome 5), to comply with and to critically evaluate the effectiveness of statutory and non-statutory regulations relating to investor and creditor protection (Outcome 7).

Learning Outcomes:
On successfully completing this subject, students will be able to:

- Interpret the corporate governance system and best practices in Hong Kong.
- Identify and evaluate the role and responsibilities of directors, secretary and auditors in the corporate governance system
- Comply with the regulatory requirements and apply them to the current issues and cases.
- Critically evaluate the effectiveness of the statutory and non-statutory regulations in protecting the interest of the investing public, members and creditors of a company.
- Formulate codes of ethics and codes of best practice in relation to the further development of corporate governance.

Indicative Teaching/ Learning Approach
Lectures emphasize concepts while seminars provide a forum for discussion on the application of concepts to current issues and cases.

Indicative Assessment Tasks
Class discussions, presentations, written assignment/test enable students to apply the concepts of corporate governance issues (Outcome 7), to apply regulatory provisions to current issues and cases (Outcome 7), to formulate codes of ethics and codes of best practice (Outcome 5) and to critically evaluate the effectiveness of the statutory and non-statutory regulations in investor and creditor protection (Outcome 7).
**Indicative Content/Outline Syllabus**

**Corporate Governance System**
The historical development of the system of corporate governance. The role of the Companies Registry, the Stock Exchange and the Securities and Futures Commission in the corporate governance system of Hong Kong companies.

**Business Ethics**
Ethics and business. Ethical dilemmas. Corporate responsibility. Corporate standard of behaviour and corporate codes of conduct.

**Incorporation of Companies**
The practice and procedures for incorporation of companies.

**Share Capital**
Classes of securities issued by companies, sources and methods of raising new capital, alteration of capital, reduction of capital, repurchase of shares, allotment of shares, transfer and transmission of shares, voting and other rights, variation of rights and disclosure of substantial ownership.

**Share Registration Practice and Transfer and Transmission Procedures**
Share registration practice and transfer and transmission procedure, upkeep of statutory books, court orders, personal representative, power of attorney and procedures for issuing replacement share certificates for listed and unlisted companies.

**Accounts and Annual General Meeting**
Basic requirements of company accounts. Contents of directors’ reports. Practical work of a company secretary before, during and after an annual general meeting. Annual returns.

**Directors**
The duties and responsibilities of directors (including board committees) and their alternates. Qualification and disqualification of directors. Appointment of directors and alternate directors, tenure and vacation of office, remuneration, loans and compensation for loss of office, disclosure of interests, executive directors and non-executive independent directors.

**Secretary**
The duties, responsibilities and qualifications of secretaries for listed and unlisted companies. Secretary’s appointment, resignation and removal.

**Auditors**
The duties, responsibilities and qualifications of auditors. Auditors’ appointment, termination and vacation of office.

**Law and Procedures of Company Meetings**
The law relating to meetings of companies. Types of company meetings include general and class meetings, board and committee meetings and meetings in winding up. The conduct and management of company meetings, notices, agenda, quorum, ordinary and special resolutions, voting, polls, proxies, adjournment, powers and duties of chairman, practical work of the company secretary before, during and after meetings.

**Listing Rules and their Application**
Hong Kong Stock Exchange dealing procedures. Procedure for admission of securities to listing, continuing obligations and reporting requirements of listed companies including notifiable and connected transactions.
Amalgamation, Reconstructions and Takeovers
Procedures involved in cases of major changes to a company’s ownership or business, amalgamation, acquisitions and reconstructions, schemes of arrangement and takeovers.

Loan Capital and Registration of Charges

 Liquidation
Procedures and practice in respect of winding up, appointment, duties powers and qualifications of liquidators and dissolution of companies.

Non-Hong Kong Companies
Initial registration under Part XI of the Companies Ordinance, Stock Exchange listing, continuing obligation to file accounts, annual returns and report changes in documents registered, termination of registration and winding up of non-Hong Kong companies.

Indicative Reading
Stott, V., Hong Kong Company Law, latest edition, Longman.
Companies Ordinance, Cap. 32 (and amendments) and all related rules, regulations & orders
Electronic Transactions Ordinance, Cap. 553
Financial Reporting Council Ordinance, Cap. 588
Securities and Futures Ordinance, Cap. 571
Rules governing the Listing of Securities, The Stock Exchange of Hong Kong Limited.
The Codes on Takeovers and Mergers and Share Repurchases, the Securities and Futures Commission.
Hong Kong Ethics Development Centre, Ethics in Management: A Resource Portfolio for Hong Kong Universities.
Subject Code : AF4513
Subject title : Corporate Social Responsibility
Level : 4
Credits : 3
Mode of Study : Lectures and seminars 42 hours
Prerequisites : None
Assessment : Coursework 50%
Final Examination 50%
Minimum Pass Grade : Coursework (D)
Final Examination (D)

Role and Purpose

Corporate social responsibility has its foundations in the students’ knowledge of a diverse range of business functions and sectors. Whatever the specific business setting (accountancy, finance, logistics, marketing or management) the examination of corporate interaction with stakeholders and the notions of social responsibility and ethical behaviour are a matter of concern. This subject contributes to the achievement of the BBA programme outcomes by enabling students to demonstrate a global outlook (outcome 3), identify and resolve ethical issues (outcome 5) and the application of conceptual frameworks (outcome 7).

Learning Outcomes

On successfully completing this subject, students will be able to:

- Understand what is meant by “corporate social responsibility” and appreciate its development.
- Analyse “ethical issues” within the framework of corporate social responsibility.
- Appreciate that ethical issues may need different approaches in differing value systems.
- Assess the role of a code of ethics, the essential requirements in drafting such a code and the difficulties of enforcement.
- Apply appropriate ethical concepts and approaches in realistic corporate and professional circumstances.
- Identify the interconnection of this subject with other disciplines.

Indicative Teaching/Learning Approach

Lectures will introduce ethical issues, theories and the debates concerning the need for corporations to be socially responsible. Seminars will provide students and opportunity to consider and debate practical examples and to discuss a wide variety of case-studies concerning the various aspects of corporate social responsibility. Continuous assessment will comprise preparation for and contribution to seminar activities, small-group case-study research and presentations, and a quiz.
Indicative Assessment Tasks
The continuous assessment tasks will comprise two short individual essays; both of which will concern ethical theories and so will help students to resolve ethical issues (outcome 5) and apply conceptual frameworks (outcome 7). The quiz will focus on identifying and resolving ethical issues (outcome 5). Given that many of the case-studies concern multinational corporations, the seminar presentations will seek to ensure that students understand cultural diversity as well as help them to gain a global outlook (outcome 3). The examination will be a separate 3 hour assessment and will reinforce the identified outcomes.

Indicative Content/Outline Syllabus

The Development of Corporate Social Responsibility
The notion of stakeholders; concern for human rights and the environment; ethical and moral reasoning; the relationship between law, ethics and corporate social responsibility; ethical dilemmas typically encountered by corporations.

A Framework for Ethical Decision-Making
Ethical concepts and theories; deontological and teleological theories; the notions of fairness and justice; Chinese, Asian and Western concepts and theories compared.

Corporate / Professional Standards
The conflict between economic performance and social responsibility; relations between corporations and key stakeholders; deceptive marketing; employee privacy; customer privacy; intellectual property; secrecy / information privacy; equal opportunities; discrimination; "whistle-blowing"; codes of conduct.

International Issues
The diversity of cultural values; moral relativism v. moral pluralism; cross-cultural dilemmas facing corporations; ethnocentric morality; current developments in corporate social responsibility.

Indicative Reading

Text book: Business Ethics, Crane A. and Matten D, Oxford University Press (2nd ed)


Journals including

Business and Professional Ethics Journal
Business and Society
Business and Society Review
Business Ethics - A European Review
Business Ethics Quarterly
Corporate Social Responsibility and Environmental Management
Journal of Business Ethics
The Journal of Corporate Citizenship
Subject Code : AF4605
Subject Title : Hong Kong – China Business
Level : 4
Credits : 3
Mode of Study : Lectures 28 hours
Seminars 14 hours
Pre-requisites : Introduction to Economics (AF2601) or equivalent
Assessment : Coursework 50%
Final Examination 50%
Minimum Pass Grade : Coursework (D)
Final Examination (D)

Role and Purpose
This subject is designed to give students an overall view of the business environment in
China and it accounts for Hong Kong’s position as the “gateway” between China and the rest
of the world. This subject contributes to the achievement of the BBA Outcomes by enabling
students to analyze business situations and problems by applying concepts from economics
and finance (Outcome 7), to identify and analyze various business issues of the Chinese and
local environment (Outcome 12), and communicate effectively (Outcomes 1 and 2).

Learning Outcomes
On successfully completing this subject, students will be able to:

- Analyze the nature and development of the business environment in China
- Examine the role of the Chinese government in the business environment within which
  businesses operate in China
- Command a view of the role of Hong Kong in China’s economy and the business
  implications for Hong Kong companies and other Western firms

Indicative Teaching/Learning Approach
Lectures will provide an overview of the conceptual frameworks and expound major case
studies for illustration of concepts, show video-tapes, and may invite guest speakers.
Seminar work will include the analysis of academic papers and the evaluation of current
business issues.

Indicative Assessment Tasks
Classwork, including learning-to-learn exercises, will help students to apply concepts, and to
identify and analyze various business issues in China mainland and Hong Kong (Outcomes
7 and 12). Effective communications will be assessed through group presentation and class
discussion. Other coursework assessment tools include a presentation, a report and a mid-
term test (Outcomes 1 and 2).
**Indicative Content / Outline Syllabus**

**External Economic Relations of the PRC**
The direction and structure of trade flows between the PRC, Hong Kong and the rest of the world. The role of foreign direct investment into the PRC, and its pattern. The central importance of the Chinese diaspora. The effects of the reform process on trade. China's trading institutions and its trade policy regime. International technology transfers to China.

**The Development of the Financial Sector in the PRC**
Banking reform in China and its impact upon Hong Kong as an international financial centre. The development of financial markets in China.

**Aspects of China Business**

**Indicative Reading**


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Subject Code : AF4606
Subject Title : Economic Development of Asia-Pacific Countries
Level : 4
Credits : 3
Mode of Study : Lectures 28 hours
Seminars 14 hours
Pre-requisites : Introduction to Economics (AF2601) or equivalent
Assessment : Coursework 40%
Final Examination 60%
Minimum Pass Grade : Coursework (D)
Final Examination (D)

ROLE AND PURPOSE
This subject contributes to the achievement of the BBA Outcomes by enabling students to
access economic performance of selected Asia Pacific economies by applying concepts
(Outcome 7) from Economics and Quantitative methods, to evaluate the process of
globalization (Outcome 3) and regional integration in the Asia Pacific region, to develop
students’ ability to analyze critically (Outcome 4) key economics issues facing the region. A
variety of assessment methods will be used to enhance students’ communication skills,
verbally (Outcome 1) and in writing (Outcome 2).

LEARNING OUTCOMES
On successfully completing this subject, students will be able to:

• Evaluate the fundamental economic forces that have shaped the economic performance of
the region.
• Analyse key economic issues in Asia Pacific countries and in particular their business
implications.
• Access how economic integration with countries in the region impacts on Hong Kong.

INDICATIVE TEACHING/LEARNING APPROACH
This subject will be taught in both lecture and seminar formats, emphasising key issues in
the economic development of these countries, economic integration of the region and
importantly, business implications for Hong Kong.

INDICATIVE ASSESSMENT TASKS
Several assessment tools will be used, including group or individual essay, class
presentation and discussion, as well as final examination. Group or individual essay will help
students to develop the ability to evaluate the process of globalization and regional
integration (Outcome 3) by applying concepts (Outcome 7) from Economics and Quantitative
methods and to communicate effectively in writing (Outcome 2). In-class presentation,
together with class discussion, will help develop students’ ability to communicate verbally
(Outcome 1) and to analyze critically (Outcome 4) key economics issues facing the region.

INDICATIVE CONTENT/OUTLINE SYLLABUS
Hong Kong and the Asia Pacific Economies: A Regional Perspective
The Asia Pacific economies: relative size and diversity; Growth and structural change; FDI flows; Intra-regional trade; ‘Group miracle’ and Asian financial crisis; Hong Kong’s integration with mainland China.

Key Issues in Economic Development
Growth and development: the analytical framework; Growth accounting; Growth theory; Income Distribution; Labour market; Financial sector; Trade and development; Macroeconomic Management; Industrial Policy; Population.

Economic Development of Japan
Economic growth; Japan’s lost decade; Labour market; Capital market; Industrial structure and industrial policy; Trade and development.

Economic Development of South Korea and Taiwan
Economic growth; Income distribution; Korean Management System; Financial market; Industrial structure and industrial policy; International trade; Economic integration between Taiwan and Mainland China

Economic Development of Southeast Asian Countries
Why did ASEAN economy grow so fast since 1970s? Income distribution; Labor market; Export-oriented industrialization; ASEAN economic integration.

INDICATIVE READING

Recommended Textbook
There is no prescribed textbook. Lecture summaries and supplementary notes will be distributed from time to time. Books that are on the list of essential readings and additional references will be placed in Student's Reserve Section of the University Library.

Key References

Subject Co-ordinator
XU Xinpeng