

Business, Accounting and Financial Studies

[Formerly known as Business and Financial Studies (Senior Secondary) in the report *Review of the Academic Structure of Senior Secondary Education* (Education Commission, 2003)]

Introduction

1. The Business, Accounting and Financial Studies (BAFS) curriculum is built upon students' prior learning experiences and intellectual development acquired in their basic education. It provides students at the senior secondary level with fundamental business knowledge and skills, and develops their values and attitudes, so that they can play their roles competently and confidently as consumers, investors, employees and/or entrepreneurs. Through the study of business as the learning context, students develop generic skills such as research, analysis, leadership, team-building, communication, critical thinking, creativity, problem-solving, etc, that can be transferred to different domains.

2. BAFS will incorporate a range of learning elements to provide a curriculum balanced in breadth and depth. Some of the learning elements will build on and extend the strengths of existing senior secondary business subjects. New learning elements are being introduced to keep students abreast of global business developments. The BAFS curriculum provides students with a holistic foundation in business. It aims to enable students to develop knowledge and skills, positive values and attitudes for their understanding of and participation in the business world; to make effective business decisions by considering multiple perspectives; and to explore their interest and aptitude through exposure to a spectrum of business areas for further studies and work.

3. The BAFS curriculum is one of the elective subjects offered under the Technology Education Key Learning Area (TE KLA). A brief explanation of the role and position of Technology Education at the senior secondary level can be found in the Appendix for subjects under Technology Education KLA on p.295.

Rationale

4. In a knowledge-driven economy, our human capital constitutes a critical success factor. The global view is that the school curriculum should equip students with the abilities and attitudes to become independent and life-long learners to meet the ever-changing challenges in their future studies and careers; and nurture them to become socially responsible citizens.

5. Business is the process of creating value through commerce and production. Business education aims to provide students with the necessary knowledge, skills, values and attitudes

at individual, societal and global levels to create value through the process of identifying needs, generating ideas and transforming them into business opportunities.

6. At the senior secondary level, business education should develop in students the intellectual breadth to cope with a rapidly changing and increasingly complex world. In tackling business problems, one needs to draw upon knowledge and skills from different business areas, for example, from accounting, finance and management. Students need a solid foundation to understand and integrate input from various areas, each playing a contributing role. For instance, accounting serves as a language of business for both internal and external communication. Students use accounting information together with other business knowledge in making business decisions. As such, the business curriculum should enable students to acquire a common body of business knowledge to deal with dynamic business environments.

7. BAFS serves to provide a learning platform for students to become valuable human resources with an entrepreneurial spirit in the future. To achieve this goal, the BAFS curriculum builds a broad business foundation in accounting, finance and management for students, who at the same time are given the opportunity to choose their interested areas of specialisation for extended study.

8. The design of the BAFS curriculum is based on the following principles:

- ✧ Business and financial activities constitute an integral part of our daily lives as we work, consume, save and invest.
- ✧ While playing the role of consumers at all times, students may also play the roles of investors, employees and/or entrepreneurs in their adult life.
- ✧ Given a fast changing and knowledge-based economy both locally and around the globe, students have to possess a variety of intellectual and communication skills as well as positive values and attitudes, so that they can act competently, confidently, and ethically in both familiar and novel situations.
- ✧ Students have to be conversant with the Hong Kong business environment, so as to make effective decisions as socially responsible citizens.

9. The aims of 21st century education are to widen students' horizons and consolidate their basic knowledge [*Review of the Academic Structure of Senior Secondary Education* (Education Commission, 2003)]. The trend towards globalisation requires one to possess knowledge and skills across a wide range of disciplines, such as technology, science, languages and humanities, to solve business problems. To this end, students may, for example, study BAFS together with Information and Communication Technology, Tourism and Hospitality Studies, Science or Design and Applied Technology, etc. While students

can build a solid foundation in business through the BAFS curriculum, they can enrich their exposure to a range of areas by studying the subject in combination with other electives in a complementary way. Through this, students have the opportunity to explore their interests and aptitudes; to strengthen their knowledge, skills, values and attitudes in a spectrum of studies; and to prepare themselves for making informed decisions about further studies and/or work.

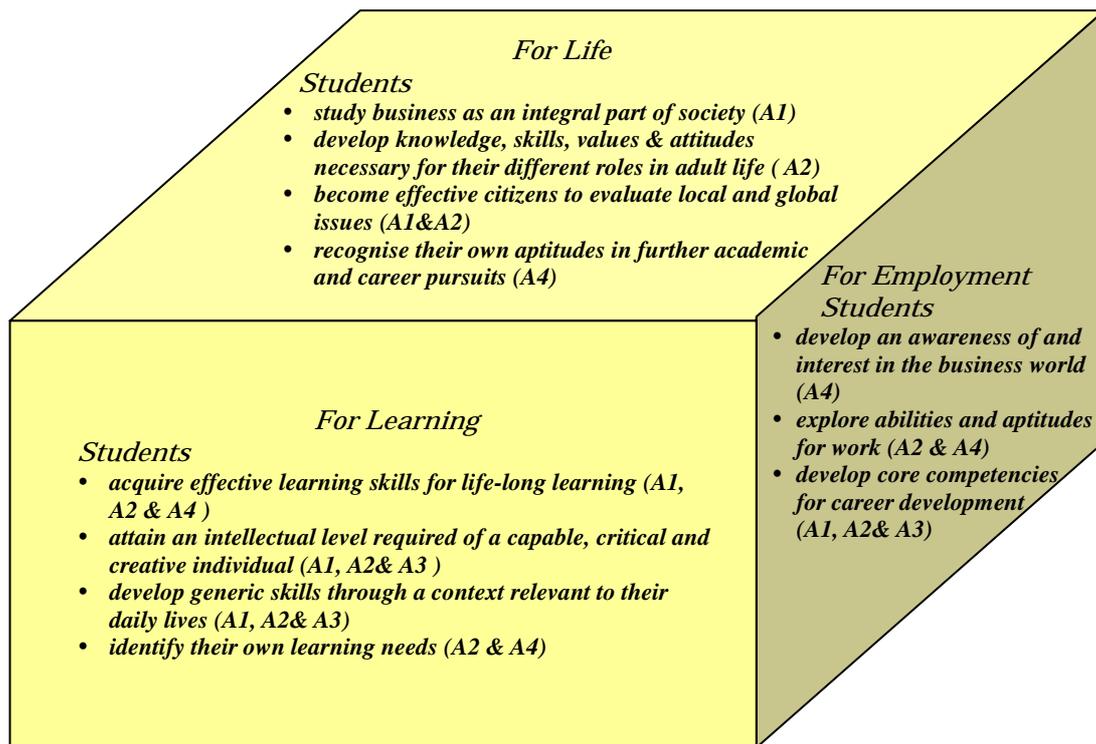
Curriculum Aims

10. BAFS provides a learning platform for students to explore different aspects of business to prepare for life, for learning and for employment.

11. BAFS serves to equip students with the necessary knowledge and skills to contribute to the valuable human capital of the business sector as well as of society at large. The aims of the curriculum are to enable students to:

- ✧ understand and critically evaluate local and global business issues, not only as members of the business world but also as responsible and effective citizens (A1);
- ✧ appreciate the pace of change in the business world, so that they become reflective, self-motivated and self-managed life-long learners, who can act proactively and make informed decisions amid an ever-changing environment (A2);
- ✧ be equipped with an understanding and capability to search out, interpret, analyse and make use of information for business development (A3); and
- ✧ develop an awareness of and interest in business for the planning of their academic and career development (A4).

12. The aims of the BAFS curriculum can be depicted as in the figure below.



Curriculum Framework

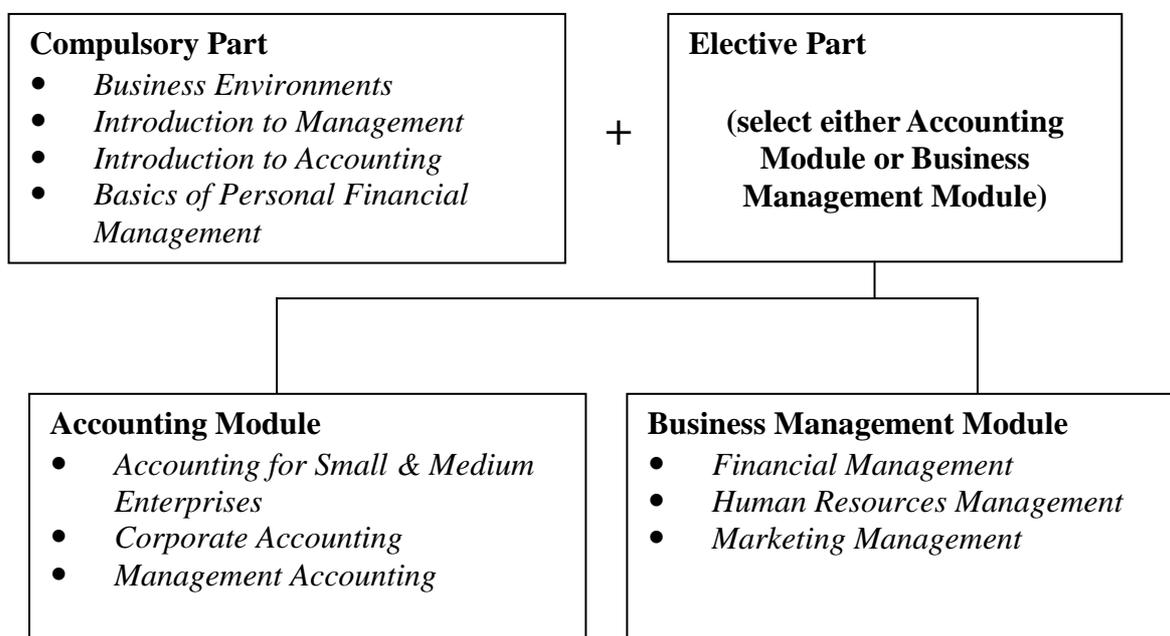
(This part should be read in conjunction with the section “Curriculum Framework” of the Main Document. It should be noted that the curriculum framework suggested below is for initial consultation only. Feedback from the public will be taken into account and further details will be provided in the next stage of consultation.)

13. BAFS is built upon a contemporary business curriculum structure planned in line with changing social circumstances. Students need a holistic foundation of business knowledge to analyse business situations from multiple perspectives; to make effective business decisions; to learn how to transfer the knowledge, skills, values and attitudes they develop in BAFS to different learning domains; and to acquire useful insights into their possible future academic and career development.

14. BAFS comprises both compulsory and elective parts with a view to providing a curriculum balanced in breadth and depth. The compulsory part provides the necessary threshold, in terms of knowledge and skills, for students to have a macro view of business. This foundation enables students to further their studies in the subject. The elective part provides students with the opportunity to pursue a more in-depth study in a focused area. Students can choose a specific module, according to their interest and inclination, as the platform to develop knowledge and skills that are then transferable to other areas of business.

15. Students are required to specialise in either the elective module of Accounting or Business Management.

(a) The curriculum structure of BAFS can be depicted as follows:



(b) Suggested Time Allocation

	Percentage of Lesson Time
Compulsory Part	
<ul style="list-style-type: none"> • Business Environments • Introduction to Management • Introduction to Accounting • Basics of Personal Financial Management 	About 40%
Elective Part (Students select any ONE module)	
<ul style="list-style-type: none"> ➤ Accounting Module <ul style="list-style-type: none"> • Accounting for Small and Medium Enterprises • Corporate Accounting • Management Accounting ➤ Business Management Module <ul style="list-style-type: none"> • Financial Management • Human Resources Management • Marketing Management 	About 60%
Total (Assumption: Total Lesson Time = 255 hours)	100%

(c) Proposed Areas of Studies

Compulsory Part

- **Business Environments** *
 - Characteristics and role of business in Hong Kong
 - Economic, technological, cultural, physical, social, political and legal contexts
 - Forms of business ownership
 - Business ethics and social responsibilities
- **Introduction to Management**
 - Management functions
 - Means of effective management
 - Key business functions
 - Entrepreneurship and small business management
 - Business communication
- **Introduction to Accounting** *
 - Purposes and the changing role of accounting
 - Users and uses of financial statements
 - The accounting cycle
 - Generally accepted accounting principles
 - Interpretation of financial statements
 - Role of technology in accounting
- **Basics of Personal Financial Management**
 - Time value of money
 - The relationship between risks and returns
 - Structure and roles of financial market
 - Consumer credit
 - Personal financial planning and investments
 - Investor protection in Hong Kong

* Please refer to the Annex for Exemplars 1 and 2 on Learning Targets and Learning Objectives.

Elective Part

Accounting Module

➤ **Accounting for Small and Medium Enterprises**

- Control accounts and their reconciliation
- Bank reconciliation statement
- Correction of errors
- Accounting for partnerships
- Accounting for limited companies
- Accounting for non-trading organisations
- Single entry and incomplete records
- Computer-based accounting

➤ **Corporate Accounting**

- Regulatory framework of accounting
- Asset valuation and income determination
- Financial reporting for publication
- Financial statement analysis
- Ethical issues in accounting

➤ **Management Accounting**

- Cost classification, concepts and terminology
- Job, process and activity-based costing
- Marginal and absorption costing
- Standard costing
- Cost accounting for decision-making
- Budgeting and control
- Manufacturing account

Business Management Module

- **Financial Management**
 - Financial planning and analysis
 - Sources of finance
 - Investment appraisal
 - Working capital management
 - Risk management strategies
- **Human Resources Management**
 - Functions of human resources management
 - Motivation, morale and productivity
 - Employment relations
 - Group dynamics and interpersonal skills
- **Marketing Management**
 - Role of marketing
 - Marketing strategies for goods and services
 - Marketing research
 - Customer behaviour
 - Consumerism
 - Global marketing
 - E-marketing

Learning and Teaching

16. The curriculum framework provides a skeleton for designing learning activities to achieve the curriculum aims of the subject. It is anticipated that learning activities will be dynamic where knowledge is acquired on demand from different areas of business. Besides adopting student-centred learning and teaching strategies, the BAFS curriculum emphasises student learning in authentic contexts. In the learning process, students construct their knowledge by reflection, exploration, analysis, carrying out tasks, and evaluation, thereby nurturing their attitudes and capability for learning how to learn.

17. Students will work on tasks or integrative projects that simulate the business environment to solve real life problems. For example, through an entrepreneurial project, students have the opportunity to reaffirm or reconstruct the knowledge, skills, values and attitudes that they have acquired in previous learning activities, and develop their research, team-building, interpersonal as well as high-order thinking skills. Engaging with authentic scenarios and learning experiences enhances students' confidence and independence, and prepares them to cope with rapidly changing business environments. Through different learning and teaching activities, students are expected to achieve a common core of learning outcomes. These outcomes are incorporated in both the compulsory and elective parts.

Assessment

(This part should be read in conjunction with the section "Assessment" of the Main Document.)

Aims of Assessment

18. Assessment is the practice of collecting evidence of student learning. The aims of assessment are to improve learning and teaching as well as to recognise achievement of students. Assessment should be aligned with the curriculum aims and framework and learning processes of the subject.

Internal Assessment

19. Internal assessment refers to assessment practices that schools employ as part of the learning and teaching process of the three-year senior secondary studies in Business, Accounting and Financial Studies. It serves the purposes of providing feedback to improve learning and teaching and of reporting student progress at appropriate times (e.g. at the end of school year, etc).

20. The design of internal assessment will depend on a number of factors, including the nature of the subject, school culture, students' learning needs, school-based curriculum planning, etc. Internal assessment may include activities such as recording students' performance during the learning process; task-based exercises to assess students' understanding and mastery of particular concepts and skills, e.g. understanding the double entry system in accounting; more holistic and integrative exercises for students to demonstrate their abilities in applying acquired concepts and skills, e.g. analysing financial statements of a company; and tests and examinations at appropriate times.

21. Schools may also wish to adopt a recording and reporting system, e.g. a portfolio to record and report student achievement in major domains of the subject together with supportive evidence.

Public Assessment

Standards-referenced Assessment (SRA)

22. Public assessment of BAFS leads to a qualification in the subject to be offered by the Hong Kong Examinations and Assessment Authority. In the public assessment of BAFS, a standards-referenced approach will be adopted for grading and reporting student performance. The purpose of SRA is to recognise what each student can do in each subject at the end of the three-year senior secondary education. Each student's performance will be matched against a set of performance standards, rather than compared to the performance of other students. It makes the implicit standards explicit by providing specific indication of student performance. Descriptors will be provided for the set of standards at a later stage.

Modes of Public Assessment

23. The initial proposal for the public assessment will include a Written Examination component and a School-based Assessment component.

- (a) Written Examination will account for around 70% of the public assessment. In the written examination of BAFS, two papers are proposed:
 - (i) Paper One - mainly assessing student learning acquired in the Compulsory Part
 - (ii) Paper Two - mainly assessing student learning acquired in the Elective Part
- (b) School-based Assessment (SBA) will take up around 30% of the total weighting of the public assessment. The merits of adopting SBA are as follows:
 - (i) SBA is able to provide a more valid assessment than external assessment alone, as it can cover a more extensive range of learning outcomes through employing a wider range of assessment practices that are not available in written examinations.
 - (ii) SBA enables the sustained work of students to be assessed. It provides a more comprehensive picture of student performance throughout the period of study rather than their performance in a one-off examination alone.

It should be noted that SBA is not an “add-on” element in the curriculum. Assessing student performance through practice such as class discussion and class observation is a normal in-class and out-of-class activity. The modes of SBA selected in BAFS will be those appropriate to the learning objectives and processes that are to be assessed. The design and implementation of SBA should avoid unduly increasing the workload of both teachers and students.

Supporting Measures

24. To support schools to implement the BAFS curriculum, a Curriculum and Assessment Guide will be published to provide information on the curriculum aims, learning targets, learning objectives, course requirements and examination. The Guide will also serve as a framework to guide teachers on the teaching content, suggested pedagogies and learning strategies, and School-based Assessment. Other support materials may include sample examination questions and guidelines on the implementation of School-based Assessment.

25. Professional development programmes will be launched to support school curriculum leaders and serving teachers and prepare them for teaching the BAFS curriculum. To cater for the needs of the target participants, flexible delivery modes will be adopted for the programmes, e.g. seminars, workshops, web-based courses, etc. The programmes are likely to focus on the following major areas: understanding and planning the curriculum, learning and teaching, knowledge updating, examination and assessment, and sharing and reflection on good practice.

26. To keep business curriculum in pace with the ever-changing business environment and the rapidly emerging new technologies, apart from textbooks, students and teachers need to make use of a wide range of updated educational resources. For contemporary business topics such as personal financial management, entrepreneurship, etc, the Education and Manpower Bureau will work with different organisations and institutions to provide structured learning materials for adaptation by schools and teachers.

Exemplars on Learning Targets and Learning Objectives

Exemplar 1

Compulsory Part - Business Environments

Learning Targets

Students are expected to demonstrate knowledge and understanding of how business decisions in different types of business ownership are affected by both internal and external business environments. Upon completion of the unit, students will be aware that businesses are not operated in a vacuum but in a dynamic environment in which changes influence strategic planning. Evaluating the changing and integrated nature of business environments will help students develop their knowledge, skills, values and attitudes to explore and deal with today's complex business world.

Learning Objectives

Students are expected to:

- ✧ explain the role of business in society;
- ✧ appreciate the importance of business and its role in the Hong Kong economy;
- ✧ analyse the characteristics of the Hong Kong economy and Hong Kong's economic and business relationship with the Mainland;
- ✧ evaluate the economic, technological, cultural, physical, social, political and legal factors in making rational business decisions;
- ✧ adopt positive values and attitudes towards ethical and social dilemmas in business;
- ✧ evaluate the issues of ethical and social responsibilities in business;
- ✧ analyse the role of business of different sizes and their contribution to the economic development of Hong Kong;
- ✧ evaluate the pros and cons of different forms of business ownership.

Exemplar 2

**Compulsory Part
- Introduction to Accounting*****Learning Targets***

Students are expected to demonstrate knowledge and understanding of the roles and functions of accounting, essential accounting principles and concepts, the accounting cycle and basic financial statement analysis. Upon completion of the unit, students will be able to prepare useful accounting information with qualitative characteristics, and demonstrate the ability to analyse and apply accounting knowledge and skills in decision-making.

Learning Objectives

Students are expected to:

- ✧ demonstrate knowledge and understanding of the accounting cycle, the purposes of financial reporting, and generally accepted accounting principles;
- ✧ appreciate the importance of the roles and functions of accounting and its relevance to financial decision-making;
- ✧ identify the major users of financial statements and their respective information needs;
- ✧ prepare financial statements for users;
- ✧ apply the relevant accounting principles and concepts in accounting situations to provide useful accounting information with qualitative characteristics;
- ✧ analyse accounting information for business decision-making;
- ✧ evaluate the financial position of a business;
- ✧ appreciate the importance of the functions of an accounting information system in management decisions.

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