

MODULE 10: BUSINESS AND COMPANY LAW

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
Analyse and Apply the Key Aspects of Corporate Laws and Regulations that Govern the Different Forms of Legal Entities:	Forms of business entities	
	Analyse the structures of different types of businesses and apply the relevant legislations	2
	Formation of companies	
	Explain and apply the process of forming an incorporated body	2
	Capital and financing of companies	
	Analyse the legal implications of issuing share capital and loan capital	2
	Administration of companies	
	Analyse how companies make decisions and manage their activities, and apply the rules and requirements to practical business situations	2
	Company liquidation and winding up	
	Analyse and apply the rules and requirements regarding company liquidation and winding up	2
	Explain and apply the schemes of arrangement, reconstruction, and the take-over provisions of the Companies Ordinance	2

SYLLABUS AREA		
Principal Learning Outcomes	Supporting Learning Outcomes	Proficiency Level
Explain and Apply the Key Aspects of Corporate Laws and Regulations that Govern Public Companies	Explain and apply the important rules and requirements applicable to public companies in relation to fund-raising, prospectus contents and liabilities, and continuing obligations of listed companies	2
Explain the Key Aspects of the Legal System and the Key Roles of External Regulatory Bodies in Hong Kong	Describe the principal features of the Hong Kong legal environment and the key roles of external regulatory bodies, including the Hong Kong Monetary Authority, the Securities and Futures Commission, the Hong Kong Stock Exchange, the Financial Reporting Council and the Insurance Authority	1
Analyse and Apply the Key Concepts and Principles of the Law of Tort and Negligence	Analyse and apply the law of tort as it relates to negligence and business liability, including the required elements to establish a legal action, the concepts of damages and defences in negligence, the concept of defamation, and the features of employers' liability in tort, occupiers' liability and vicarious liability	2
Analyse and Apply the Key Concepts and Principles of the Contract Law	Analyse the essential elements of a contract and the consequences of breaching a contract, and apply the principles of the contract law to practical business situations	2

SYLLABUS AREA		
Principal Learning Outcomes	Supporting Learning Outcomes	Proficiency Level
Analyse and Apply the Key Concepts and Principles of the Consumer Laws	Analyse and apply the key provisions of the consumer laws in Hong Kong, including the Sales of Goods Ordinance, the Supply of Services (Implied Terms) Ordinance, the Control of Exemption Clauses Ordinance and the Trade Descriptions Ordinance	2
Analyse and Apply the Key Concepts and Principles of the Employment Laws	Analyse and apply the key provisions of the employment laws in Hong Kong, including the Employment Ordinance, the Sex Discrimination Ordinance, the Disability Discrimination Ordinance, the Family Status Discrimination Ordinance and the Race Discrimination Ordinance	2
Apply the Key Concepts and Principles of the Bribery and Corruption Laws	Apply the key provisions of the Prevention of Bribery Ordinance in Hong Kong	2
	State the role of the Independent Commission Against Corruption	1
	Apply the obligations and requirements under the anti-money laundering legislation	2
	Analyse the role of accountants as trust or company service providers	2

SYLLABUS AREA		
Principal Learning Outcomes	Supporting Learning Outcomes	Proficiency Level
Analyse the Key Aspects of Agency Relationship	Analyse the essential elements of agency relationship, including the role of an agent, how an agency is created, the different types of authority of an agent, and the rights, duties and liabilities of an agent and a principal	2