

HKICPA Qualification Programme Module B Learning Pack

Summary of changes in fourth edition

Examples and self-test questions have been added or replaced throughout the chapters.

Chapter in 3rd edition		Main changes in 4th edition
Chapter	Chapter Name	
1	Ethics in business	<ul style="list-style-type: none"> Some amendments to text on Corporate Social Responsibility, including text on the new Environmental, Social and Governance Reporting Guide Text on corporate governance deleted. This topic is covered in Chapter 15
2	Strategy formulation and choice	<ul style="list-style-type: none"> Reduction to the text, with nothing substantial and important removed
3	Financial analysis and strategy	<ul style="list-style-type: none"> Minor changes to presentation of financial information in two examples, and change to reflect abolition of nominal value of shares. Some reduction in text on cash flow and profitability projections
4	Cost measurement and analysis in service and manufacturing environments	<ul style="list-style-type: none"> Revised, shortened text on measuring costs and cost units New text on cost behavior, relevant costs and minimum pricing Some minor reductions in length of the text on life cycle costing and customer profitability analysis
5	Performance measurement systems	<ul style="list-style-type: none"> Reductions in text, mainly on benchmarking and also working capital ratios, which are fully covered in Chapter 8 Minor text changes for the abolition of nominal values for shares
6	Performance measures for organisational units	<ul style="list-style-type: none"> No significant changes
7	Treasury management	<ul style="list-style-type: none"> No significant changes
8	Working capital management	<ul style="list-style-type: none"> New self-test question New exam practice question
9	Types and sources of finance	<ul style="list-style-type: none"> New text on fixed and floating long term debt New text on terms of a typical loan agreement New text on factors influencing the choice of text Amendments to text to allow for

		abolition of nominal values for shares
10	Dividend policy	<ul style="list-style-type: none"> Minor changes to text to allow for abolition of nominal values for shares
11	Identifying, measuring and managing financial risks	<ul style="list-style-type: none"> Two replacement exam practice questions
12	Investment appraisal	<ul style="list-style-type: none"> Replacement of exam practice question
13	Cost of capital	<ul style="list-style-type: none"> No significant changes
14	Capital structure	<ul style="list-style-type: none"> No significant changes
15	Regulatory environment	<ul style="list-style-type: none"> Some changes in the text to allow for the revised Companies Ordinance Changes in the text on corporate governance, to include the 2012 revision to the Corporate Governance rules and to consolidate the text removed from Chapter 1 of the previous edition.
16	Financial markets	<ul style="list-style-type: none"> Changes to bring the text up to date Inclusion of new text on changes to the Basel rules and the Dodd-Frank Act in the US
17	Business valuations	<ul style="list-style-type: none"> Replacement of exam practice question No significant changes to text
18	Mergers and acquisitions	<ul style="list-style-type: none"> Updated text on due diligence and the SFC Case study changes
19	Corporate reorganisation and change	<ul style="list-style-type: none"> No significant changes
20	Business failure and insolvency	<ul style="list-style-type: none"> No significant changes Updated further reading