

BAFS TEACHERS' EXPRESS

NEWS / INFORMATION / EVENTS / ACTIVITIES

DECEMBER 2017 ISSUE

NEWS – HKICPA/HKABE BAFS Mock Examination



Timetable for HKICPA/HKABE BAFS Mock Examination (2017-18)

Examination date	Paper name	AM session	PM session
29 December 2017	Paper 1	8:30 a.m. – 9:45 a.m.	1:45 p.m. – 3:00 p.m.
	Papers 2A/2B	10:15 a.m. – 12:30 p.m.	3:30 p.m. – 5:45 p.m.



Important notes to candidates of HKICPA/HKABE BAFS Mock Examination (2017-18)

The examination admission cards for HKICPA/HKABE BAFS Mock Examination are now available for all enrolled school teachers to download and print from the HKABE's online system webpage at www.hkabe.org/examination. For any enquiries on the admission cards, please contact Mr. Woo of HKABE at 5408 8662 or by email at info@hkabe.org. All candidates shall comply with the **"Examination regulations"** and the **"Examination instructions for candidates"** as shown on the examination admission cards.

Please remind your students that they will be subject to penalties or disqualification from the examination as HKICPA/HKABE may determine for his/her violation of the above examination regulations and instructions. For details, please visit www.hkicpa.org.hk > Become a Hong Kong CPA > Mock Examination on BAFS > Important notes to candidates and bad weather notice.



Hong Kong Institute of
Certified Public Accountants
香港會計師公會

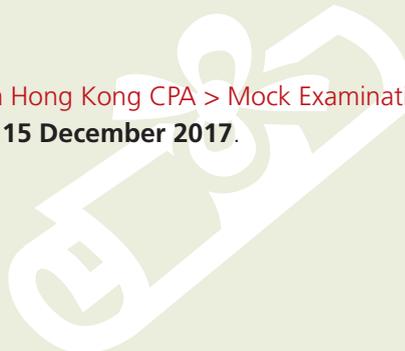


Last calls for nominations – HKICPA/HKABE joint scholarship for BAFS 2017-18

Both HKICPA and HKABE are keen to nurture young talent. The aims of the scholarship are to recognize academic merits and to encourage senior secondary students to pursue the HKICPA/HKABE BAFS Mock Examination for HKDSE.

The nominations for the 2017-18 scholarship are now open. All secondary schools offering BAFS with an accounting/business management module and with at least one student having enrolled in the HKICPA/HKABE BAFS Mock Examination of that session are eligible for making nomination. Each eligible secondary school may nominate one full-time F.5 student who is studying BAFS accounting/business management module for the scholarship. The nominee shall be the top student in BAFS within the whole form (based on F.4 result), with good character and high participation levels in extra-curricular activities.

For details, please visit www.hkicpa.org.hk > Become a Hong Kong CPA > Mock Examination on BAFS > Scholarship for secondary schools. The deadline for nominations is **15 December 2017**.



School talk and information session on HKICPA/HKABE BAFS Mock Examination for HKDSE

HKICPA is pleased to send a representative to your school to introduce career paths in the accountancy profession and to provide further details on the HKICPA/HKABE BAFS Mock Examination for HKDSE.

For further information and to make an appointment, please contact Theresa Choi by email at theresachoi@hkicpa.org.hk or by phone at 2287-7099.



Young Reporters Programme: A Fashion for Success



(from left) Abi Chan, Chloe Cheung, Christina Chan and Zoe Chan, students from Ying Wa Girls' School, met with Mr. Kingo Li, Financial Controller and Company Secretary of Bauhaus International (Holdings) Limited (3rd from the left).

Secondary school students in the young reporters programme learn how Bauhaus became a market leader in the world of fashion.

Educating the accountants of the future is a critical part of the Institute's work – and that education begins at the secondary school level. A key component of this education is the accounting and business management case competition, organized by the Institute in partnership with the Education Bureau. The competition encourages secondary school students, particularly those studying business, accounting and finance, to develop their business analysis and communication skills. The inter-school competition has been running since 2002 and more than 300 schools have participated.

The prize is this article and the young reporters programme, which provides the winners a chance to interview a member of the company their team assessed. In addition to gaining greater insight into the accounting world, the programme also offers

them the opportunity to hone their communication abilities. This year's winners were the team from Ying Wa Girls' College, led by Zoe Chan comprising Abi Chan, Christina Chan and Chloe Cheung. The team were given the opportunity to meet Mr. Kingo Li, Financial Controller and Company Secretary of Bauhaus International (Holdings) Limited, interview him about his work and learn more about the company they studied for the competition.



This article was written by the winning team from Ying Wa Girls' School, who share what they discovered through their meeting with Mr. Li.

Article written by Ying Wa Girls' School

Bauhaus: a local fashion brand that survives in difficulties

Bauhaus was established in 1991 and offers a wide range of apparel and accessories for men and women. Bauhaus has more than 70 retail outlets in Hong Kong and Macau, and over 200 outlets throughout the world. In addition to its own brands, Bauhaus continues to actively bring in more premium denim brands and top quality fashion labels to strengthen its position as a market leader in the fashion world.



It was our honourable pleasure to interview Mr. Kingo Li, Financial Controller and Company Secretary of Bauhaus International (Holdings) Limited. We were greatly inspired by Mr. Li and would like to share the insights we gained through this article. We began by interviewing Mr. Li about the reasons behind Bauhaus' success, the main opportunity for the company in the future and the main weakness. Afterwards we asked Mr. Li for his career advice for young business graduates.

What are Bauhaus' greatest strengths?

We asked Mr. Li what key factors were behind the success of Bauhaus. He listed three key areas:

1. Market segmentation: The Company's ability to design and create its own lines enables them to develop personalized products for its consumers. Thus, they have their own target customers and are more competitive within their target market.



2. Geographical expansion: After the Company listed on the Hong Kong Stock Exchange in 2005, more funds were available to develop new brands as well as expanding Bauhaus internationally – including in Taiwan. This international expansion enables Bauhaus to overcome volatility in individual markets.
3. Simple organization structure: this allows the company to respond quickly to fashion changes and enhance their competitiveness by ensuring that departments are focused on specific sectors.

Opportunity: Development of online shopping in Hong Kong

Bauhaus began offering online shopping three years ago and the business has seen continuous growth since. However, the development of online shopping in Hong Kong is slow and greatly lagging behind markets such as Mainland China. According to Mr. Li, it is not realistic to solely rely on online shopping because Hongkongers do not find online shopping exciting, preferring to shop in traditional stores – which they regard as a form of relaxation. They do not consider shopping to be for only buying necessities, but a channel to express themselves and relax.



Threat: Facing the disruption of the fast fashion trend

While many of its competitors have struggled to counter the fast fashion trend, as typified by shops such as Zara, Bauhaus are less affected by fast fashion for two key reasons.

Firstly, Bauhaus has made strategic adjustments and refocused on accessories. Compared to apparel, the changes in the fashion trends of accessories are generally slower and steadier. Since 2012 Bauhaus has devoted more resources to developing accessories to compete against the fast-fashion trend. Salad is one of the companies' successful examples. Salad was founded in 2005 and was originally focused on clothing, however in 2012; the company decided to revamp Salad and shifted the focus of work to accessories. Such strategic adjustment greatly helped stabilize the profits of the brand and the wider firm.



Secondly, Bauhaus' market positioning. Bauhaus does not position itself to be a popularized, commoditized, fashion brand. Instead, the brand aims at offering personalized and unique products. Its target customers purchase products out of appreciation rather than regarding Bauhaus' lines as basic necessities. Its customers are therefore prepared to pay for a premium for its unique style which they appreciate and this keeps customers returning to its stores every season.

Consideration when employing a staff: Attitude decides your altitude

Moving on to the careers advice for young people, Mr. Li stresses the importance of the interviewee's attitude. He points out that while academic qualifications are the basic criteria, one of the most important considerations of the interviewer is to feel the sincerity of the interviewee. It is vital that interviewees are well prepared through researching a company's background, understanding the market it operates in, and the key trends in the sector. Candidates who have done their research will leave the interviewer with a better impression.



For new staff performing daily duties, being responsible and willing to learn are the best ways to make a good impression and stand out. According to Mr. Li, even if you have an extremely high ability and high marks or advanced academic qualifications, an unwillingness to learn will be a great obstacle to a successful career and eventually you will lose out to those who are more driven and determined.

What can business graduates do to equip themselves?

Hong Kong is famous for being a financial centre. Therefore the past training of business graduates has focused more on business administration. Recently, however, the Bachelors in Business Administration programmes in universities have begun to change,



Kingo Li meeting with champion team

and now enable students to develop basic understandings in different areas of business. Such a change has its own strengths and weaknesses. With a downside in that students may not have a thorough enough understanding of subjects required for a successful career.

Mr. Li suggests that university students should decide their career path as soon as possible. This will give them the ability to select a related major, such as accounting, finance etc. and they can better equip themselves for their targeted profession.

Advice on choosing a career path: Find out your strength and interest

Mr. Li points out the truth that the development prospects of different industries are changing rapidly and it is very difficult to predict one's prospect. Mr. Li strongly advises youngsters to pursue the career they are interested in rather than solely

considering its financial prospects. The second consideration is your strengths. Using himself as an example, Mr. Li is good at mathematics and ultimately chose accounting as his career. He says that making the right career choice is extremely crucial, as your decision will affect you for a long time, it is therefore important to make the right decisions.



According to Mr. Li finding out what you want and what your interests are is more important than ever. Listening to others' experience is always a good way to help to make an informed decision. For secondary school students, Mr. Li suggests talking with and listening to the experiences of their school's alumni. Talking to them is absolutely beneficial and can help teenagers make a correct choice. Otherwise, youngsters may waste their own time and they may need to spend extra years studying another subject.

Our Thoughts

Chan Lok Yu, Zoe (Team leader)

"Your attitude determines your altitude." Having heard such a quote a thousand times, I have never truly understood the meaning behind it. But, the opportunity to meet with and interview Mr. Li perfectly illustrates such a quote. The willingness to learn and the resilience needed in facing difficulties are the only attitude that could help us fly higher. I would like to express my gratitude to the Hong Kong Institute of CPAs and Bauhaus for providing us such a chance. We have gained a lot from this precious experience!

Chan Ching Tung, Abi

Mr. Li recalled difficulties he faced in the industry. He encouraged us to view every difficulty as an opportunity. It is crucial for us to overcome challenges as these experiences pave the way for our success. Besides, he stressed the importance of having a positive attitude at work. His sharing definitely inspired me to equip myself to be more positive in my future career path.

Chan Wing Yin, Christina

The case competition was an absolutely precious opportunity to exercise the knowledge we learn in lessons in a real world environment. We are glad to have a chance to visit the office of Bauhaus where we can look into the procedures of creating new retail products. It was also an honour to interview Mr. Li, who told us more about the retail industry. In summary, this programme has benefited me a lot.

Cheung Lok Tung, Chloe

Having chatted with Mr. Li and listened to the founder of Bauhaus, both of them revealed that a person's attitude is of vital importance to his success. They emphasized how you must combat the difficulties in your life. Many opportunities appear when you face difficulties but if you are struck by the obstacles, you can never overcome them and seize the opportunities presented, at the end having a good attitude and being determined can lead you to success.





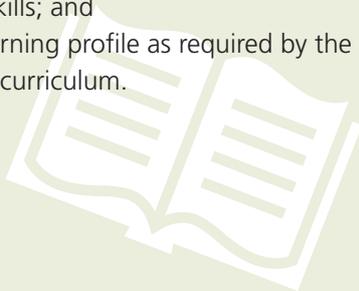
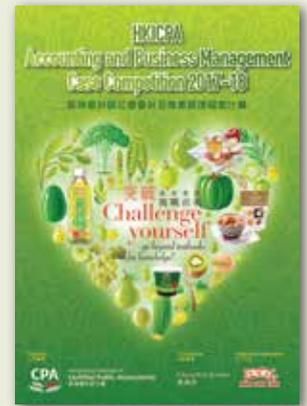
HKICPA accounting and business management case competition 2017-18

The HKICPA Accounting and Business Management Case Competition 2017-18 aims to develop the ability of senior secondary school students, especially those studying business, accounting and financial studies, in using accounting information for business development and to improve their enabling skills as required by today's business world. This year, Hung Fook Tong Group Holdings Limited is selected as the case study company.

Around 879 and 883 students have enrolled in level 1 and level 2 competitions respectively. On 16 October 2017, a briefing session for the case competition was successfully held to provide participants with more details of the competition format and judging criteria.

Through the participation in the competition, students will have a chance to

- apply their textbook knowledge into practice;
- understand the operations of a real business;
- enhance their business writing and presentation skills;
- build their teamwork skills; and
- enrich their student learning profile as required by the New Senior Secondary curriculum.



Sharing from past winners of the competition

“The HKICPA case competition provides an extremely precious opportunity to students by letting us to taste on how business operates in real life. We do not solely have a chance to exercise the textbook knowledge, but also have a platform to let one’s creative juice flow as we are required to give recommendations. The sense of satisfaction when finishing the proposal was indescribable.”

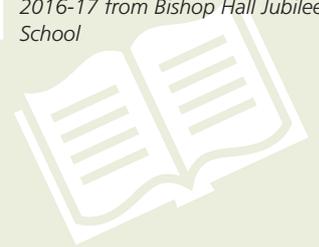
“The competition is a fruitful opportunity for students to immerse themselves in a real market situation. It stimulates creativity in proposing commercially feasible suggestions to cater for the needs of an actual company. Presenting recommendations in a clear, succinct and appealing way prepares students for future careers and instills our confidence.”



Chan Lok Yu Zoe
Leader of champion team and best presenter in 2016-17, from Ying Wa Girls' School



Shiu Chun
Leader of 1st runner-up team in 2016-17 from Bishop Hall Jubilee School





Event calendar

HKICPA/HKABE BAFS Mock Examination for HKDSE (2017-18)

Examination admission cards download via email	End-November 2017
Examination date	29 December 2017
Results announcement	End-February 2018
Post-examination question review seminar and return of marked-answer script	24 and 25 February 2018

HKICPA/HKABE Joint Scholarships for BAFS

Nomination closing date	15 December 2017
Results announcement	Late February 2018

HKICPA Accounting and Business Management Case Competition

Business seminar (for Level 2 participants)	28 December 2017
Submission deadline of Level 1 analysis report	9 February 2018
Submission deadline of Level 2 business proposal	13 February 2018
Announcement of Level 1 result and the six finalist teams for oral presentation	29 March 2018
Final competition – oral presentation cum award ceremony	28 April 2018

Remarks: There are two levels of case competitions. Level 1 competition requires students to submit a financial and business management analysis on the case company while Level 2 competition needs students to write a business proposal on strategies for sustaining the growth of the case company.



Contact us



Hong Kong Institute of
Certified Public Accountants
香港會計師公會

Hong Kong Institute of Certified Public Accountants
37th Floor, Wu Chung House, 213 Queen's Road East, Wanchai, Hong Kong
Tel: (852) 2287 7228 Fax: (852) 2147 3293
Email: bafs@hkiipa.org.hk Website: www.hkiipa.org.hk