

# The HKIAAT Accounting and Business Management Case Competition 2008 - 2009 *- Tertiary Institute Group*

**Speaker:**            **Mr. Wan Shiu Kee**  
**Convener**  
**Sub-group for Accounting and Business**  
**Management Case Competition**



Hong Kong Institute of  
**Accredited Accounting Technicians**  
香港財務會計協會



Hong Kong Institute of  
**Accredited Accounting Technicians**  
香港財務會計協會

## Agenda

---

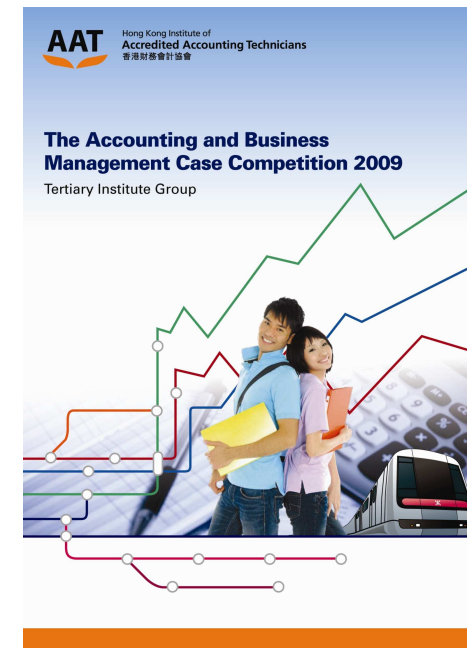
- Objectives and background
- Entry requirements
- Competition details (format, structure, judging criteria, awards)
- Questions samples
- Supports provided by the HKIAAT
- Q&As



Hong Kong Institute of  
**Accredited Accounting Technicians**  
香港財務會計協會

## Objectives

- To enhance students' ability in using accounting information for business development and their generic skills as required by today's business world.





Hong Kong Institute of  
**Accredited Accounting Technicians**  
香港財務會計協會

## Background

- Initiated by The Hong Kong Institute of Accredited Accounting Technicians Limited (HKIAAT) since 2002.
- Formerly known as Accounting Case Competition.
- Every year it attracts more than 300 students from secondary schools and tertiary institutes.
- A new competition format will be adopted this year.



Hong Kong Institute of  
**Accredited Accounting Technicians**  
香港財務會計協會

## Entry requirements

- Full-time sub-degree students
- Admission is on a team basis with four members (could be from different programmes or years of study), all of whom must study at the same institute.
- There will be NO LIMIT on the number of participating teams from each institute.
- Deadline for registration deadline: **before 6:00pm, 13 February 2009 (Friday)**.



Hong Kong Institute of  
**Accredited Accounting Technicians**  
香港財務會計協會

## Competition format

- There will be two rounds of competition:
  - ✓ **1st round – Written report**
  - ✓ **2nd round – Public oral presentation**



Hong Kong Institute of  
**Accredited Accounting Technicians**  
香港財務會計協會

## 1st round – Written report

- Each participating team is required to submit a written report in English.
- Questions will be based on the Annual Report of MTR Corporation Limited.
- The questions will be announced on the HKIAAT's website on **14 February 2009**.



## Guidelines for submission of written report

- Length of the report : Not more than 20 pages of A4 papers. (double-sided)
- Font type and size : Arial (12 points), double line spacing
- The written report **SHOULD NOT** be bound nor put in any folders/files.
- Separate cover page for each report with names of team members and contact details.
- The content pages **SHOULD NOT** include the names of team members and institute.



Hong Kong Institute of  
Accredited Accounting Technicians  
香港財務會計協會

## Guidelines for submission of written report (Cont'd)

- Submit **three** hardcopies together with a soft copy (both PDF and word files) saved in a CD-Rom.
- Submit to the HKIAAT **by hand**.
- Submission deadline: **before 6:00pm, 11 March 2009.**



## Sample

P.2

### Section A : The social responsibilities of listed companies in Hong Kong

Q1. Of course, profit making is one of the main goals of a company. However, it should also consider the needs of other stakeholders, e.g. employees and customers. The directors cannot cut down the salaries and welfares of theirs staff, or charge the customers at a high price, so as to maximize shareholders' profits. This is not ethical and not acceptable. Listed companies need to perform corporate social responsibility. This is the obligation of the companies to consider business ethics, interests of customers, suppliers and employees, environmental protection, societies and sustainability when making business decisions.

Consider the needs of other stakeholders and perform corporate social responsibility, like provide preferred salaries to staff and implement some measures to protect the environment, will probably increase the operation cost and lead to short-term loss. However, this will provide long-term benefits to the Corporation. For example, the low fare price will attract more customers, then increase the transportation market share of the Corporation. A preferred salary level can increase the moral of the staff and their loyalty. They will have a higher productivity and a win-win situation.

In 2007, its staff continued to volunteer in community projects through the "More Time Reaching Community" Scheme. The Scheme provides corporate support for staff to initiate and participate in community projects. To the customers, the Company implemented the merging plan so as to provide a perfect railway system and cheaper price for the customers.

Q2 (i) Sustainable development according to the World Commission on Environment and Development is the development that meets the needs of the present without compromising the ability of the future generations to meet their own needs. It is the concept that requires a change of mindset to bring about full integration of the needs for economic and social development with that to conserve the environment.

MTR has embedded sustainable development into all of its operation.

MTR does not exist independently. Its success relies on the sustainable growth of the Hong Kong economy and also the global economy.

In the aspect of environmental protection, MTR issued its Climate Change Policy. The aim of the Policy is to work towards a positive impact on the global environment.

### SECTION FOUR BUSINESS POLICIES AND METHOD OF PERFORMANCE EVALUATION

#### 4.1 Business Policies

There are some proposed business policies below.

For product, firstly, the MTR can set up more shops, like those selling toys or clothes, in different stations. Then it can attract a wider range of passengers. Secondly, the MTR can continue developing the property along the MTR stations. Those who live in these buildings will then use more transports services provided by the MTR as it is the most convenient transport for them.

For marketing, to promote its image, other than advertising on TV and building its own website, the MTR can hold some public functions like TV shows. Also, it can maintain its present policy, which is "Buy 10, 1 free". This can encourage their passengers to use more MTR transports services rather than other transports.

For finance, in order to increase the profit, increasing fares is not necessary as the MTR can enjoy the economies of scale after the integration. Alternatively, it can save some costs. For example, after integration, it needs fewer gates than before. Thus, the cost is lower. Also, there are 4 or even more

Page 16 of 20

✗ Not double line spacing

✓ Double line spacing



## Sample

Content

Section A .....	3
Q1 .....	3
Q2 .....	5
Section B .....	8
Q1 .....	8
Q2 .....	11
Q3 .....	19
Q4 .....	22
Section C .....	27
Q1 .....	27
Q2 .....	29
Reference .....	31

× Exceed 20 pages

Contents

1. Section A Q.1	P.3
2. Section A Q.2	P.4
3. Section B Q.1	P.6
4. Section B Q.2	P.7
5. Section B Q.3	P.13
6. Section B Q.4	P.13
7. Section B Q.5	P.15
8. Section C Q.1	P. 17
9. Section C Q.2	P.18
10. Reference	P.19

2

✓ Within 20 pages

***Penalty will be imposed on those teams who violate the specifications.***



Hong Kong Institute of  
**Accredited Accounting Technicians**  
香港財務會計協會

## 2nd round – Public oral presentation

- The list of **SIX** finalist teams will be shortlisted and announced on **7 April 2009**.
- They are required to give a 15-minute oral presentation.
- Date of Competition: **Saturday morning, 25 April 2009**
- Venue: 9/F, Theatre, Hong Kong Federation of Youth Group, 21 Pak Fuk Road, North Point
- Other participating teams are also welcome to enrol for attending the oral presentation.
- The oral presentation will be conducted in English. Awards will be presented on the same day.



Hong Kong Institute of  
**Accredited Accounting Technicians**  
香港財務會計協會

## Annual reports adopted:

Year 2002:	Café de Coral Holdings Ltd
Year 2003:	JUSCO
Year 2004:	Cathay Pacific
Year 2005:	Bossini Int'l Holdings Ltd
Year 2006:	Hong Kong Economic Times
Year 2007:	The Hongkong and Shanghai Hotels Limited



Hong Kong Institute of  
**Accredited Accounting Technicians**  
香港財務會計協會

## Questions:

### Case : MTR Corporation Limited

#### Questions would cover the following areas:

- Analysis of MTR's historical data
- Use of financial data for formulating effective business policies and marketing strategies
- Cost management
- and more...

*Tips: Students can refer to the MTR Annual Reports when preparing for the written report. But the source of research may not necessary be limited to this.*



Hong Kong Institute of  
Accredited Accounting Technicians  
香港財務會計協會

## Questions for Secondary School Group (for reference only)

### The social responsibilities

The MTR was one of the winners of the Best Corporate Governance Disclosure Awards 2007. The award has been organized by the Hong Kong Institute of CPAs since 2000. As well as preparing its statutory reports, the MTR has also published a sustainability report for the past eight financial years.

#### REQUIRED:

1. What is the meaning of sustainable development? Why is it important to the MTR's success?
2. It is not compulsory for a company to prepare a sustainability report. Assume you are one of the stakeholders of the MTR. Are you happy to see a sustainability report prepared? Explain your reasons.



## Questions for Secondary School Group (for reference only) – con't

### Analysis of MTR historical figures

The MTR's two main operating areas are railway operations and property development. Some investors classify MTR as a public utility company (with a constant dividend) while others classify it as a property development company.

**REQUIRED:**

Which of the classifications is correct? Why? Please explain your reason with reference to the data of the following table :



	Railway Operations and Related Activities		Property Development	
	2007	2006	2007	2006
Return on assets (%)				
Assets / Total assets (%)				



## Questions for Secondary School Group *(for reference only) – con't*

### Business Policies

MTR may have benefited from the integration of two railway networks and secured a higher market share in franchised public transport. However, current problems include reorganization of the company's structure, rearrangement of resources and further challenges in this period of global economic hardship. You therefore need to draft the Business Policy Blue Print for MTR, with reference to the following areas, as a guide for its sustained growth.

	<b>Proposed business policy</b>
<b>Product</b>	
<b>Marketing</b>	
<b>Financial</b>	
<b>Human Resources Management</b>	



## Judging Criteria

### 1. Written report

- Problem identification
- Clear discussion and decision focus
- Adequacy of research
- Sound theoretical and practical justification
- Analytical approach and style
- Validity of conclusions
- Writing style, report organization and references
- Presentation style
- Problem solving skills



## Judging Criteria (Con't)

### 2. Public oral presentation

- Completeness of content
- Problem identification
- Clear discussion and decision focus
- Validity of conclusions
- Responsiveness to the questions
- Professionalism of presentation (including use of visual aids)
- Vocal skills and non-verbal skills
- Time allocation and teamwork
- Performance in Q&A session



## Highlights of Adjudicators' Comments for Secondary School Group Competition

### *Written Report*

- It is recommended that table of contents and references should be included in the written report.
- Students are advised to structure their report in a systematic way so that each section are inter-related and finally led to a conclusion and recommendations.
- Students are recommended to disclose their assumptions in deriving the conclusion for justification.



## Highlights of Adjudicators' Comments for Secondary School Group Competition)– con't

### *Oral Presentation*

- To introduce himself / herself and other team members in full name instead of just the English name before starting their presentations.
- Cue cards should not be relied on heavily. Students should give the adjudicators the impression that they are familiar with the contents of their presentations.
- It was appreciated that students had made many creative suggestions in their presentation. However, it is recommended that students should consider the feasibility of those ideas and prioritize them with justifications.
- Students are not required to answer adjudicators' questions immediately. A short discussion among members in reaching consensus before replying the questions are acceptable.



Hong Kong Institute of  
**Accredited Accounting Technicians**  
香港財務會計協會

## Awards

- Champion team : \$3,000 cash prize and individual trophies
- 1st Runner-up team : \$2,000 cash prize and individual trophies
- 2nd Runner-up team : \$1,500 cash prize and individual trophies
- Best presenter : \$500 and trophy
- Merit teams (3 awards) : Trophy for each team
- Certificate of participation will be issued to all participants.



Hong Kong Institute of  
**Accredited Accounting Technicians**  
香港財務會計協會

## Supports provided by the HKIAAT

- One to two business operation seminars will be held during the 1st stage for all participating teams.
- One Presentation Skills Workshop for Merit Teams before the Oral Presentation Competition.



Hong Kong Institute of  
**Accredited Accounting Technicians**  
香港財務會計協會

## Enquiries

- HKIAAT website: [www.hkiaat.org](http://www.hkiaat.org)
- Email: [hkiaat@hkiaat.org](mailto:hkiaat@hkiaat.org)
- Telephone:  
2823-0630 Miss Alison Lee  
2823-0623 Miss Sharon Keung



Hong Kong Institute of  
**Accredited Accounting Technicians**  
香港財務會計協會

## Q & A Session