

recommendations on the refined C&A framework are as follows:

- ***BAFS curriculum framework (CF)*** (Please refer to Appendix 1 for details):
 - (i) Two-strand arrangement: The existing curriculum offers two strands of studies, i.e. Accounting Strand and Business Management Strand. “Introduction to Accounting” and “Introduction to Management” will be moved from the compulsory part to the respective Accounting/Business Management elective modules with a view to enhancing the coherence of content in each strand.
 - (ii) Adjustment in the weighting of the compulsory part and elective part from 40:60 to 25:75: The compulsory part of each strand will have two common topics, i.e. ‘Business Environment’ and ‘Basics of Personal Financial Management’. In addition, the compulsory part of the Accounting Strand includes ‘Basics of Management’ while the Business Management Strand includes ‘Basics of Accounting’.
 - (iii) Streamlining of the curriculum content: The curriculum content is further streamlined for better flow and balanced weighting of content for the two strands of studies.

- ***BAFS assessment framework (AF)*** (Please refer to Appendix 2 for details):
 - (i) Proportional adjustments in AF: The weighting, examination duration and number of questions in Paper 1 and Paper 2 will be adjusted on a pro rata basis in response to the change in the weighting of the compulsory part and the elective part from 40:60 to 25:75.
 - (ii) Separate examination papers will be provided for the two strands: The Accounting Strand will be composed of Papers 1A and 2A and the Business Management Strand Papers 1B and 2B. Same questions will be set in Paper 1A & 1B for the common topics in the compulsory part of the two strands.

- ***Year of implementation***: The refined C&A framework will be implemented at S4 starting from the 2022/23 school year, leading to the HKDSE BAFS Examination in 2025 and thereafter.

4. To enable schools to have a better understanding of the refined BAFS C&A framework as well as details of implementation, ***updated supplementary notes and AF, as well as the sample papers*** have been uploaded to the websites of the Education Bureau (EDB) (<https://bit.ly/2XRjfBh>) and the Hong Kong Examinations and Assessment Authority (http://www.hkeaa.edu.hk/en/hkdse/hkdse_subj.html?A2&2&6_3). Subject Panel Heads and teachers are advised to peruse the said documents in detail. The updated BAFS C&A guide will be uploaded to the said websites for reference in due course.

5. The EDB will organise two identical briefing sessions (Course ID: CDI020201118) on 18 June 2020 to introduce the direction of development of BAFS and its implementation details. Each school can nominate *at most TWO representatives* to attend the briefing sessions. The deadline for enrolment is 12 June 2020.

Support Measures for Schools

6. To facilitate schools and teachers' preparation for the implementation of the refined curriculum, the EDB will continue to organise professional development programmes (PDPs) to broaden BAFS teachers' horizons in the business world, share experience on learning and teaching, and disseminate good classroom practices. Besides, learning and teaching resource materials will be developed to support teachers in the implementation of the refined curriculum. For instance, educational multimedia resources to promote BAFS have been produced for students' and parents' viewing on HKEdCity at <https://www.hkedcity.net/etv/resource/446481044>.

Enquiry

7. For enquiries, please contact Mr. Patrick HO of the Technology Education Section, Curriculum Development Institute on 3698 3128.

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for Secretary for Education

Refined BAFS Curriculum Framework – Two-strand Arrangement

Accounting Strand

Compulsory Part (25%)
1(a) Business Environment (8%)
<ul style="list-style-type: none"> Hong Kong Business Environment Forms of Business Ownership Business Ethics and Social Responsibilities
1(b) Basics of Management (9%)
<ul style="list-style-type: none"> Management Functions Key Business Functions Small and Medium Enterprises (SMEs)
1(d) Basics of Personal Financial Management (8%)
<ul style="list-style-type: none"> Time Value of Money Consumer Credit Personal Financial Planning and Investment Stock Trading as an Investment
Elective Part (75%)
2(a) Financial Accounting (60%)
<ul style="list-style-type: none"> Purposes and Role of Accounting Double Entry System Books of Original Entry and Types of Ledgers Trial Balance Period-end Adjustments Relating to the Preparation of Financial Statements Financial Reporting for Different Forms of Business Ownership Control System Incomplete Records Accounting Assumptions, Principles and Conventions Financial Analysis
2(b) Cost Accounting (15%)
<ul style="list-style-type: none"> Cost Classification, Concepts and Terminology Marginal and Absorption Costing Cost Accounting for Decision-making

Business Management Strand

Compulsory Part (25%)
1(a) Business Environment (8%)
<ul style="list-style-type: none"> Hong Kong Business Environment Forms of Business Ownership Business Ethics and Social Responsibilities
1(c) Basics of Accounting (9%)
<ul style="list-style-type: none"> Purposes and Role of Accounting The Accounting Cycle Uses of Financial Statements Accounting Assumptions, Principles and Conventions
(1d) Basics of Personal Financial Management (8%)
<ul style="list-style-type: none"> Time Value of Money Consumer Credit Personal Financial Planning and Investment Stock Trading as an Investment
Elective Part (75%)
3(a) Introduction to Management (13%)
<ul style="list-style-type: none"> Management Functions Key Business Functions Small and Medium Enterprises (SMEs)
3(b) Financial Management (22%)
<ul style="list-style-type: none"> Financial Analysis Budgeting Sources of Financing Capital Investment Appraisal Working Capital Management Risk Management
3(c) Human Resources Management (16%)
<ul style="list-style-type: none"> Functions of Human Resources Management Development of a Quality Workforce
3(d) Marketing Management (24%)
<ul style="list-style-type: none"> Role of Marketing Marketing Research Customer Behaviour Marketing Strategies for Goods and Services

BUSINESS, ACCOUNTING AND FINANCIAL STUDIES

INTRODUCTION

The public assessment of this subject is based on the Business, Accounting and Financial Studies Curriculum and Assessment Guide (Secondary 4 - 6) jointly prepared by the Curriculum Development Council and the Hong Kong Examinations and Assessment Authority. Candidates have to refer to the Curriculum and Assessment Guide for the knowledge, understanding and skills they are required to demonstrate in the assessment.

ASSESSMENT OBJECTIVES

The public assessment of Business, Accounting and Financial Studies (BAFS) aims to assess candidates' abilities to:

1. demonstrate knowledge and understanding of different areas of business;
2. apply such knowledge and understanding to familiar and novel situations;
3. analyse, synthesise and evaluate information in the context of business decisions, taking into account the integrated and dynamic nature of business problems; and
4. communicate facts, opinions, and suggestions in an effective manner.

MODE OF ASSESSMENT

Candidates are required to enter the examination in either of the two strands: Accounting or Business Management. The following table outlines the various components of the public assessment of the subject in HKDSE:

Component	Accounting strand	Business Management strand	Weighting	Duration
Public Examination	Paper 1A Compulsory part	Paper 1B Compulsory part	25%	1 hour
	Paper 2A Elective part	Paper 2B Elective part	75%	2 hours 30 minutes

PUBLIC EXAMINATION

Paper 1 Compulsory part

Candidates will attempt either Paper 1A or 1B. Questions will be set on the compulsory part of the curriculum.

There will be two sections as follows:

	Paper 1A Accounting strand	Paper 1B Business Management strand	Weighting (25%)	Remarks
Section A	24 multiple-choice questions	24 multiple-choice questions	17%	All questions are compulsory. Same questions will be set for common topics in both strands.
Section B	3 short questions	3 short questions	8%	

Paper 2 Elective part

Candidates will attempt either Paper 2A or 2B. Questions will be set on the elective part of the curriculum.

There will be three sections as follows:

	Paper 2A Accounting strand	Paper 2B Business Management strand	Weighting (75%)	Remarks
Section A	4-5 short questions	5-6 short questions	33%	All questions are compulsory.
Section B	3 application problems	2 case studies	27%	
Section C	1 long question	1 essay question	15%	Answer one out of two questions.

Candidates are expected to be aware of the impact of standards issued by the Hong Kong Institute of Certified Public Accountants upon the accounting definitions and treatments covered by this curriculum. In case where updates in the accounting standards would affect the BAFS curriculum and/or assessment, the Curriculum Development Institute and the Hong Kong Examinations and Assessment Authority will announce the impact of the updates on the curriculum and/or assessment on a need basis.