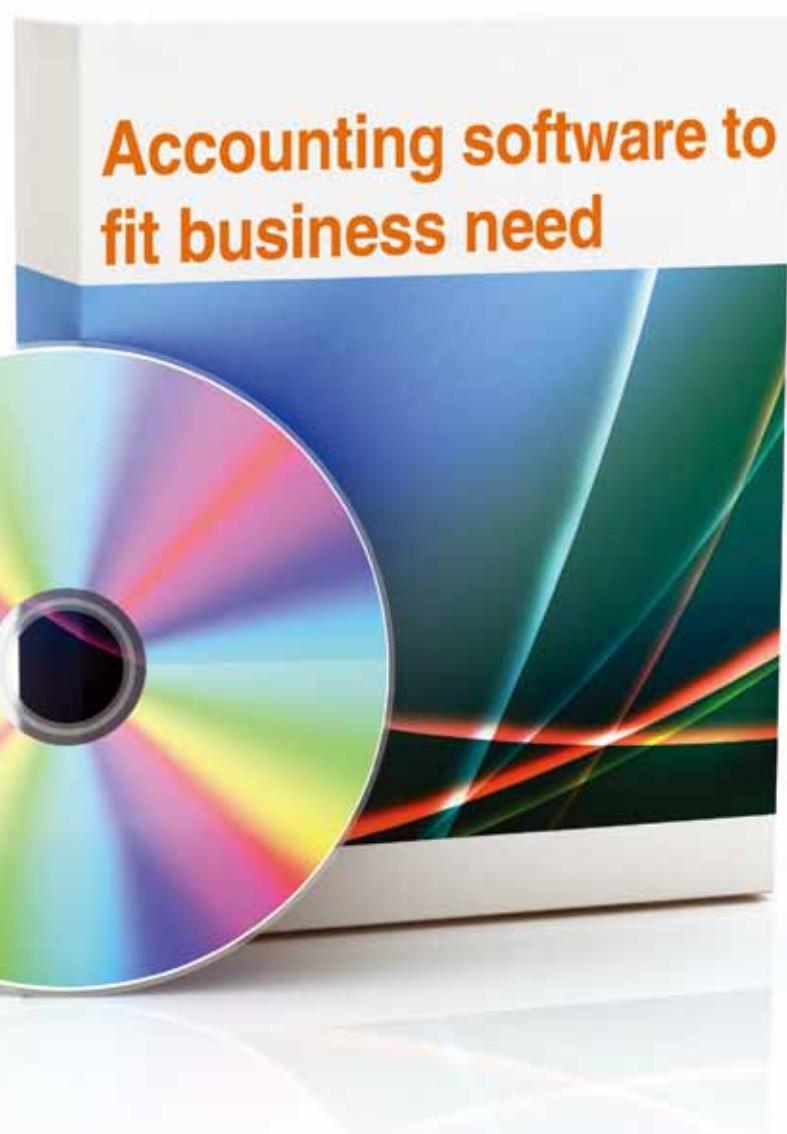


AAT: The indispensable element **January 2011**

T/DIALOGUE



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

Table of Contents

Accounting software to fit business needs



2 From the President's Desk

HKIAAT News

- 4 Teachers' Conference 2010
 - 5 Membership and studentship fees for 2011 – Reminder
 - 5 New AAT Examination study text
 - 5 Syllabuses Update for June 2011 Session
 - 6 Examination Timetable for 2011
 - 6 Abolition of PBE special topics
from the June 2011 session onwards
-



Cover Story

- 8-11 Finding software that fits
- 12-13 Mastering software to enhance competency for career development

Careers and Lifestyle

- 14-15 Employer in the spotlight – Winson Chiu
- 16-17 Versatile AAT – Kevin Li
- 18-19 Passport to success – Vicky Ngan
- 20-21 Yeung at heart – Secrets to becoming a high achiever by Rob Yeung
- 22-23 Effective selling for maximum results by Weelan Ho

Honorary Advisers

President and Vice-Presidents
of the Hong Kong Institute of
Certified Public Accountants

Board Members

Johnson C H Kong
(President)
Stella P L Cho
(Vice-President)
Andy T M Li
(Vice-President)
Chan Cheuk Hay
Doug Oxley
Thomas Y T Wong
Lindy W W Yau

Staff Responsible

Bo Bo F P Man
(Associate Director)
Alison K Y Lee
(Manager)
Iris K H Kong
(Associate Officer))

January 2011

Hong Kong Institute of
Accredited Accounting
Technicians Limited
香港財務會計協會有限公司
27/F, Wu Chung House,
213 Queen's Road East,
Wanchai, Hong Kong
Tel: 2823 0600
Fax: 2823 0606
Hotline: 2823 0660
Web: www.hkiaat.org
E-mail: hkiaat@hkiaat.org

From the President's Desk



Dear members and students,

We are about to enter the Year of Rabbit and may I wish you all a very happy Chinese New Year, one filled with energy and abundance.

The new year is the time for planning. I have been the President of the HKIAAT for two years, and I am proud to have witnessed the exciting developments that have happened during my presidency. In the past year, we have been hard at work to define our positioning, to promote the attributes of AATs, and to strive for wider recognition of our qualification. These efforts have already brought encouraging results with more and more young people taking steps to pursue the AAT qualification in order to embark on a career in accountancy. But it doesn't end there. To sustain our unique position and continue to thrive, we should never stop looking to the future. In 2011, we will leverage on the existing strong foundations we have built and step up our efforts to raise awareness on the values of the AAT qualification.

Your opinions are essential for our continuous improvement and we value every opportunity to connect with our stakeholders. During the teachers' conference held on 6 November 2010, I was most impressed with how enthusiastically the delegates expressed their views and opinions on us, signifying that we share the same vision for nurturing accounting technicians. As regards our student support, the new AAT Examination study texts have been launched and are now available for purchase. I believe that these enhanced study materials will provide essential knowledge for students to prepare for our examinations. Your comments on these new study texts will be much appreciated!

With the implementation of the Government's education reform, we have brought the HKIAAT Applied Learning (ApL) course "Practical Accounting for SMEs" into the New Senior Secondary system. During the pilot stage, we gained invaluable experience in running our ApL course. In order to keep the standard and quality of the course high, we have developed a standardized teaching and learning pack and a pilot paper for all the assessment tasks. We believe that the publication of these materials will address the needs of students and tutors by giving them excellent support in their learning and teaching.

With the view of promoting accountancy among young people, we continue to organize horizon-widening and thought-provoking activities for secondary and sub-degree students. The Accounting and Business Management Case Competition has been held for nine years and I am delighted to see that a record high of more than 1,500 students from secondary schools and tertiary institutes have enroled this year. The final competition will be held on 16 April 2011. Please stay tuned for further updates!

We all have to keep up with the new knowledge so as to meet the needs of the times. In the information technology age, accounting software savvy is an indispensable skill for accounting professionals, especially accounting technicians, wanting to survive and thrive in today's competitive market. In this issue, we provide tips for choosing the right accounting software. Two AAT graduates talk to us about their mastery of computerized accounting skills and how these skills continue to help them in their careers.

2011 will be a year of challenges for the HKIAAT. With your staunch support, we can work together to bring the HKIAAT to new heights.


Johnson Kong

Advertisement

Teachers' Conference 2010



The Teachers' Conference 2010 was held on Saturday, 6 November 2010 at Intercontinental Grand Stanford Hong Kong. About 90 faculty members and guests attended this annual event which provides a unique opportunity for faculty members from various educational institutions to get together. At the conference, faculty members find out more about the requirements of the HKIAAT examinations and acquire the latest accounting knowledge and skills to train the new generation of accounting technicians.

We would like to thank the following prominent speakers for giving their valuable time in delivering their insightful presentations and making this event such a success: Tong Shu Wa, David Chow, Janet Kwan, Duncan Tang, Sonia Chan and Matthew Kwan. The conference was regarded as instructive by all who attended and we hope to see the faculty members again this year.

T/D

Advertisement

Reminder: Membership and studentship fees for 2011



Members and students are reminded that their annual membership fees (\$700) and studentship fees for the Accredited Accounting Technician Examination (\$600) and for the Professional Bridging Examination (\$700) for 2011 are now overdue. Please renew your subscription IMMEDIATELY if it has not already been settled.

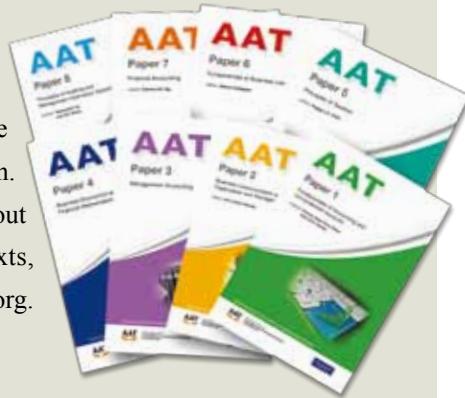
Delay or failure to renew membership / studentship in time will result in your name being deleted from the member / student register. Members and students whose names are removed must pay their registration fees again in order to be re-instated. Rejoined students who have claimed exemptions before will be required to pay the prevailing exemption fees again and must abide by the closing dates for registration for the examinations.

T/D

New AAT Examination study texts

The HKIAAT is pleased to announce the launch of a new series of study texts for the AAT Examination in January 2011. The new study texts, developed by Pearson Education South Asia, are designed to help students prepare for the AAT Examination. The study texts (except for Papers 3 & 4) are now available for sale at the HKIAAT reception. To learn more about the new study texts, visit www.hkiaat.org.

T/D



SYLLABUSES UPDATE FOR JUNE 2011 SESSION

Updated syllabuses for the Professional Bridging Examination and Accredited Accounting Technician (AAT) Examination will be adopted with effect from the June 2011 session onwards. You can download the updated syllabuses from our website: www.hkiaat.org.

The accounting software used in AAT Examination Paper 1 – Accounting and Computerized Accounts will be upgraded to MYOB Premier Plus Version 13 (English version) with effect from the June 2011 session onwards.

T/D

Examination timetable for 2011

Accredited Accounting Technician (AAT) Examination		
Date	Time	
	9:30 a.m. – 12:30 p.m.	2:00 p.m. – 5:00 p.m./ 6:00 p.m.*
Saturday, 11 June 2011 3 December 2011	Paper 5 Principles of Taxation	Paper 1* Accounting and Computerized Accounts
Sunday, 12 June 2011 4 December 2011	Paper 6 Fundamentals of Business Law	Paper 2 Business Communication and Organization and Management
Saturday, 18 June 2011 10 December 2011	Paper 7 Financial Accounting	Paper 3 Management Accounting
Sunday, 19 June 2011 11 December 2011	Paper 8 Principles of Auditing and Management Information Systems	Paper 4 Business Economics and Financial Mathematics

*Examination duration for Paper 1:

Sections A & B: 2:00 p.m. – 4:00 p.m.

Section C: 4:45 p.m. – 6:00 p.m.

Please note that the time allowed for this paper is 3½ hours (from 2:00 p.m. to 6:00 p.m., with a 45-minute break from 4:00 p.m. to 4:45 p.m.).

MYOB Accounting Software Premier Plus Version 13 (English version) will be used in the Paper 1 examination.

Professional Bridging Examination (PBE)	
Date	Time
	2:00 p.m. – 5:00 p.m.
Wednesday, 1 June 2011	Paper I
Wednesday, 7 December 2011	PBE Financial Accounting
Tuesday, 7 June 2011	Paper II
Monday, 12 December 2011	PBE Management Accounting and Finance
Thursday, 9 June 2011	Paper III
Wednesday, 14 December 2011	PBE Auditing and Information Systems
Friday, 3 June 2011	Paper IV
Friday, 9 December 2011	PBE Business Law and Taxation

Abolition of PBE special topics from the June 2011 session onwards

PBE special topics will no longer be available from the June 2011 examination session onwards. This will be in line with the Hong Kong Institute of CPAs' qualification programme (QP) whereby special topics are not provided for module assessment level.

T/D

Advertisement

Finding software that fits

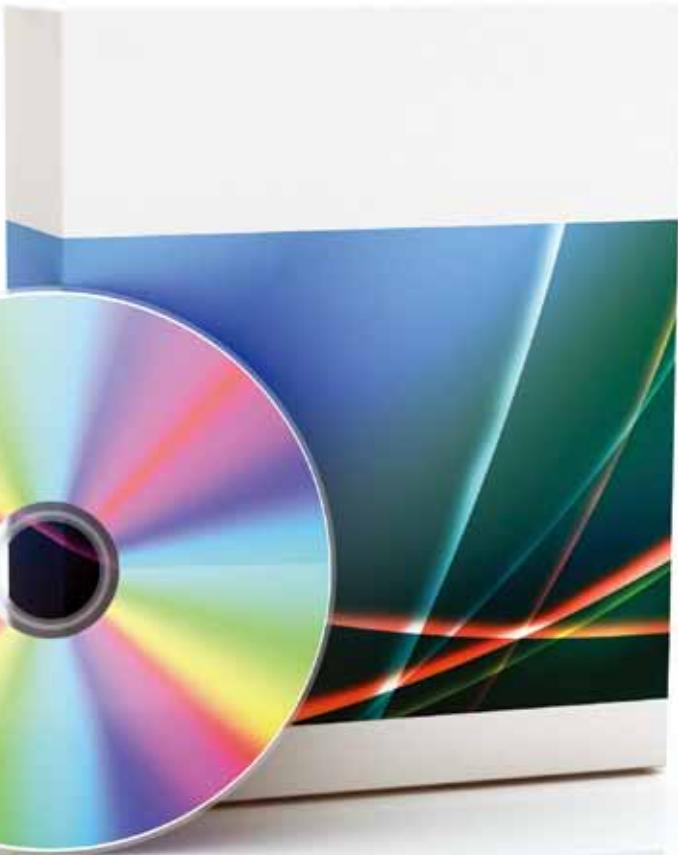
Reprint from *A Plus*, published by HKICPA, Issue 2 Volume 6 February 2010

John Sedgwick talks to small- and medium-sized firms about choosing the right accounting and auditing software.

Edmund Li, a senior manager at CCIF CPA Ltd., an accounting firm with around 300 employees, spent much of last year weighing the pros and cons of different auditing software to replace the basic one the firm was using.

“Accounting standards are always changing. We also need to serve our clients better, that’s why we need to update,” says Li. But he couldn’t find one that suited his firm’s needs. The search soon halted because the firm joined the Crowe Horwath International network in October last year and underwent a system change.

“The existing auditing software available in the market usually focus on a standard approach in audit processes



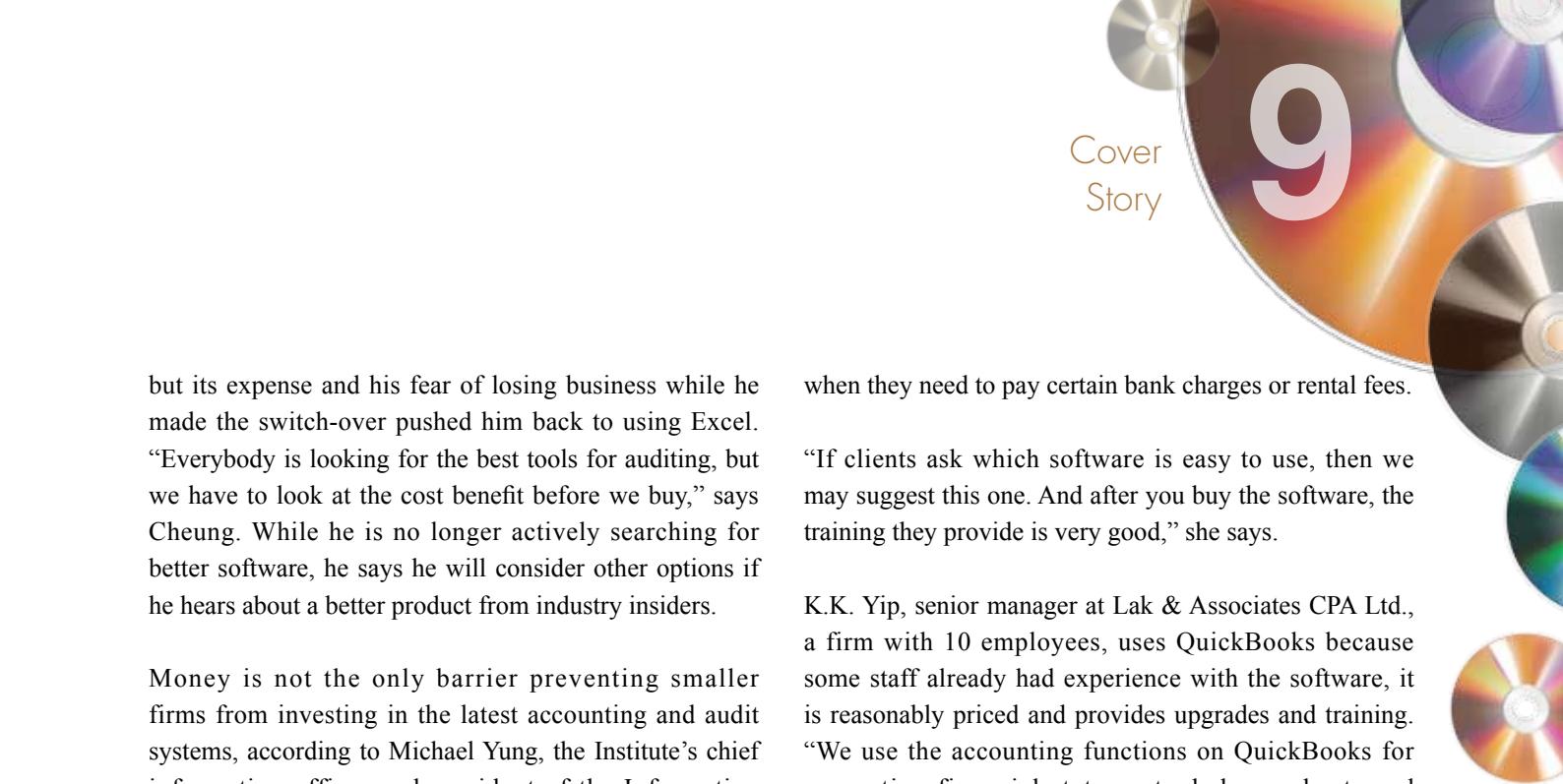
and reporting,” he says. “They have limitations and do not fully address our needs.”

Good old Excel

Experts say using the right software can have a significant impact on the success of a business – for example, computerized accounting records can help firms gain better control of cash flow, prevent human error and detect fraud.

While big firms may have a surfeit of technology expertise at their disposal, smaller firms face a daunting task when choosing appropriate, up-to-date accounting and auditing software from the vast array of off-the-shelf packages. Barbara Chiu, vice president at the Hong Kong Information Technology Federation, says smaller firms may not be able to spare an employee to research new software and train staff on how to use it. “They still think IT is just a supporting tool,” she says.

For many small firms and sole practitioners, nothing beats good old Microsoft Excel. Simon Cheung, director of C.K. Cheung (CPA) Co., which has 12 employees, says he has been using Excel for auditing over the past six to eight years. He tried a different software for a while,



but its expense and his fear of losing business while he made the switch-over pushed him back to using Excel. “Everybody is looking for the best tools for auditing, but we have to look at the cost benefit before we buy,” says Cheung. While he is no longer actively searching for better software, he says he will consider other options if he hears about a better product from industry insiders.

Money is not the only barrier preventing smaller firms from investing in the latest accounting and audit systems, according to Michael Yung, the Institute’s chief information officer and president of the Information Systems Audit and Control Association. Some firms lack the skills of using technology to grow their business. “They are still in the stage of using the Internet for the purpose of emails and not using it as an application platform,” says Yung. “To compete in this highly developed market, you really need to move to more automated systems.”

The Institute will conduct a poll on its website to find out more about the usage of IT software by accounting firms. Please watch for details coming soon.

Software supermarket

Smaller accounting firms, whose bulk of work is to help businesses handle basic accounting rather than auditing, mostly focus on accounting software. Software such as Peachtree, MYOB, QuickBooks, Accpac and DacEasy all provide standard functions such as general ledger, accounts receivable and accounts payable. The premier editions of these software provide more specialized functions such as automatic reconciliation of bank statements and the handling of foreign currency accounts.

Nelson and Co., a small accounting firm with about 10 employees, uses software from MYOB. “It’s user friendly and if you have an accounting background, it’s not hard to learn how to use it,” says Amy Au Yeung, a manager at the firm. She says MYOB’s premier package has a function linking different accounts, which helps reduce the amount of information that needs to be inputted into the computer. She adds that the software’s repeat transactions function is useful because it reminds users

when they need to pay certain bank charges or rental fees.

“If clients ask which software is easy to use, then we may suggest this one. And after you buy the software, the training they provide is very good,” she says.

K.K. Yip, senior manager at Lak & Associates CPA Ltd., a firm with 10 employees, uses QuickBooks because some staff already had experience with the software, it is reasonably priced and provides upgrades and training. “We use the accounting functions on QuickBooks for generating financial statements, balance sheets and general ledger,” says Yip, describing the work he does for his clients. “Our accounting systems are relatively simple.”

Useful websites for SMEs

[2020software.com](http://www.2020software.com)

www.2020software.com

A website comparing software including those for accounting and enterprise resource planning

[Auditsoftware.net](http://www.auditsoftware.net)

www.auditsoftware.net

A software site offering information and advice on how to make the most of the audit software you use

[Toptenreviews.com](http://www.accounting-software-review.toptenreviews.com)

www.accounting-software-review.toptenreviews.com

A website containing reviews and comparisons of accounting software

[Hong Kong Information Technology Federation](http://www.hkitf.org.hk)

www.hkitf.org.hk

A trade association that offers IT advice to businesses in Hong Kong

[SMB World](http://www.smb.com.hk)

www.smb.com.hk

A website geared to supporting the business and IT requirements of professionals working in small- and mid-sized businesses

Tips for purchasing software

- The first step is to thoroughly assess your need – bear in mind that while vendors and consultants can give you information, they often have their own motives.
- Do your own research by reading reviews, comparing websites and getting opinions from customers.
- Make sure you are familiar with your computer's configuration, processor type and available memory, and check that any software you plan to buy is compatible.
- Download free demo versions of the software you are interested in. Better still, get the company's representatives to show you.

- Once you have a few trial versions, try running the same report on each product to see which produces the best results.
- Consider the amount of training provided and the amount of commitment you and your staff are prepared to make. If you sign up for updates or new versions, then there may be extra costs.
- Many retailers may not accept software that is being returned if it has already been opened, so make sure you check the return, refund or exchange policy before buying.

Source: Frank Arbaugh of FA Resources, a U.S. small business consultancy, and www.auditsoftware.net, which gives audit software advice

HLB Hodgson Impey Cheng, a firm with about 200 people, uses Accpac mainly for creating monthly reports and balance sheets. The software can accommodate many users at any one time and the product features can be customized. "The interface of the accounting software is easy to use and we were already trained to use a previous version, so we found it easy to cope with the updates," says Nick Ng, the firm's senior IT officer.

Customized software

In comparison, big accounting firms performing a lot of audits can turn to in-house IT specialists to help develop large, complex systems and create unique networks to link member firms around the world, ensuring a unified auditing approach.

Since joining Crowe Horwath, CCIF CPA Ltd. has leveraged this global network to implement a tailor-made auditing system. It has been a steep learning curve for staff adapting to new statistical techniques required for the system, Li says. Crowe Horwath began training CCIF staff last August and the process last until September.

"We can now customize audit testing for individual clients," says Li, adding that Crowe Horwath also provides regular updates to the firm so that it can cope with rapid changes in accounting and auditing standards.

Li says the new auditing system can be updated both locally and in the U.S. headquarters to align standards variations in different areas.

Many firms have begun to realize the importance of improving their computerized auditing capabilities, which is crucial in helping them comply with regulatory requirements, according to a recent Protiviti survey of 179 mainly audit professionals in Hong Kong and China. The poll, released last month, shows that respondents rank developing IT auditing programmes as the number two area most in need of improvement, only after fraud risk management and prevention. "Effective IT auditing enables organizations to assess their IT risks and control environment, and monitor the effective operation of critical business processes," the report says.

Auditing software

Meanwhile, accounting firms that can't afford to build their own computerized auditing systems are turning to software manufacturers. FlexSystem, for example, is developing software customized for Hong Kong, mainland and Taiwanese clients dealing with different financial regulations in their own location.

Another powerful auditing software popular among firms is AutoAudit, according to Simon Fung, IT solution leader of Protiviti. This software allows firms to configure

audits to correspond to the demands of different portfolios, and upgrade or alter its functions when regulations and standards change. "There are a lot of rules built in, which make it powerful," Fung says. "It forces you to set up the audit according to requirements."

Compared to accounting software, the auditing software market offers a wider range of products to cater for the different levels of auditing complexity at various firms. But manufacturers of both types of software are developing new versions with updated features to help firms manage their business processes more efficiently.

Going online

QuickBooks Online, ePeachtree and Accpac Online are some of the web-based versions from mainstream accounting software manufacturers. Such web-based accounting systems are gaining popularity, particularly in the United States, because they allow users to do accounting, cash-flow management, customer relationship management and inventory online at a relatively lower cost. "There are many entrepreneurs or freelancers who are already using web-based systems. Any consultant who wants to provide services to clients but doesn't want a full-blown system can use them," says the Institute's Yung. But Yung says some Hong Kong companies have expressed concerns over data security because the system stores information in a remote server.

Chiu of the Hong Kong IT Federation says she is hopeful that once the small- and medium-sized firms realize IT can help them grow, they will embrace it more. "With the economy recovering, I'm sure they will be very interested to see how they can make their business sustainable," she says.

T/D

A comparison of selected accounting software

Company	Software	Price range	Features of premium products
Peachtree (by Sage)	Peachtree Complete, Peachtree Premium	Around HK\$2,000 – HK\$10,500	Multi-users (up to 10 at one time), advanced budgeting and account company data consolidation www.peachtree.com.hk
MYOB	MYOB Accounting, MYOB Premier, MYOB Premier Plus	HK\$2,000 – HK\$4,000 (depending on training costs)	Allows unlimited users (depending on the company server's capacity), multi-currency transaction, automated payrolls, MPF and tax obligations www.myob.com.hk
QuickBooks	QuickBooks Premier, QuickBooks Enterprise	HK\$2,600 – HK\$10,800 (plus an annual fee of HK\$5,600)	Multi-users (up to 30), multi-currency and multi-price level functions www.quickpro.com.hk
DacEasy	DacEasy Version 15 (single-user and multi-user options)	Around HK\$3,800 – HK\$6,680	Bilingual Chinese and English version, unlimited users, tax updates for payroll customers, trial version available on website www.daceeasy.com.hk
Accpac (by Sage)	Accpac Enterprise/ Corporate Accounting Version 5.5	Around HK\$9,000 per module (up to eight modules)	Data analysis, financial reporting and customization options, unlimited users www.sageaccpac.com
FlexSystem	Flexaccounts Version 11	HK\$60,000 upwards	Unlimited currency functions, multiple entities, computerized print cheque function, automated asset management integration www.flexsystem.com

Mastering software to enhance competency for career development

by Eddy Li

Computerization has become an essential platform for every profession in the world. It connects, raises efficiency and marks the way forward – a route which no one can afford to ignore – especially accounting technicians, in their role as the pillars of the accounting profession, for whom accuracy and speed are of the utmost importance. The accounting software industry has blossomed and offers a variety of choices that accommodate the different needs of users and clients. However the underlying factor behind financial data management – a clear mindset – must not be overwhelmed by technology. Two AAT graduates talk about their experiences in using software and about industry trends.

A must-know criterion for job interviews

Kathy Choy, an AAT graduate who works in audit in medium-sized accounting firm Paul W. C. Ho & Co., a firm with three dozen staff members, is delighted with the practical nature of the AAT qualification; this practicality becomes really handy when it comes to job hunting.

“What you have learned about accounting software is knowledge that will take your career forward,” Choy says. “Small and medium-sized firms generally use the same software. Potential employers will ask if you are well versed with popular software packages such as MYOB or Peachtree during the interview process. Some might even give you a test in which you need to apply your knowledge.”

Choy’s firm engages in accounting, auditing, liquidation and company secretarial services. It has a variety of clients including trading companies, law firms and schools, each of which frequently uses Peachtree and Excel. While Excel is more readily accessible by small businesses, Peachtree is able to draw up financial statements, a function that Excel lacks.

Having real-time results

“Excel is mostly used for the audit working papers while MYOB and Peachtree can automatically produce financial reports in a usable format,” Choy explains. To her, MYOB is more user friendly as training sessions are provided upon request (depends on package joint), while



Kathy Choy thinks that knowledge of accounting software comes in handy during the job hunting process.

Peachtree only offers free trainings in the first few months and afterward users can only rely on a manual for self study. However, it would not be a big problem since Choy sharpened her software skill during her higher group diploma study in the Hong Kong School of Commerce and the process of preparing AAT examinations. Her prior knowledge of DacEasy and Excel made it easy for Choy to adapt to other new systems.

Computer software offers the clarity of transaction adjustments and instant cash flow reports. It saves data entry time when compared with paper-based book-keeping, while also improving accuracy, since incorrect entries can be found and corrected immediately, and enabling changes to be made easily.

Different software packages have their own advantages for different users. For example, DacEasy backs up throughout the data entry process, making the process time-consuming, while MYOB and Peachtree do not. “In the end, we have to print out hard copies for our clients since some papers need to be signed for legal purposes and clients might want to have a copy on hand when they have questions for us. The soft copies, however, make it easier for clients to check the fine details,” Choy says.

Solid accounting concepts

Choy, who attained the AAT qualification in 2007, says the AAT qualification advanced her knowledge of accounting concepts – which is vital for a good command of data processing. For instance, AAT Paper 7 Financial Accounting and Paper 8 Principles of Auditing and Management Information System encompass book-keeping and control tests. However she emphasizes that computerization cannot eradicate human mistakes. “If you input the data correctly, the financial records will turn out right; if your input entry is incorrect, the books will not

balance regardless of the accounting process one chooses. This explains why it is so important to understand the accounting concepts during the data input process. It directly affects your results," she notes.

Strong reporting features are critical

Accounting firms need to create reports for clients, and therefore good accounting software should be able to distill information into easily understandable formats. Audit senior Janet Lam of Liu Kam Lung CPA, whose clients are mainly from the industrial and commercial sectors, says the firm uses different software depending on the scope of the job and the client's preference.

"We choose software that gives clear categorization for clients who have a lot of complicated data entries, such as those who have a large number of transactions," Lam says. "While MYOB is good for giving total figures for cross-referencing, we use Peachtree for clients who have many categories. We seldom use other software because we prefer using accounting systems we are familiar with."

Some cross-reference can be concealed in MYOB, which allow companies to view those figures for internal purposes only. "Ease of handling is one of the most important criteria we consider when selecting accounting software. There are usually pre-set entries for dates, the company name, particulars, debits and credits, and many functions that can speed up data entry process. As long as you can balance the account, the file can be saved. The users, therefore, must possess good analytical skills."

"We often use Excel as well, because it is cheap and multifunctional. Excel outperforms simple spreadsheets, as it can be used for ledgers, producing simple invoices and documents and accounting records or even forecasts; its main limitation is that it does not perform the posting function," Lam explains.



Janet Lam says it's important to find software that's easy to handle when choosing an accounting package.

"But whichever software package is used, the accounting concept must be clear. It is vital to know where each component should be placed; otherwise you will need to redo the entries again and again. With a clear idea of what you are doing from an accounting perspective, using accounting software increases the speed and

accuracy of our work."

Highly relevant AAT Examination studies

Lam says that the knowledge she gained on IT applications in accounting through her AAT examination studies some years ago is still very useful and applicable to her daily work. "I think it would be hard to get a job today without this knowledge and practical experience," she says. Lam, who obtained the AAT qualification by passing all eight papers in 2006, stresses the importance of a professional qualification, and points out that this was one of the criteria she used when recruiting an audit junior last year.

Lam highly recommends the AAT examination to new and prospective accounting technicians as the studies are directly related to daily work practice. She passed her final paper, in auditing, when she had started working as an audit junior. Having accumulated years of experience, she was then promoted to audit senior. Lam is currently preparing for the Professional Bridging Examination (PBE), as highly recommended by her boss.

Choy favours her career in auditing, which she thinks will offer her greater exposure to other industries. She plans to advance her studies later this year and her future goal is to work in one of the Big 4s firms. She still has two PBE papers to finish in June, and she is about to apply for a BA degree in accountancy.

Build your software skill through AAT

Accounting technicians always need to be aware of and comfortable with the latest software. These accounting technicians are responsible for maintaining financial data, preparing balance sheets and analyzing financial data. To prepare accounting technicians for the ever-changing world of computerization, the Hong Kong Institute of Accredited Accounting Technicians (HKIAAT) has incorporated IT applications in accounting into the Accredited Accounting Technicians (AAT) Examination syllabus since 2002. This study equips AAT graduates with the necessary knowledge and skills to master the challenges of the information age and add ever more value in this fast paced and demanding profession. For more information, please visit www.hkiaat.org. **T/D**



Employer in the spotlight –

Winson Chiu

*Surviving keen competition with
a recognized qualification*

by Tony Chau

Winson Chiu, financial controller of Dunamis International Limited, a mobile phone trading company in Hong Kong, sees vast opportunities in this competitive mobile phone industry. He also believes that market-driven competition does not only exist in mobile phone trading but also in the job market for accounting personnel.

While there is growing demand for accountants in both Hong Kong and across the border, as an employer who regularly meets job applicants, Chiu asserts that the bar has been raised for quality of talent in the market. In view of that, he is convinced continuous learning and attaining qualifications are essential for those who are keen to stay in the game. He adds that as much as it is for employer's recognition, studying for a qualification is about acquiring knowledge expected of your role.

Chiu chiefs a three-person accounting team that manages the company's daily accounting and financial operations. The company, with a total of 30 members of staff, trades mobile phones and parts globally, especially to the US, Europe and Canada. The overseas market accounts up to 60 percent of the overall trades.

Be adaptable to changes

Survival of the fittest means that you have to be quickly adaptable to changes. Kevin, a senior

accountant under Mr. Chiu's supervision, proves how critical it is to possess such a quality.

"Before joining the accounting team, Kevin had been an internet application manager in our company for a few years. He was engaged in the programming and application of most in-house accounting software and the Enterprise Resource Planning (ERP) system. His sensitivity towards numbers and ability to give clear presentation of complex data using strong analytical powers impressed me thoroughly. Also, he is competent in designing user-friendly report formats that provide management with the information they need to understand the business trend," Chiu says.

Kevin's main role is to ensure smooth financial and accounting operations. "Kevin is responsible for managing the junior staff and he is involved in performing daily accounting duties such as handling invoices, purchase orders, etc. He has to prepare up-to-date reports with key business performance indicators for my review", says Chiu. Chiu says that there were times when the company needed more sophisticated comparisons of cost, sales and inventory figures in order to come up with new business development strategies. Kevin's competencies in data mining and extracting useful information from the database were much sought after during these projects. He went beyond the company's expectation as he managed to present the figures in a way which added value by giving management insightful ideas into improving business performance.

"Kevin's work constantly exceeds our expectations. He works stably, independently, and diligently. With his previous IT training, he is skilful in problem solving. He only needs guidance and supervision when tackling certain high-level projects," says Chiu.

As a candidate with an academic background in subjects outside accounting, Kevin also impressed Chiu with his initiative towards continuous learning. Kevin first acquired professional qualifications before moving on to

his current studies, a degree programme with the Open University of Hong Kong. This proves that he is willing to go the extra mile in perfecting his industry knowledge.

"The very sound accounting concepts Kevin obtained from the Accredited Accounting Technicians (AAT) qualification have laid a strong foundation for his further development, and show his determination in pursuing accounting profession as his life-long career," Chiu says.

A qualification that covers all

Talking about how the AAT Examination benefit students like Kevin, Chiu reckons that the examination is highly localized in terms of the syllabus setting, with topics and live examples that are relevant to the Hong Kong market situation. The syllabus covers a myriad of topics from auditing and financial accounting to business law and communications – everything a beginner needs to know. From Kevin's daily work and communications with other team members, Chiu can see that he is trying to apply the knowledge learnt, especially when he acts fast and accurately in book-keeping the hundreds of transactions which take place every day. Even in relatively minor aspects such as daily correspondence with suppliers and customers, Chiu finds that Kevin learnt a great deal from AAT Examination Paper 2 "Business communication and organization and management". So the AAT was a qualification that literally covered all.

Knowledge application is important in the learning process and also a key quality that employers look for. "When I recruit staff, I value candidates' willingness to learn and independent problem solving skills as well as a positive attitude in completing every task delegated." While these qualities may not be observable during job interviews, Chiu says a having a qualification such as AAT is an effective way for job applicants to let the employers know how much they know about accounting, with a solid proof of the knowledge benchmarked via a recognized qualification. "Attaining qualifications and investing in continuous learning is the only way to maintain your competitiveness." Chiu concludes. **T/D**



Versatile AAT –

Kevin Li Reshape your career profile with the AAT qualification

Career development resembles hiking along a series of paths – taking the right ones leads you to the peak. Information technology degree holder Kevin Li detoured from his original intention and found the accounting career perfect for him. He talks about his drastic career transition from information technology to accounting.

by Tony Chau

A smooth career transition

Computer database and financial statements are two related but vastly different areas. Nevertheless Kevin Li, experienced in handling a company's accounting system, managed to spot the common ground between IT and accounting and map his path based on knowledge from both sides. Having spent three years in the IT department of Dunamis International Limited, a mobile phone trading company, Kevin realized that accounting is where his passion lies. With his dedication and determination, Kevin was able to land a job in accounting with the AAT qualification.

Gifted with an ability to work with numbers, Kevin did not kick-start his tertiary education by directly taking a degree in accountancy, but instead majored in information technology at the University of Sydney in Australia. Hong Kong's economy was seriously struck by SARS when he graduated in year 2003. He finally entered Dunamis as an internet application manager. But during his job hunting process, Kevin had found that it was difficult to secure a job in the IT industry, especially during the economic downturn. He decided to pursue the AAT qualification to equip himself for a prosperous career in the accounting profession while working in IT at Dunamis.

"I always thought about exploring the accounting field. After I had attained the AAT qualification, there were no vacancies in the accounting department in Dunamis, so I decided to explore opportunities outside the company. Although I was able to land an accounting job in another company, I did not blend into its corporate culture well and therefore when I learned there was a vacancy in Dunamis' accounts department, I applied for it," says Kevin. His knowledge about the company's business operation was complemented by his excellent results from the AAT Examination, giving the company a strong reason for re-hiring Kevin.

"Looking after the accounting operations in a trading company is busy yet exciting," says Kevin, who oversees more than 100 daily transactions. Kevin and the junior staff under his supervision need to prepare daily sales and inventory reports for management review. He has to ensure timely processing of income and payment, in order to maintain a healthy cash flow as well as relationship



with suppliers. In co-operation with the sales team, Kevin manages the accounts of company's international clientele from the US and Europe. He handles all these day-to-day operations using the knowledge he learnt from his studies for the AAT Examination, which laid a strong foundation for his career and academic development.

Comprehensive syllabus

"The AAT Examination was well-structured in guiding beginners through different major areas of accounting. The syllabuses are practical," says Kevin. Among all the papers, he thinks that the costing part in Paper 3 "Management Accounting" was the most useful and relevant to his work, helping him achieve better results with fewer resources. For instance, he has learnt how to propose the most cost-effective solutions in financial budgeting and how to deal with bank loans that involve multiple foreign currencies. Kevin also thinks that the knowledge gained from preparing for Paper 6 "Fundamentals of Business Law" has added value to his career. Before taking the AAT Examination, law was an unknown area to him, and his studies in this field have sharpened his legal skills. In addition, although the company's annual tax provision is taken care of by the external auditors Kevin is glad that of what he learnt from Paper 5 "Principles of Taxation" as this has made him a source of good advice for colleagues on taxation issues.

Bridging to your next step

Passing all the AAT Examination papers was just the start of Kevin's career in accounting. He has taken his career further by passing for the Professional Bridging Examination, followed by taking a top-up degree in professional accounting offered by the Open University

of Hong Kong and Hong Kong Institute of CPAs. His extensive exposure to accounting at an academic setting combined with his day-to-day work experience has enriched the whole learning process in grooming Kevin as an accounting professional. In late 2010, Kevin was promoted to senior accountant, reflecting his ability to offer substantial support in the company's financial operations.

Kevin is convinced that his IT knowledge laid a prudent foundation for him not only to master the accounting systems that form the core of his work with the current company, but also inspires him in ways to prepare sound analysis of figures for management. Kevin's growing success is a testament to his hard work, as well as showing that there is always more than one way to reach the heights of a professional career. What's important are holding a well-recognized qualification and having a passion for excellence. Kevin's future plans cover many possibilities, in financial accounting, investment or any related disciplines. This go-getting professional is determined to continue investing in continuous education, which he values a lot.

Great tips in preparing for the AAT Examination

- Form study groups to discuss challenging topics
- Practice past exam papers constantly
- Always apply the theories to real case studies or your work experience
- Strike a good work-life balance if you are on part-time study mode

T/D

Kevin's study and career path

Year	
2003	Graduated with a degree in information technology from the University of Sydney in Australia
2003-2006	Internet application manager, Dunamis
2003-2004	Obtained a diploma in accounting from YMCA College of Continuing Education
2004-2006	Undertook and passed eight papers in the AAT Examination
2007-present	Accounts clerk / senior accountant, Dunamis
2009	Undertook and passed four papers of the PBE
2009-current	Studying for BA (Hons) in professional accounting organized by Open University of Hong Kong and Hong Kong Institute of CPAs



Vicky Ngan

Passport to success

Never too late to realize your dream

by Aldric Chau

Vicky Ngan, like many of her counterparts, started her career without a concrete plan or definite expectations. However, as her interest in accounting grew and her enthusiasm for career advancement gradually developed, Ngan attained the AAT qualification and is now well on the way to obtaining the CPA qualification.

Back in secondary school, Ngan was a student in the science stream. Without much of a background in any business disciplines, Ngan went the extra mile in soaking up accounting knowledge from attending summer courses. Ngan recalls that she first decided to take these accounting courses from a sense of curiosity towards the profession. As she learnt more about this highly practical and cross-disciplinary subject, she started to gain satisfaction in mastering accounting skills.

The studious learner also chose to study by herself for the principles of accounting paper in HKCEE and attained a satisfactory result. This acted as a spur for her to pursue an accounting diploma course after completing her form-five education.

Acquiring AAT qualification

“Upon completing my diploma course, I realized that professional recognition was important to kick-starting a career in accounting,” recalls Ngan. She then took advice from her mentors and teachers and decided to acquire the AAT qualification.

Equipped with the foundation knowledge built up from the diploma course, Ngan was exempted from five of the AAT Examination papers and only needed to take the last three papers, focusing on the areas of auditing, law and advanced accounting.

This might appear to be a rather easy path, with only three examination papers to tackle. It was, in fact, not that easy for Ngan, who was just a beginner without much solid work experience. It took her two attempts to pass the auditing paper. To Ngan, who is more gifted in handling numerical matters and calculations, the auditing paper was somewhat challenging. It involved a lot of analysis of concepts and theoretical study – areas which can appear quite vague when one does not have relevant experience. Having failed at her first attempt, Ngan was not discouraged and enrolled in a preparatory course. Helped by the inspirational teaching from someone whom she regarded as an “amazing tutor”, she became more interested in the subject and finally completed this paper with flying colours at her second attempt.

The AAT Examination syllabus was designed in a way to cover most areas of accounting, giving students a comprehensive exposure to the profession. This wide-ranging approach enables students to have a taste of different areas before deciding on which specialised path to take. Of the three papers which Ngan took, she found herself learning the most from the one which caused her the most trouble – the auditing paper. Although external auditors work on the company’s annual financial audit, Ngan thinks it was useful for her to grasp a basic understanding of the subject and the rules that it entails so that she could co-operate with the auditors in completing

the audit, rather than considering the extraction of the company's confidential information as "intrusive".

Another essential element Ngan learnt from her studies for the AAT Examination was business law. When her company was filing a legal case against an external party, thanks to her studies she had already got a good general idea of the legal implications. Ngan found herself to be fond of legal studies in relation to accounting because this requires the application of law to real business cases. "The whole learning experience with AAT has broadened my career horizon and has inspired me a lot," Ngan remarks.

Learning and application

In preparing for the AAT Examination, Ngan was trained to think outside the box and to apply her new knowledge to real life. For this reason, combined with her enthusiasm and commitment to put quality into everything she does, Ngan's ability and attitude are greatly valued by her employers.

Ngan has made rapid strides in her career. After spending a year with a shipping firm, she was promoted to senior accounts clerk. But people who strive for excellence are not easily satisfied with only their current achievement. Ngan decided to move out of her comfort zone by changing her employment to a multi-national lighting firm, Thorn Lighting. Once again, she was quickly promoted, this time to assistant accountant, only after a year of service.

With operation units scattered all over the world, Thorn Lighting offered Ngan a brilliant opportunity to expand her horizons by dealing with colleagues and vendors from truly varied backgrounds and work styles. As well as managing payment and cash flow issues, she prepares forecasts, budgets, reports and management analyses – from sales and inventory reports to those with more specialised focus – to help the executives formulate strategies. Ngan also consolidates reports from overseas and submits them to the management at the Hong Kong headquarters on a regular basis. She feels that the AAT training is of great help in enabling her to prepare these reports.

As Ngan progresses in her career, she understands that without continuous learning, one's professional

knowledge cannot keep pace with the requirements of constant career development. She therefore decided to take the Professional Bridging Examination (PBE) and is currently taking the Hong Kong Institute of CPAs' Qualification Programme (QP). "PBE can bridge us to the QP. It is good for those without a degree. Instead of having a degree, I was able to move directly to QP through PBE, which is faster and more flexible!" In the future, Ngan will continue to enrich her accounting knowledge by further study with a masters degree after attaining the CPA qualification.

Passion drives success

In retrospect, Ngan is proud to see what she has achieved from a career she never even thought about in childhood. She recalls that there was a moment of confusion when she wondered whether she should enrol in secretarial training course and become a secretary instead. But as her passion for her accounting career developed, she decided to give her all to succeed in the profession. Ngan encourages people studying for the AAT examinations to develop an interest in the subjects, as this interest acts as good motivation to help clear all the hurdles along the way. "No matter whether you are working in the commercial field as an in-house accountant or in a CPA firm, as long as you have the right attitude, are well-prepared and have a recognized professional qualification, everyone can seize opportunities as they arise," she says confidently.

T/D

Vicky Ngan's study and career path

Year

2000	F5 graduate
2000-02	Diploma in Professional Accounting from Hong Kong Christian Service Kwun Tong VTC
2003	Undertook and passed AAT Exam Papers 6-8 (with exemption from five papers)
2003-06	Accounts clerk / senior accounts clerk in a shipping company
2006-current	Accounts clerk / assistant accountant in Thorn Lighting (Hong Kong) Limited
2007-2008	Undertook and passed all four PBE papers
2009-current	Studying for Hong Kong Institute of CPA's Qualification Programme



by Dr. Rob Yeung

Yeung At Heart –
**Secrets to
becoming a
high achiever**

For my latest book, *The Extra One Per Cent: How small changes make exceptional people*, I interviewed several dozen high achievers. These exceptional individuals ranged from entrepreneurs (who had often sold businesses for tens or even hundreds of millions of Hong Kong dollars) and senior managers in businesses such as HSBC to leaders in non-profit organizations.

I interviewed them for up to several hours, listening to their stories of success and failure, the turning points they encountered and their words of advice. In this article I would like to briefly share four lessons I learned from these high performers. This isn't a list of advice for your current stage of your career or on how to land your next job; *this is advice for the length of your career – advice that you may find useful for decades to come.*

1. Do something you love

Perhaps the most striking lesson was that high achievers always pursue careers because they enjoy them, not solely because they think those opportunities might make them rich.

Many people – especially in Asian cultures – are encouraged or pushed into certain career paths because of family pressure. So many people are told to become lawyers, doctors, accountants, and so on because their parents and others believe that it's a path that will help

them to succeed financially. However, my research points out that the most successful people do things they love. They pursue careers that genuinely excite them.

Of course you are reading this publication because you are being trained to be an accounting technician or later a qualified accountant. But what aspect of finance and business excites you the most? If you can get involved with a sector or organization or aspect of business that intrigues and stimulates you, you will do well. If you have the attitude that you should just settle for any job, you will languish and no doubt get overtaken by the people around you.

2. Develop a T-shaped mind

The most successful people develop what experts have called a T-shaped mind. Think of the capital letter "T". The vertical stroke of the letter is about depth of knowledge in your particular field. For a doctor, that's medicine; for an accountant, that's finance and business. But the most successful people have not just depth of knowledge about their specialist field; they also have a breadth of knowledge about other fields – the horizontal crossbar of the letter "T".

To position yourself amongst high achievers, you might wish to devote some time to learning about areas outside of accountancy. Dip into history and art, science and

medicine. Get to grips with developments in technology, politics, sport, and anything and everything.

There are two good reasons for trying to develop a T-shaped mind. Firstly, if you learn more broadly, you feed your brain. You give yourself a good chance of coming up with truly creative ideas in your future career.

Secondly, you also make yourself more compelling as a conversationalist. When you meet future bosses, colleagues, and customers, you will have more to talk about. Rather than just being a businessperson, you will have become a rounded person – the kind of person that bosses want to hire, colleagues want to have around, and customers are willing to hand their money to.

3. Meet in person

Facebook, Twitter and other social networking websites allow people to get in touch and stay in contact with each other. It's easy to collect hundreds of contacts and to feel connected to lots of people. But it's an illusion. I coach many entrepreneurs and executives who tell me that they have been disappointed by online networking websites. They say that they spent lots of time crafting careful messages to send to the people they know, but that it hasn't resulted in more job offers or more customers.

That's not a surprise to me because online social networking is not real networking. The human race evolved over the course of tens of thousands of years and technological developments such as online networking have only emerged over the last few years. People build trust by meeting up in person. They shake hands. They look at each other in the eye. They hear each other speak and can read each other's body language as they move, laugh, argue, and talk.

Whatever your goals, you may wish to get away from your computer. Perhaps you are looking for a new job. Maybe you want to find investors who will help you launch your own business. Or you want to find more clients, customers or donors for a charity. Get out into the real world to attend workshops, conferences, meetings,

and business clubs. Meet people for a coffee. Go "yum cha" or have a drink after work in the evening. Meeting in the flesh is the only way to build a network and to achieve your goals.

4. Write down your goals

You have goals, right? Some of your goals may be to do with work. Others may be personal goals, to do with family or your health or achievements you want to accrue outside of work. But do you write them down?

Research shows that people who write their goals down are more likely to achieve them. It's a fact. I say that people who only have goals in their heads don't really have goals at all. Goals that exist only in people's minds may as well just be wishes or dreams. After all, a teacher doesn't allow students to simply do their homework "in their heads". No, the teacher expects the students to write down answers to an assignment or test.

There is something about writing a set of goals down that helps us to crystallize what we really want. Goals in our minds can be vague but by writing them down helps us to consider how we can turn these goals into reality. My birthday is in June. So on 1 January, I write down the goals that I would like to achieve by my birthday. Some of these are profession-related and others are personal. Then in June I review the past six months and set new goals for the coming six months. Of course that's only one way of doing things. But research clearly indicates that people who write their goals down are more likely to achieve them than those who don't. The point is clear: whatever your goals, write them down.

Dr. Rob Yeung is a psychologist and executive coach at leadership consulting firm Talentspace and author of bestselling career and management books including *The Extra One Per Cent: How small changes make exceptional people* (Macmillan) and *Personality: How to unleash your hidden strengths* (Prentice Hall Life). You can follow him on www.twitter.com/robyeung.

T/D

Effective selling for maximum results

by Weelan Ho



Integrity is paramount

Effective selling is not hard selling or exaggerating the benefits of the products or services in order to close the deal and secure the order. On the contrary, integrity is paramount, for it underpins the trust we have in one another and on which human relations are built. There is nothing contradictory about integrity and making a profit. Profit is the return for employing capital and labour. Smart sales professionals do not rely on just one transaction, i.e. sales are not transaction-based. Smart sales professionals instead minimize their costs and maximize profits through multiple transactions that are based on a relationship – a relationship that is built on trust. You can fool your customers some of the time but you can't fool your customers all the time. Ultimately, it is customers' perceptions about products and services and how they feel about transactions and relationships that count.

Effective selling skills

While no two customers are the same and the time it takes to close a deal may differ, yet one guiding principle never changes – the more the sales person understands the customer and his / her underlying needs and motivation for purchase, the easier it is to collaboratively come to a purchase decision that is best for the customer. In other words, the selling process should be interactive.

In addition to sales planning and preparation, selling basically involves five stages:

1. Customer needs identification
2. Sales presentation
3. Handling objections
4. Closing – asking for the order
5. Negotiating and finalizing the terms

Customer needs identification

This is perhaps the most crucial step within the selling process. Needs are identified through questioning, discussions, answering queries, and exploring underlying motivations and intentions. This is also an opportunity for seller to educate the customers and help them see things clearly. Knowing how to communicate and interact effectively is fundamental to finding the customer's needs. The ability to listen actively with the appropriate framing and probing of questions and responding in a manner that is apposite to the customer are down to communication and people handling skills. This is not the time to "bulldoze" customers, as is often done during a hard sell.

Four types of questions can be asked:

1. **Situations questions** – to find out about the situation, circumstances and facts
2. **Problem questions** – uncovering dissatisfaction, issues, problems, bottlenecks and negative consequences

3. **Implication questions** – answering the “what if” questions to find out the implications to determine potential benefits
4. **Needs-payoff questions** – an extension of “what if” questions that focuses on benefits, positive consequences and payoffs in terms of returns

It is through interactive questioning, probing and responses that customer needs are identified and the central issues are addressed during sales presentations. The inability to identify customers' needs may raise more questions, queries and objections, making it difficult to close the deal and requiring a return to the basics again, i.e. identifying customer needs.

Sales presentation

Customers don't buy features: they buy benefits that the product or service offers. Needs identification provides the basis, structure and contents for sales presentations. The presentation must answer the customer's main concerns. For example if the customer's main concern is quality, there is no point in trying to persuade the customer about the price competitiveness of your product or service. Try to identify the one message that can address the central issue and capture the customers' interest. The sales presentation can adopt the pyramid approach of starting with the conclusion (which is often the message), and then following this with three or four points to support the conclusion. It is important to relate to the customer's needs and pitch the sales presentation at the appropriate level using words and a format or style that is simple and easy to memorize. Remember: Less is more.

Handling objections

Comments and objections are two different things. The former is a remark of some sort, which can be a smoke screen, while the latter reflects dissatisfaction, hesitancy or a lack of buy-in to what has been presented. It is important to handle objections strategically, i.e. to listen to all the concerns and questions first before answering. Side stepping is an effective technique used to extract all concerns or objections. Examples of phrases used for side stepping are “Besideswhat other ...”, “Besidesanything else...”

Opportunities come to those who are well prepared, so make sure you anticipate likely questions and are well prepared for them.

Closing – ask for the order

There are many ways of asking for the order, or closing the sale. Different customers respond to different styles.

The closing can take a direct or a less direct approach.

- Direct close – ask directly for the order (e.g. “Shall we agree and go ahead?”)
- Alternative close – offer two alternatives (e.g. “Do you prefer to start with a pilot project or shall we go ahead with the whole project with scheduled review?”)
- Assumptive close – build a case in which both sides assume the willingness to buy – (e.g. “So, when shall we start?”)
- The plus and minus close – highlight the pros and cons of the accepting and rejecting the offer.
- The lost sale close – use this as a last resort if the customer sticks to no – (e.g. “What would I have said to make you change your mind?”)
- Silence – pause, after the question and wait for the answer. A minute may seem a long time.

Negotiating and finalizing the terms

Negotiation is a back-and-forth communication, designed to reach an agreement that is acceptable and beneficial to both parties. The old framework of prepare, discuss, propose and then bargain to narrow the differences and get what you want is not sufficient. A preferred approach to conducting negotiations is to take the perspective of mutual interests instead of positions. Negotiations need not be a win-lose situation; achieving win-win workable solutions and agreements should be the goal. Long-term business relationships should be built. The best negotiated outcome is one that keeps the customers coming back again and again because you provide value – that value may not necessarily be the price, it could be something qualitative such as friendly and hassle-free service. **T/D**

Weelan HO is Principal of PGA Consulting Limited, Consulting Advisor to MR-Asian Consulting Limited, and Director of Ascent Global Service Pty Ltd (Australia). For more information, visit www.pgaconsulting.com



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



Advertise here for FREE !

Are you looking for a reliable and professional accounts clerk or accounts supervisor to assist in your business? Try our Employment Placement Service and your job advertisements will be posted on our website and T/Dialogue for FREE. This is an excellent chance to hit thousands of brilliant AATs who match your needs. Download the application form from www.hkiaat.org or call the HKIAAT on 2823-0600 for details.

Advertisement