

Disclaimer

- ◆ **The materials of this seminar are intended to provide general information and guidance on the subject concerned. Examples and other materials in this seminar are only for illustrative purposes and should not be relied upon for technical answers. The Hong Kong Institute of Certified Public Accountants (The Institute), the speaker(s) and the firm(s) that the speaker(s) is representing take no responsibility for any errors or omissions in, or for the loss incurred by individuals or companies due to the use of, the materials of this seminar conference.**
- ◆ **No claims, action or legal proceedings in connection with this seminar brought by any individuals or companies having reference to the materials on this seminar will be entertained by the Institute, the speaker(s) and the firm(s) that the speaker(s) is representing.**
- ◆ **The Institute retains copyright in all materials published in the seminar. No part of this seminar may be reproduced without the permission of the Institute.**





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



Hong Kong's
CPA Qualification
香港會計師專業資格

Examination Techniques Seminar on QP Module Examinations

Module C (December 2017 Session)

Date: 3 Nov 2017





Agenda

- 1 • Introduction
- 2 • Common Weaknesses
- 3 • Sharing with Markers
- 4 • Preparation for Examinations
- 5 • Q & A Session



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



Hong Kong's
CPA Qualification
香港會計師專業資格

Part 1: Introduction





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



Hong Kong's
CPA Qualification
香港會計師專業資格

Today's objective:
***Finding ways to pass the
Module Examination!***



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



Hong Kong's
CPA Qualification
香港會計師專業資格

HKICPA QP Module Examinations

Examination Format:

- Section A – Case Questions (50%)
- Section B – Essay / Short Questions (50%)
- 3 hours duration for each Paper
- All compulsory questions



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



Hong Kong's
CPA Qualification
香港會計師專業資格

Part 2: Common Weaknesses





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



Hong Kong's
CPA Qualification
香港會計師專業資格

Major causes to examination failure



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



Aspect 1: **Questions**

- Difficulty in identifying the specific question requirements
- Misinterpretation of the question requirements



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



Hong Kong's
CPA Qualification
香港會計師專業資格

Aspect 2:

Answers

- Approach or structure of answers are disorganized
- Answers are either too long or too short
- Answers are wrong, irrelevant, or lack of practical consideration
- Answers are not linked to the case facts
- Answers are straight copy from LP or reference materials
- Did not attempt all questions



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



Hong Kong's
CPA Qualification
香港會計師專業資格

Aspect 3: Candidates

- Inadequate or ineffective preparation
- Other commitments affecting examination preparation
- Not in a good form to perform on examination day
- Felt panicking or got nervous in the examination centre
- Poor time management

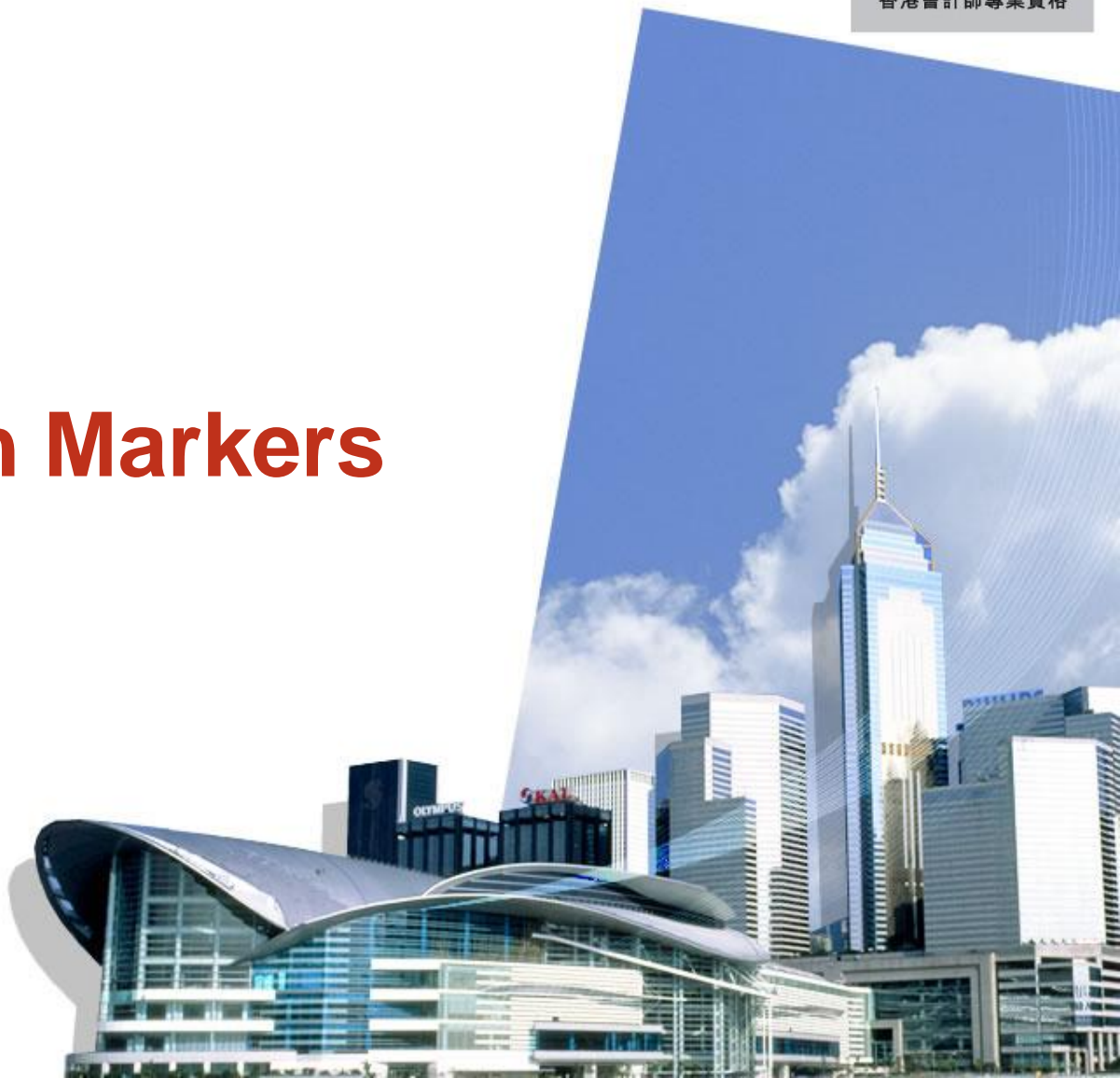


Hong Kong Institute of
Certified Public Accountants
香港會計師公會



Hong Kong's
CPA Qualification
香港會計師專業資格

Part 3: Sharing with Markers





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



Hong Kong's
CPA Qualification
香港會計師專業資格

Ms. Ada Chan



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



Hong Kong's
CPA Qualification
香港會計師專業資格

**What are your objectives to
attend this forum?**



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



Hong Kong's
CPA Qualification
香港會計師專業資格

Common weaknesses



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



Hong Kong's
CPA Qualification
香港會計師專業資格

Common weaknesses observed during marking

- Difficulty in identifying the specific question requirements / misinterpretation of the question requirements
- Answers are irrelevant to the questions, or are not specific to the case facts
- Poor presentation and structure of answers
- Poor time management, not all questions are attempted



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



Hong Kong's
CPA Qualification
香港會計師專業資格

Examples



Example 1



June 2017 session – Sect A – Q2a

“Landlord Supreme Limited (“Landlord”) is a property development and investment company which operates in Hong Kong. It owns five “A-grade” commercial buildings located in Central, Wan Chai, Quarry Bay, Tsim Sha Tsui and Kwun Tong respectively with over 4,000 office units....

As in the prior year, the management has engaged an external valuer, Accurate Limited, to assist Landlord to determine the fair value of the commercial building portfolio at each period end. The valuation method adopted is the income approach. Key assumptions adopted in the valuation include market rent, term yield and revisionary yield...”

Required:

- (a) Evaluate the risk of material misstatements of the investment properties (i.e. commercial buildings) of Landlord in terms of valuation assertion.**

(4 marks)



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

Example 1



Hong Kong's
CPA Qualification
香港會計師專業資格

What is the question asking for?

“Landlord Supreme Limited (“Landlord”) is a property development and investment company which operates in Hong Kong. It owns five “A-grade” commercial buildings located in Central, Wan Chai, Quarry Bay, Tsim Sha Tsui and Kwun Tong respectively with over 4,000 office units....

As in the prior year, the management has engaged an **external valuer, Accurate Limited, to assist Landlord to determine the fair value of the commercial building portfolio** at each period end. The valuation method adopted is the **income approach. Key assumptions adopted in the valuation include market rent, term yield and revisionary yield...**”

Required:

- (a) Evaluate the risk of material misstatements of the investment properties (i.e. commercial buildings) of Landlord in terms of valuation assertion.**

(4 marks)



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

Example 1



Hong Kong's
CPA Qualification
香港會計師專業資格

June 2017 session – Sect A – Q2a

Panelists' comments:

- Candidates in general were weak in applying their knowledge in a real case.
- Most of the candidates were able to conclude that the risk of material misstatement of the investment properties in terms of valuation assertion was high, but they failed to provide valid reasons to support their conclusion.



Example 1



June 2017 session – Sect A – Q2a

Bad examples:

- As Landlord appointed experts in helping fair value determination, it is complex in nature and might require auditor's expert to evaluate the appropriateness of the value of IP...
- A large fair value gain on IP compared to last year...
- The value of investment properties are calculated using income approach, the method of valuation might be inappropriate...
- The source of data used in the valuation might be unreliable and cause misstatement of IP...



Example 1



June 2017 session – Sect A – Q2a

Better examples:

- The amount of investment property is material to the financial statements (i.e. 96% of total assets), inherent risk is high
- The increase in fair value is significant, representing 69% of profit before tax in the year
- The valuer's competency is questionable and the quality of work of the external valuer may have impact on the fair value determination of the investment properties
- The increase in fair value was 16% vs last year, it is not consistent with the increase in rent of 4%,
- The fair value determination of IP involves significant judgement and accounting estimates by management, which increase the inherent risk



Example 1



June 2017 session – Sect A – Q2a

Better examples:

- The amount of investment property is **material to the financial statements (i.e. 96% of total assets)**, inherent risk is high
- The increase in fair value is significant, **representing 69% of profit before tax** in the year
- The valuer's **competency is questionable** and the **quality of work of the external valuer may have impact on the fair value determination** of the investment properties
- The increase in fair value was 16% vs last year, it is **not consistent** with the increase in rent of 4%,
- The fair value determination of IP involves significant judgement and **accounting estimates by management**, which increase the inherent risk



Example 2



June 2017 session – Sect A – Q3a

Landlord has a professional building management team providing management services to its tenants.

- The business of Landlord in the year was stable. No substantial acquisition or disposal of business and assets happened in the year.
- The occupancy rate of the office units exceeded 85% in the year (2015: 85%).
- The number and the mix of tenants were stable in the year. No bad debt provision was made for any particular tenants in the past two years. No single tenant contributed over 5% of the rental and management fee revenue of Landlord.
- The rental and management fees charged to the tenants increased by 4% and 2% respectively in the year.

Required:

- **Evaluate the risks of material misstatements of rental receivables of Landlord. Your assessment should state the risks of material misstatements of each relevant key assertions.**



Example 2



What is the question asking for?

Landlord has a professional building management team providing management services to its tenants.

- The business of Landlord in the year was stable. No substantial acquisition or disposal of business and assets happened in the year.
- The occupancy rate of the office units exceeded 85% in the year (2015: 85%).
- The number and the mix of tenants were stable in the year. No bad debt provision was made for any particular tenants in the past two years. No single tenant contributed over 5% of the rental and management fee revenue of Landlord.
- The rental and management fees charged to the tenants increased by 4% and 2% respectively in the year.

Required:

- **Evaluate the risks of material misstatements of rental receivables of Landlord. Your assessment should state the risks of material misstatements of each relevant key assertions.**

(6 marks)



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

Example 2



Hong Kong's
CPA Qualification
香港會計師專業資格

June 2017 session – Sect A – Q3a

Panelists' comments:

- Candidates failed to identify the relevant audit assertions in assessing the risk of material misstatements.
- Candidates failed to draw an appropriate conclusion of the risk assessment based on the facts provided
- Candidates failed to provide valid reasons to support their risk assessment conclusion



Example 2



June 2017 session – Sect A – Q3a

Bad examples:

- There may be a risk that rental receivables of Landlord does not exist...
- Rental income has increased by 3% and rental receivable increased by 4%...
- The risk is low...
- No new loan was borrowed in 2016, which suggested that it is unlikely that nay lien has been imposed on the rental receivables this year..



Example 2



June 2017 session – Sect A – Q3a

Better examples:

- The increase in rental receivable of 4.2% is in line with the increase in rental income by 4.16%, therefore no material risk on completeness is expected..
- Controls of AIO is considered to be operated effectively in past year's audits and no significantly control deficiency identified...
- The automated billing system for rental income and receivable indicates the risk of human error is low...
- No bad debt provision was made in the past two years, and the mix of tenants are stable in the year. This indicate the risk at valuation assertion is low...



Example 2



June 2017 session – Sect A – Q3a

Better examples:

- The increase in rental receivable of 4.2% is **in line with** the increase in rental income by 4.16%, therefore **no material risk on completeness** is expected..
- Controls of **AIO is considered to be operated effectively** in past year's audits and **no significantly control deficiency identified...**
- The automated billing system for rental income and receivable indicates the **risk of human error is low...**
- **No bad debt provision** was made in the past two years, and **the mix of tenants are stable** in the year. This indicate the **risk at valuation assertion is low...**



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

Example 3



Hong Kong's
CPA Qualification
香港會計師專業資格

June 2017 session – Sect A – Q3c

Apart from sending confirmations to the tenants, propose other relevant substantive audit procedures to ascertain the rental receivable balance of Landlord.

(5 marks)



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

Example 3



Hong Kong's
CPA Qualification
香港會計師專業資格

What is the question asking for?

Apart from sending confirmations to the tenants, propose other relevant substantive audit procedures to ascertain the rental receivable balance of Landlord.

(5 marks)



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

Example 3



Hong Kong's
CPA Qualification
香港會計師專業資格

June 2017 session – Sect A – Q3c

Panelists' comments:

- Candidates suggested audit procedures that were related to rental income but not rental receivables
- Candidates did not read the question requirement carefully enough and suggested audit procedures relating to sending a confirmation such as following-up non-reply confirmations, performing alternative procedures on non-reply confirmations, etc.



Example 3



June 2017 session – Sect A – Q3c

Bad examples:

- Perform alternative procedures for any exceptions and non-replies of confirmation...
- For balances not yet settled after reporting dates, examine their respective invoices / agreements...
- Perform reasonableness test on rental income...
- Review the rent receipts by inspecting bank statements and rent receipts documentation to confirm their existence...
- Obtain a schedule of rent charged by month, by tenant, by building...



Example 3



June 2017 session – Sect A – Q3c

Better examples:

- Perform substantive analytical review on the rental receivables balance...
- Agree the rental receivable balance shown on the breakdown to the rental agreement on a sample basis...
- Discuss with management on the recoverability of the long outstanding balances and assess the adequacy of the provision of doubtful debt...
- Obtain a breakdown of year end rental receivable balance and check the mathematical accuracy...



Example 3



June 2017 session – Sect A – Q3c

Better examples:

- Perform **substantive analytical review** on the rental receivables balance...
- Agree the rental receivable balance shown on the breakdown to the **renal agreement on a sample basis**...
- Discuss with management on the **recoverability of the long outstanding balances** and **assess the adequacy of the provision of doubtful debt**...
- Obtain a **breakdown of year end rental receivable balance** and **check the mathematical accuracy**...



Example 4



June 2017 session – Sect B – Q8a

“ All Best Corporation (“ABC”) is a famous on-line home appliance distributor which offers more than a million items for sale on its website. You are the auditor of ABC and are now planning the information technology (“IT”) audit process. ABC has implemented the following three IT applications:

- (i) “FIN” is the accounting system for financial reporting.
- (ii) “BUY” is the operating system which processes the orders placed by the customers and recognizes the sales.
- (iii) “CUS” is a stand-alone system which maintains all contact details of ABC’s customers. The CUS system is used to facilitate communication with its customers for marketing events.

Required:

Propose audit procedures to test the effectiveness of the general controls of an entity’s IT applications.

(5 marks)



Example 4



What is the question asking for?

“ All Best Corporation (“ABC”) is a famous on-line home appliance distributor which offers more than a million items for sale on its website. You are the auditor of ABC and are now planning the information technology (“IT”) audit process. ABC has implemented the following three IT applications:

- (i) “FIN” is the accounting system for financial reporting.
- (ii) “BUY” is the operating system which processes the orders placed by the customers and recognizes the sales.
- (iii) “CUS” is a stand-alone system which maintains all contact details of ABC’s customers. The CUS system is used to facilitate communication with its customers for marketing events.

Required:

Propose audit procedures to **test the effectiveness** of the **general controls** of an entity’s IT applications.

(5 marks)



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

Example 4



Hong Kong's
CPA Qualification
香港會計師專業資格

June 2017 session – Sect B – Q8a

Panelists' comments:

- Control over the information technology environment used to be a weak area
- Candidates provided a lot of irrelevant information which could not specifically answer the question



Example 4



June 2017 session – Sect B – Q8a

Bad examples:

- Understand and walkthrough the end to end process to confirm if there is any change of management procedures upon the system implementation...
- Consider IT knowledge, expertise and experience of the audit team and involvement of IT specialist ...,
- Understand, evaluate and validate the IT general control environment, including process and controls over program change, program development, computer operations, access controls...
- Use of CAAT to review segregation of duties and appropriate system access...



Example 4



June 2017 session – Sect B – Q8a

Better examples:

- Understand, evaluate and validate the IT general control – Access control by verifying the access and use of computer terminals. The auditor can inspect the evidence of authorization before processing / accessing the system
- Inspect physical access controls, programme logs, records of programme change
- Verify if there is segregation by inspecting the entity's standards over system design, programming and documentation



Example 4



June 2017 session – Sect B – Q8a

Better examples:

- Understand, evaluate and validate the IT general control – Access control by **verifying the access and use of computer terminals**. The auditor can **inspect the evidence of authorization before processing / accessing the system**
- **Inspect physical access controls, programme logs, records of programme change**
- **Verify if there is segregation** by inspecting the entity's standards over system design, programming and documentation



Example 5



June 2017 session – Sect B – Q8c

“ All Best Corporation (“ABC”) is a famous on-line home appliance distributor which offers more than a million items for sale on its website. You are the auditor of ABC and are now planning the information technology (“IT”) audit process. ABC has implemented the following three IT applications:

- (i) “FIN” is the accounting system for financial reporting.
- (ii) “BUY” is the operating system which processes the orders placed by the customers and recognizes the sales.
- (iii) “CUS” is a stand-alone system which maintains all contact details of ABC’s customers. The CUS system is used to facilitate communication with its customers for marketing events.

Required:

If the general controls of ABC’s IT application(s) that you advised to test in Question 8(b) are proved to be effective, advise what application controls you will test for the sales process of ABC.

(7 marks)⁴²



Example 5



What is the question asking for?

“ All Best Corporation (“ABC”) is a famous on-line home appliance distributor which offers more than a million items for sale on its website. You are the auditor of ABC and are now planning the information technology (“IT”) audit process. ABC has implemented the following three IT applications:

- (i) “FIN” is the accounting system for financial reporting.
- (ii) “BUY” is the operating system which processes the orders placed by the customers and recognizes the sales.
- (iii) “CUS” is a stand-alone system which maintains all contact details of ABC’s customers. The CUS system is used to facilitate communication with its customers for marketing events.

Required:

If the general controls of ABC’s IT application(s) that you advised to test in Question 8(b) are proved to be effective, advise what application controls you will test for the sales process of ABC.

(7 marks)⁴³



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

Example 5



Hong Kong's
CPA Qualification
香港會計師專業資格

June 2017 session – Sect B – Q8c

Panelists' comments:

- Candidates provided a lot of irrelevant information which could not specifically answer the question
- Majority of the candidates could not make reference to the case fact and therefore not able to score adequate marks for the question



Example 5



June 2017 session – Sect B – Q8c

Bad examples:

- The auditor should test the application controls on transactions processed by the systems for authorization, completeness, accuracy and processing.
- The auditor would inquire into testing programs to check data fields on input transactions and inspect evidence of manual scrutiny of output and reconciliation to source
- I will initiate an order near the year end, inspect whether sales is timely recorded in the FIN system ...
- For the sales process, the following application controls will be tested:
 - The order place system
 - The sales recognition system
 - The integration from sub-ledger to sales ledger



Example 5



June 2017 session – Sect B – Q8c

Better examples:

- Check the reconciled bar code sent from logistics and its own records
- Inspect records of unmatched barcodes
- Inspect reports on unprocessed / uncleared transactions (e.g. unpaid invoices)
- Checking of processed output (barcode in BUY) to source document (sent by logistic company) to check the controls over input accuracy



Example 5



June 2017 session – Sect B – Q8c

Better examples:

- Check the **reconciled bar code sent from logistics and its own records**
- Inspect **records of unmatched barcodes**
- Inspect reports on unprocessed / uncleared transactions (e.g. **unpaid invoices**)
- Checking of processed output (**barcode in BUY**) to source document (**sent by logistic company**) to check the controls over input accuracy



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



Hong Kong's
CPA Qualification
香港會計師專業資格

Sharing of exam techniques: How to address the weaknesses?



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



Hong Kong's
CPA Qualification
香港會計師專業資格

Common weaknesses observed during marking

- Difficulty in identifying the specific question requirements/ misinterpretation of the question requirements
- Answers are irrelevant to the questions, or are not specific to the case facts
- Poor presentation and structure of answers
- Poor time management, not all questions are attempted



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



Hong Kong's
CPA Qualification
香港會計師專業資格

Weakness 1

Difficulty in identifying (or misinterpreting) the specific questions requirements

- Spend some time on reading the questions carefully
- Use highlighter to underline the important question requirements
- Be aware of the key action words – assess, provide examples, propose actions, etc.
- Be aware of the time dimension – planning, execution of TOC or TOD, and completion/ reporting stage



Weakness 2

Answers are irrelevant/ not specific

- Make sure the answer includes factual information extracted from the case (e.g. AR increased by 200% while sales increased by 24%)
- Ratio or variance % can be computed to support the answer as it is useful for describing significance, severity or materiality
- Plan the structure of answer (e.g. mindmap) to confirm linkage to question requirements
- Review the written answers to ensure the intended effect
- Plan → execute → review



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



Hong Kong's
CPA Qualification
香港會計師專業資格

Weakness 3

Poor presentation and structure of answers

- Consider using the READ Approach to structure the answer in a specific way:
 - Raise the issue / subject matter
 - Extract facts from the case
 - Apply standards to confirm rationale
 - Decide the conclusion



Weakness 3

Poor presentation and structure of answers

- Write in meaningful length, concisely and precisely → check fixed assets (for what?), check casting vs. check casting accuracy...
- Break long answers or present different arguments with short paragraphs
- Use simple English but keep the auditing standards jargons
- Allow sufficient spacing between lines
- Write legibly



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



Hong Kong's
CPA Qualification
香港會計師專業資格

Weakness 4

Poor time management

- Reserve time for reading the questions and outlining the structure of the answer
- Determine the length of the answer with reference to the marks allocation
- Allocate time to answer each question and attempt all questions
- Leave some time as buffer for checking



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



Hong Kong's
CPA Qualification
香港會計師專業資格

Improvement areas

- **Answer strategy** – beware of relationship between marks and time allocation
- **Structured answer** - show marker your thinking logic in your answer



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



Hong Kong's
CPA Qualification
香港會計師專業資格

Thank you



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



Hong Kong's
CPA Qualification
香港會計師專業資格

Part 4: Preparation for the Examinations





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



Hong Kong's
CPA Qualification
香港會計師專業資格

- 1. Prepare your examination**
- 2. Prepare yourself for examination**



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



Hong Kong's
CPA Qualification
香港會計師專業資格

1. Prepare your examination Before examination

DO

- Commit to your **Study Plan**
- Cover beyond LP
- Form **Study Group** with fellow students
- Prepare **Critical File**
- Practise past papers
- Visit QP Learning Centre
 - Past papers and Examiners' reports;
 - Special topics and/or Important notice; and
 - Examination preparation seminar archives



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

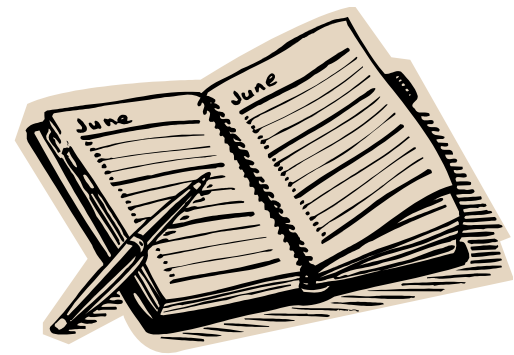


Hong Kong's
CPA Qualification
香港會計師專業資格

Commit to your Study Plan

Advantages:

- Schedule ahead
- Build long term memories → maximize efficiency
- Avoid last minute work and minimize impact of unpredicted events...





Prepare Critical File

How to prepare:

- Use different colour post-it for different standards / topics
- Organise materials by different standards / topics
- Understand theories behind each standards / topics
- Get familiar with this file

Advantages:

- Colour coding for standards / topics allows easy identification (same file used in examination – time saving!)
- Build up long term memories
- Avoid indexing without understanding





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



Hong Kong's
CPA Qualification
香港會計師專業資格

During examination

DO

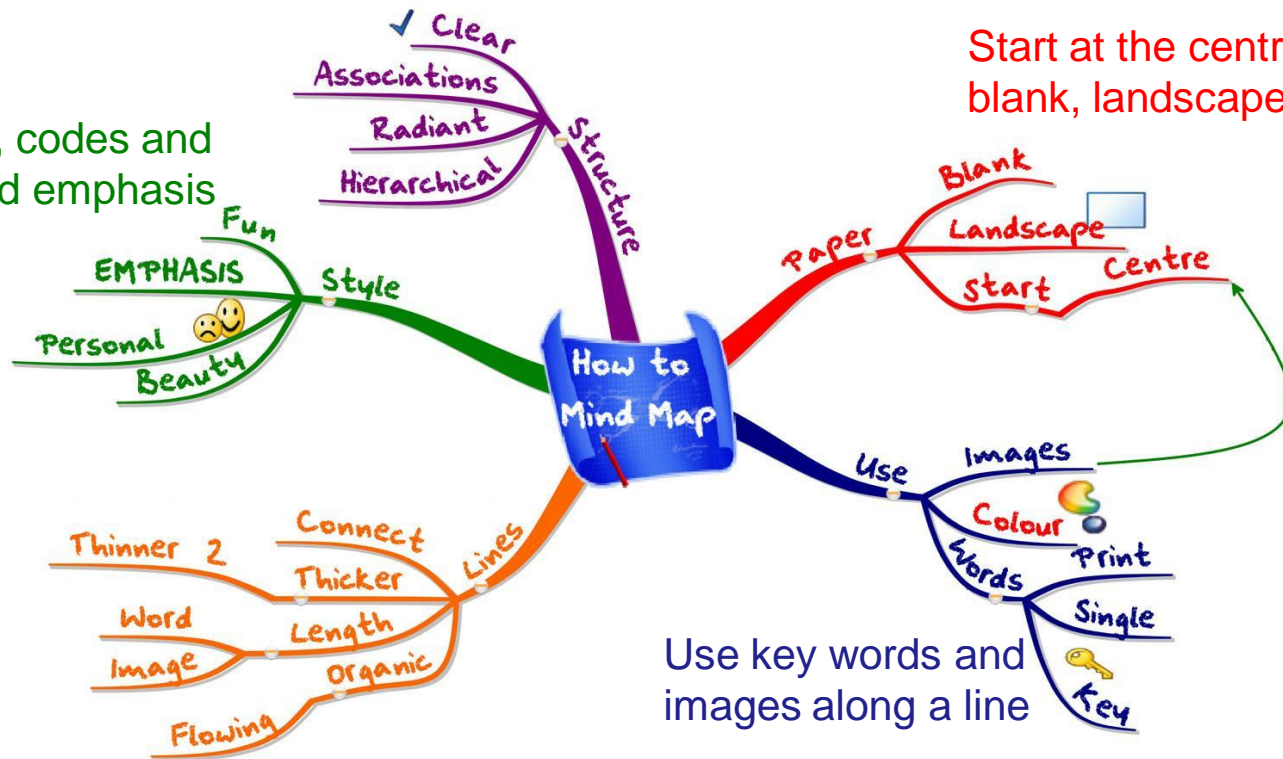
- Identify question requirements
- Highlight key words (e.g. Calculate / Advise / Propose etc...)
- **Mind-map** or sketch the question requirements
- Outline answers or approach
- Pay attention to specific format requirement (e.g. Write a memorandum)
 - Start with an introduction and end with a conclusion
 - ➔ Get easy marks!

Mind Map

Radiate the ideas out from the central theme and main branches

Use highlighters, codes and arrows to link and emphasis different aspects

Start at the centre of a blank, landscape paper



Use key words and images along a line

Make the lines associate as clear as possible



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



Hong Kong's
CPA Qualification
香港會計師專業資格

During examination

DO

- Apply technical knowledge
- Do an easy question first to gain confidence
- Leave time at the end to check for careless mistakes
- **Write legibly**

DON'T

- Don't make up any information that is not provided by the question
- Don't write more than required as indicated by marks allocation
- Don't struggle, move to another question

(Question No. 2.)

- a) Even ABC is a ~~an~~ costing method suitable for ~~the~~ requirement to apportion the cost.
However, it cannot reflect all the cost and consideration that related to the new customer policy.
- b) ABC is a complicated ~~and~~ system, it might inability to ~~access~~ non-controllable cost to the ~~relevant~~ division.
New policy for the firm can help it to be focus on provide better service to customer and focus on high revenue's customer.
(To start with the new customer policy, we should use more than one analyse or costing method to make decision.)
However, the firm may loss the low cost but high contribution's customer and loss the customer's ~~costs~~ confidence once the customer cannot meet the target.
- c) KWL can get profit under new policy (set up a "re-use system" once the customer can). The company also can set up "quality system" ~~if the customer can~~ if the customer can meet the quality control which under new policy that can be ~~re-use~~ re-use again.



Examples of handwriting

Example 1:

adverse opinion

Example 2:

substantive matters ??

Example 3:

seriously misleading ????



2. Prepare yourself for examination

- Study HARD before examination
- Arrive early (examination centre opens for entry 45 minutes before start)
- Be aware of the **examination regulations** printed on the Examination Attendance Docket (“EAD”)
 - The EAD will be posted to students 2 weeks before the examination

Failure to follow any of the examination regulations may result in marks penalty or even disqualification from the entire examination!



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



Hong Kong's
CPA Qualification
香港會計師專業資格

- **There is no shortcut to any examinations including QP!**
- **This is your examination and not others' examination**
- **The only way to pass is to prepare properly for it!**



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



Hong Kong's
CPA Qualification
香港會計師專業資格

Part 5: Q&A Session

