

MODULE 1: ACCOUNTING

HKICPA PROFICIENCY LEVELS AND TAXONOMY

The proficiency level indicated in the table below reflects the level at which the topics covered in each particular learning outcome are tested. There are three levels of proficiency:

- Level 1 is the foundational level, covering the skills of knowledge and comprehension.
- Level 2 is the intermediate level, covering the skills of application and analysis.
- Level 3 is the advanced level, covering the skills of integration and evaluation

You are expected to understand which skill is exercised based on the taxonomy verbs with which it is associated. Please note that the list of taxonomy verbs below is for reference only and does not represent an exhaustive list.

| Level 1: Foundation | Level 2: Intermediate | Level 3: Advanced |
|--|--|---|
| Knowledge The remembering of previously learned material (recall of facts) | Application Using new knowledge. Solve problems to new situations by applying acquired knowledge, facts, techniques and rules in a different way | Integration Compile information together in a different way by combining elements in a new pattern or proposing alternative solutions |
| Comprehension Demonstrative understanding of facts and ideas by organising, comparing, translating, interpreting, giving descriptions and stating main ideas | Analysis Examine and break information into parts by identifying motives or causes. Make inferences and find evidence to support generalisation | Evaluation The ability to judge the value of material for a given purpose |

The syllabus weighting table indicates the relative weightings of the syllabus areas encompassed in this module. It serves as a guide to the percentage of study time spent on each syllabus area. In the long run, the marks allocation in the module examinations would conform to the weightings as shown above. The exact range of marks allocation in each module examination may deviate from the weightings for suitably robust questions to be set.

| SYLLABUS AREA | | |
|--|--|--------------------------|
| Principal Learning Outcomes | Supporting Learning Outcomes | Proficiency Level |
| Explain the Purpose of Accounting | Explain the role of accounting within a business entity | 1 |
| | Explain the relationship between business activities and business transactions | 1 |
| | Identify the types of financial statements and explain their purpose | 1 |
| Demonstrate an Understanding of Accounting Principles | Apply the principles of the double entry accounting system and analyse the nature of business transactions | 2 |
| | Explain the general features in preparing financial statements | 1 |
| Prepare Accounting Records, Demonstrate Management and Control | Apply the accounting equation to business transactions and prepare a trial balance | 2 |
| | Account for property, plant and equipment | 2 |
| | Account for inventories and trade receivables | 2 |
| | Prepare period end adjustments | 2 |
| Prepare and Present Financial Statements from a Trial Balance or Incomplete Records | Prepare financial statements from incomplete records | 2 |
| | Prepare financial statements for various common types of business entity | 2 |