



INSTITUTE OF FINANCIAL PLANNERS OF HONG KONG
香港財務策劃師學會

年 ANNUAL REPORT 報 2018/2019

AT THE FOREFRONT OF
FINANCIAL PLANNING
走在財務策劃最前線

VISION AND MISSIONS

理念與使命

Vision 理念

The leading organization in Hong Kong for advancing professional financial planning standards and promoting the importance of financial planning.

帶領本港的財務策劃業，提升行業的專業水平以及推廣財務策劃的重要性。

Missions 使命

- To lead the development, promotion and enforcement of professional standards in financial planning industry.
在制訂財務策劃行業專業標準方面扮演領導角色，並致力推廣及執行有關標準。
- To raise professional standards of financial planners through internationally-recognized certification.
通過廣獲國際認可的資格認證，提高財務策劃師的專業水平。
- To increase all external stakeholders' awareness of the importance of financial planning and advice from a financial planning professional.
提升公眾對財務策劃重要性的認識，並重視財務策劃師的專業建議。
- To influence corporate industry leaders to uphold high standards in financial planning industry.
推動各金融機構的領袖維持財務策劃業的最高標準。

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CEO MESSAGE**

主席與行政總裁獻辭

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香港財務策劃師學會
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CHAIRMAN & CEO MESSAGE

主席與行政總裁獻辭

Driving Force for Financial Planning Education and Retirement Planning 肩負重任 推動財策教育及退休策劃

We all agree that the period from June 2018 to May 2019 was an eventful one for financial services industry practitioners. Financial markets became turbulent from trade disputes and geopolitical instability after a rosy start in early 2018, and events in 2019 have not calmed the waters at all. On top of that, technology continues to disrupt many segments of our industry, from banking to securities to insurance. To stay one step ahead, financial planners must keep a close eye on a wide spectrum of global and local trends and developments. In these particularly unpredictable times, we hope that the IFPHK has helped members focus and provide clarity on issues that are relevant to them.

Government Policy and Regulatory Developments

Aside from volatility in the macroeconomic environment and rapid changes in the technological arena of our industry, policy and regulatory developments have had an impact on the financial planning industry this year. On the policy front, the Hong Kong Government has introduced a series of tax incentive measures to assist workers in their retirement planning and health insurance protection. Taxpayers in Hong Kong may now enjoy a maximum aggregate deduction of \$60,000 on their tax deductible MPF voluntary contributions and premiums paid for qualifying deferred annuity policies of the HKMC Annuity Limited. Similarly, premiums paid for plans under the Voluntary Health Insurance Scheme rolled out in the second quarter of 2019 can also enjoy a tax deduction if certain criteria are met. To ensure that members are up-to-date on these tax incentive measures so that they can better serve clients, we broadcasted messages about the measures extensively this year. In terms of regulatory developments, the Insurance Authority (IA) will commence direct oversight of the industry in late September this year, ushering in a new era for many IFPHK members. Indeed, we have responded to a series of consultation papers that the IA has issued, with the aim to strengthen industry standards, as we will elaborate further.

對於金融服務從業員而言，相信大家都同意2018年6月至2019年5月是充滿挑戰的一年。在2018年初，金融市場一片光明，但隨後受貿易糾紛及地緣政治局勢不穩的影響，大市急劇波動，而2019年的事態發展亦未能令大市回復平靜。此外，新科技不斷顛覆金融業的多個領域，遍及至銀行、證券和保險業務等。為盡佔先機，財務策劃師必須全面緊貼環球及本地各方趨勢發展。我們期望香港財務策劃師學會（學會）能夠協助會員集中及清晰地瞭解與他們相關的議題，順應現今變幻莫測的時代。

政府政策與監管法規的發展

除宏觀經濟環境反覆波動及金融業科技範疇的急劇轉變外，今年的政策與監管法規發展對財務策劃業的影響亦不容忽視。在政策方面，香港政府推出了一連串稅務優惠措施，協助僱員做好退休策劃及醫療保險的保障。現時，納稅人就強積金計劃下的可扣稅自願性供款，以及「合資格延期年金保單」（須為香港年金公司所列明）年金保費，每個課稅年度的總扣稅額上限為\$60,000。同樣地，在2019年第二季推出的自願醫保計劃亦容許受保人在符合某些規定的情況下，就已支付的醫療保險保費申索扣稅額。為確保會員能夠準確掌握最新的稅務優惠情況，從而為客戶提供更佳的服務，本會今年廣泛傳遞相關訊息。監管法規的變動方面，保險業監管局（保監局）將於今年9月底全面監管保險業的工作，對學會的不少會員而言，這象徵新時代的來臨。此前，學會已就保監局的一連串諮詢文件發表意見，並加以強行業標準作為目標，我們將稍後再作詳細解釋。

Two Objectives, Three Breakthroughs

We set out clear objectives for the year under review to elevate our financial planning education and retirement planning efforts across the board, so that the IFPHK could become one of the key drivers behind promoting financial planning education and retirement planning in Hong Kong. With financial wellbeing and retirement readiness high on every Hongkonger's list, we have strived to fulfil this need through three key programmes and activities. In the last quarter of 2018, we again lent our support to the Financial Planning Standards Board of the United States and joined hands with the global financial planning community for World Financial Planning Day (WFPD) 2018. This time around, we finetuned our social media strategy and capitalized on our experience from the previous year. Leveraging on social media by putting out more engagement feeds and videos to capture people's attention, we gained more exposure for WFPD. Moreover, we took advantage of the campaign and conducted the "Financial Goals and Retirement Planning of Hongkongers" survey, which provided us with valuable data that will inform our ongoing work on financial planning education and retirement planning advocacy. Also on the retirement landscape, we are pleased to see that the Qualified Retirement Adviser (QRA) designation has now been taken up by over 1,000 practitioners, and the QRA designation remains a popular qualification amongst practitioners in the financial services community. In terms of events that contributed to financial education, the IFPHK Financial Education Leadership Awards (FELA) cum Accredited Professional Financial Planning Firm 2019 was held in January this year in recognition of the efforts that firms in the industry and individuals have devoted to promoting financial education to the public. We were able to garner more support for the FELA from various corporations, with an impressive 11 organizations backing the meaningful event.

Other Major Accomplishments

Apart from dedicating our time to raising the bar on financial planning education and retirement planning, we spent time in representing members in numerous activities relevant to them. As always we took part in responding to the Government's proposals and consultations on issues close to the industry as and when necessary. To give members' opinions and concerns a voice, we responded to the Insurance Authority's consultation papers in the second half of last year on, amongst other things, raising the minimum education requirements for new entrants and responsible officers, and increasing the number of continuing professional development hours. While generally positive of the Insurance Authority's proposals, we asserted that due recognition should be given to the CFP^{CM} certification and the AFPTM certification, both of which are widely accepted professional qualifications. We also took action on key topics for practitioners, including holding a press conference with respect to the HKMC's Annuity Plan to help our stakeholders understand the use of annuities as a retirement tool, and how the HKMC's annuities operate. And we held our annual signature event, the Financial Planning Conference 2018 in September last year. In addition to having keynote speakers from industry regulators grace the event, we are glad to have collaborated for the first time with the Guangdong-Hong Kong-Macao-Bay Area Economic and Trade Association to explore the challenges and opportunities for financial planners in the Greater Bay Area.

兩大目標與三大突破

我們為過去一個年度制定了清晰的目標，務求全方位提升財務策劃教育與退休策劃工作，無疑令學會成為推動本港財務策劃教育與退休策劃的其中一股主要力量。對所有香港市民而言，財務健康與退休準備都是最優先的理財目標，而我們亦致力透過推行三大計劃與活動來滿足市民的需要。在2018年第四季，學會再次響應美國財務策劃標準制定局的號召，與世界各地的財務策劃從業員聯手舉辦「世界財務策劃日2018」。汲取了往年活動的經驗，我們在2018年的活動中就社交媒體策略作出微調。我們借助社交媒體的力量，透過刊登更多帖文及短片來吸引市民的注意，為「世界財務策劃日」帶來更大的曝光率。同時，我們亦藉進行「港人財務目標及退休實踐度」調查，從中獲取大量寶貴的數據，作為日後提供財務策劃教育及推廣退休策劃的依據。同樣在退休領域方面，我們欣然看見成功考取「核准退休顧問（QRA）」資格的從業員至今已突破1,000人的大關，而在金融服務從業員圈子當中，「核准退休顧問」專業資格一向深受歡迎。在推廣理財教育的活動方面，學會於1月舉辦「香港財務策劃師學會理財教育領袖大獎暨優質財策企業2019」頒獎典禮，表揚一眾企業及社會人士在提升本地市民金融知識方面的努力。是次頒獎典禮更是獲取了更多機構的鼎力支持，合共有多達11家機構支持這個別具意義的盛會。

其他主要成果

學會除投入時間及精力於提升財務策劃教育及退休策劃的水平外，亦在多項與會員相關的事務上代表會員表達意見。一如以往，我們會適時就關乎業界利益的議題回應政府的建議及諮詢文件。我們亦會根據會員的意見及所關注的事項發表意見，去年下半年便就保險業監管局的諮詢文件作出多項建議，包括提高在新制度下獲發牌人士及負責人的最低學歷要求，以及增加持續專業培訓時數。雖然學會整體上對保監局的建議持正面態度，但我們亦表明應該給予CFP^{CM}資格認證及AFPTM資格認證應有的認可，因為兩者一早備受廣泛認同。我們亦就與從業員息息相關的關鍵議題進行不同的工作，包括就香港按揭證券公司的年金計劃舉行新聞發佈會，幫助持份者瞭解如何利用年金作為退休工具，以及按揭證券公司旗下的年金是如何運作。此外，我們亦於去年9月舉辦年度盛會——「財務策劃會議2018」。除了很榮幸邀得金融業監管官員作為主題演講嘉賓外，亦首次與粵港澳大灣區經貿協會合作，探討財務策劃師在大灣區所面對的挑戰與機遇。

Leading the IFPHK into its Twentieth Year

The year under review has seen the IFPHK achieve its objective to focus on spreading the word about financial planning education and retirement planning. We cannot rest on our laurels, however, since we will need to set new, worthwhile objectives and goals as we take the IFPHK into its milestone twentieth year. To this end, we wish to be even more connected with members and the Hong Kong community through our large-scale events, such as World Financial Planning Day, the IFPHK Financial Education Leadership Awards cum Accredited Professional Financial Planning Firm, and our Annual Financial Planning Conference. We will also continue our work on a smaller scale, though, through regular engagement with parties at different levels of society, and by having an on-going dialogue with each of them. Doing so will be invaluable in helping us remain ever-vigilant of our stakeholders' needs in relation to financial planning and retirement planning.

We owe our success this year to the generous support of those who have worked so hard for the advancement of financial planning and retirement planning in Hong Kong. We would like to take this opportunity to express our heartfelt gratitude for the dedication of our Board of Directors and members of the various IFPHK Committees. We also wish to salute our members for upholding high standards in financial planning. May we lead the IFPHK into many more decades of excellence.



Steve Chiu 趙小寶

Chairman 主席
IFPHK 香港財務策劃師學會



Dennis Lau 劉振輝

CEO 行政總裁
IFPHK 香港財務策劃師學會

帶領學會步入第二十週年

回顧過去一年，學會成功實現目標，宣揚財務策劃教育及退休策劃的重要性。然而，我們不能就此自滿。隨著學會步入二十週年的新里程碑，我們需要確立全新、具價值的主旨及目標。為此，我們希望透過主辦大型活動，如「世界財務策劃日」、「香港財務策劃師學會理財教育領袖大獎暨優質財策企業」及年度「財務策劃會議」，與會員和香港社會建立更緊密的聯繫。與此同時，我們會繼續進行不同規模的工作，包括與社會不同階層的團體持續對話，從而達到定期互動的效果。這類工作能夠為我們帶來寶貴的經驗，有助我們時刻專注及聆聽持份者的理財及退休策劃需要。

學會今年成果豐碩，有賴一眾竭盡所能為提升本港財務策劃及退休策劃水平人士的支持。我們在此衷心感謝董事會及各個委員會成員的貢獻，並向決心維護高水平財務策劃標準的會員致敬。祝願我們能帶領學會，在未來數十年再創卓越成就。

GOVERNANCE STRUCTURE

管治架構

The IFPHK is grateful for the efforts of our many senior representatives from the financial services industry who volunteer their time and effort on our board and various committees.

本會非常感激多位香港金融服務業的資深人士奉獻寶貴時間，擔任本會董事會及各委員會的職務。



Board of Directors 董事會

01.	Mr. CHIU Siu Po, Steve	趙小寶先生
02.	Mr. LEE Ming Gin, Gin	李明正先生
03.	Mr. TSE Yue Hong, Chris	謝汝康先生
04.	Mr. CHAN Kin Lok, Paul	陳健樂先生
05.	Ms. CHAN Lai Kwan, Jenny	陳麗君女士
06.	Mr. CHEUNG Yin Ming, Edwin	張言銘先生
07.	Mr. CHOY Chung Foo	蔡中虎先生
08.	Mr. HO Ka Kei, Michael	何家驥先生
09.	Mr. LAM Ching Wang, Perseus	林正宏先生
10.	Mr. LEE Ching Hang, Ray	李澄幸先生
11.	Mr. MA Ying Mao, Andrew	馬英武先生
12.	Mr. PONG Po Lam, Paul	龐寶林先生
13.	Ms. WU Mew May, May	胡妙媚女士
14.	Mr. YAU Shu Cheung, Gary	游樹祥先生
15.	Mr. YUNG Wing Hung, Dominic	翁永鴻先生

Chief Executive Officer 行政總裁

16.	Mr. LAU Chun Fai, Dennis	劉振輝先生
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Professional Ethics Review Committee 專業操守檢討委員會

Mr. CHAN Dor Cheong, Petrus	陳代昌先生
Mr. CHAN Wan Fei, Adams	陳雲飛先生
Mr. CHAN Kin Lok, Paul	陳健樂先生
Mr. BUNKER Robert	彭家樂先生
Mr. MAK Wing Kwong, Tony	麥永光先生
Mr. PONG Po Lam, Paul	龐寶林先生
Mr. SKRINE Rupert	柯瑞栢先生
Ms. WAN Yuen Yung, Eleanor	溫婉容女士
Mr. WONG Yuk Loi, James	黃鈺來先生

Examination Committee 考試委員會		
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Dr. CHENG Tsz Wan, Louis	鄭子云博士	
Mrs. CHOW Grace	周陳文琬女士	
Mr. FU Tak Wah	傅德華先生	
Ms. LAM Lai Ha, Juliana	林麗霞女士	
Dr. TONG Chong Sze	唐創時博士	
Mr. TSE Yue Hong, Chris	謝汝康先生	
Dr. TSE Kwok Sang, Maurice, J.P.	謝國生太平紳士	
Mr. WONG Billy	王玉麟先生	
Mr. WONG Yuk Loi, James	黃鈺來先生	

Education Development Committee 教育發展委員會		
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Ms. CHAN Kit Man	陳潔文女士	
Ms. CHENG Yuen Yee, Ivy	鄭婉儀女士	
Mr. LAI Koon Yin, Ken	賴冠言先生	
Mr. LAM Chung Sing, Steven	林仲聲先生	
Mr. MAK Siu Cheung, Louie	麥兆祥先生	
Mr. YIM Shau Shun, Samson	嚴守信先生	

Assessment and Compliance Committee 評估及監察委員會		
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Mr. CHAN Mou Fung	陳茂峰先生	
Mr. CHAN Yau Kei, Kevin	陳有基先生	
Mr. CHEUNG Tao Fai, Thom	張道輝先生	
Mr. SUNG Kwok On, Tony	宋國安先生	
Ms. WONG Lai Sheung, Cherie	黃麗嫦女士	
Mr. WU Kin Wing, Kenny	胡建榮先生	

Member Services Committee 會員服務委員會		
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Mr. CHAN Ngok, Steven	陳 鄂先生	
Mr. CHEUNG Yin Ming, Edwin	張言銘先生	
Mr. CHIANG Hsin, Eric	江 昕先生	
Mr. MA Ying Mao, Andrew	馬英武先生	
Ms. TANG Wai Man, Mandy	鄧慧敏女士	
Dr. YU Shek Hang, Keith	余碩衡博士	
Mr. YUNG Wing Hung, Dominic	翁永鴻先生	
Mr. CHOY Tsz Kin, Ellesmere	蔡子建先生	
Mr. CHEN Gifford	程俊昌先生	



Chairman 主席



**Vice Chairman (Development)
副主席（發展）**



**Vice Chairman (Finance and Administration)
副主席（財務及行政）**

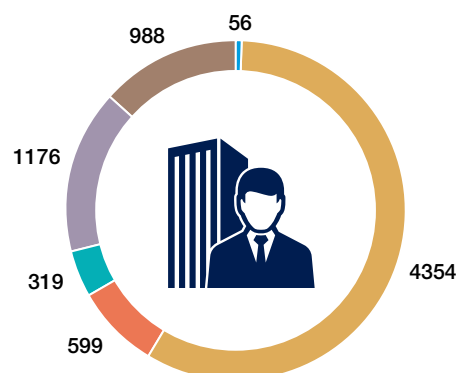
FACTS AND FIGURES

資料及統計數字

Number of Members 會員人數

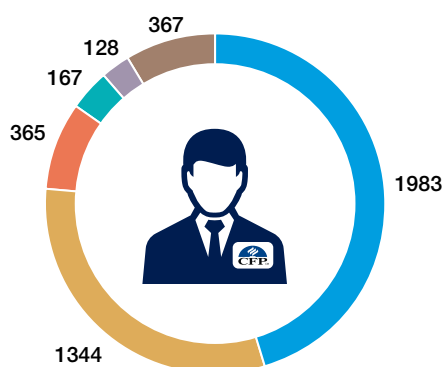
as at 31 May, 2019 截至2019年5月31日

Founding & Corporate Members 創會及機構會員	CFP Certificants CFP持證人
AFP Certificants AFP持證人	IFPHK/CII Joint Members IFPHK / CII聯合會員
Candidates 候證人	QRA Holders QRA持有人



Composition of CFP Certificants CFP持證人的專業背景分析

as at 31 May, 2019 截至2019年5月31日

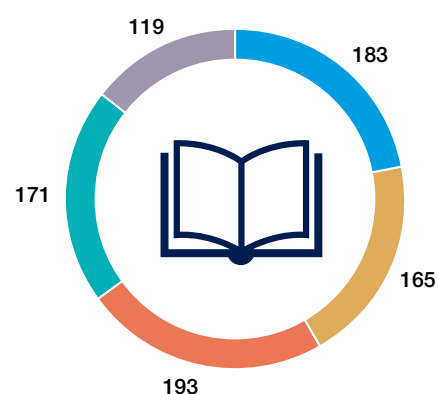


Banking 銀行	Insurance 保險
Independent Financial Advisor 獨立理財顧問	Asset Management 財富管理
Fund House/ Securities Brokerage 基金公司 / 證券經紀	Others 其他

Number of Students Enrolled in Certification Education Programs 資格認證教育課程的報讀人數

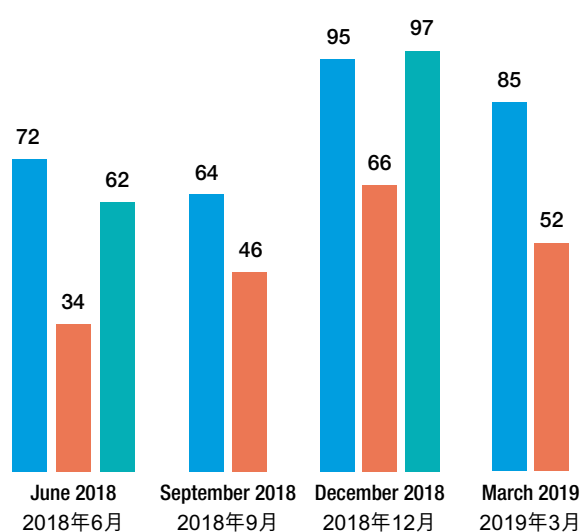
JANUARY – DECEMBER 2018 由2018年1月至12月止

AFP Certification Education Program (1 st - 3 rd Installment) AFP資格認證教育課程（第一期至第三期）
CFP Certification Education Program (Level 1): Course 1 CFP資格認證教育課程（第一階段）：課程一
CFP Certification Education Program (Level 1): Course 2 CFP資格認證教育課程（第一階段）：課程二
CFP Certification Education Program (Level 1): Course 3 CFP資格認證教育課程（第一階段）：課程三
CFP Certification Education Program (Level 2): Course 4 CFP資格認證教育課程（第二階段）：課程四



Number of Examinees Enrolled in the IFPHK Examinations 報考香港財務策劃師學會考試的考生人數

as at 31 May, 2019 截至2019年5月31日



CFP Certification
CFP資格認證

CFP Certification Examination (Foundation Level)
CFP資格認證考試 (基礎階段)

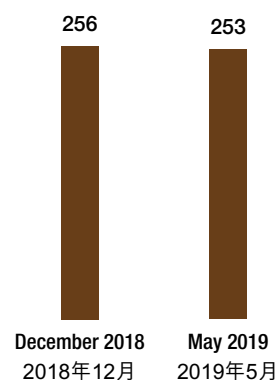
CFP Certification Examination (Level 1)
CFP資格認證考試 (第一階段)

CFP Certification Examination (Level 2)
CFP資格認證考試 (第二階段)



Qualified Retirement
Adviser (QRA)
核准退休顧問

Examinees 考生人數



POLICY AND REGULATORY AFFAIRS

政策及監管事務

Advocacy 倡議行業權益

As the leading professional institute representing the interests of the financial planning industry, the IFPHK has a duty to respond to any consultation paper that may impact its members and their clients. The IFPHK strives to ensure that its and its members' voices are heard by the policy makers. As such, considerable efforts have been made by the IFPHK to respond to each consultation paper.

作為代表財務策劃業權益的首席專業機構，學會有責任就任何可對會員及其客戶構成影響的諮詢文件作出回應，亦盡力確保決策者能有效聽取學會和會員所提供的意見。以下為學會近期就政府相關諮詢文件作出的回應。

MAY 2019 2019年5月

Consultation Issue 諮詢事項

Consultation Paper on the Draft Code of Conduct for Licensed Insurance Agents
有關《持牌保險代理人操守守則》的諮詢文件

Recipient 收件機構

Insurance Authority
保險業監管局

MAY 2019 2019年5月

Consultation Issue 諮詢事項

Consultation Paper on the Draft Code of Conduct for Licensed Insurance Brokers
有關《持牌保險經紀操守守則》的諮詢文件

Recipient 收件機構

Insurance Authority
保險業監管局

JANUARY 2019 2019年1月

Consultation Issue 諮詢事項

Consultation Paper on the Draft Insurance (Financial and Other Requirements for Licensed Insurance Broker Companies) Rules
有關《保險（持牌保險經紀公司的財務及其他要求）規則》草擬本的諮詢文件

Recipient 收件機構

Insurance Authority
保險業監管局

JANUARY 2019 2019年1月

Consultation Issue 諮詢事項

Consultation Paper on the Draft Guidelines on Exercising Power to Impose Pecuniary Penalty in Respect of Regulated Persons Under the Insurance Ordinance (Cap.41)
《保險業條例》（第41章）有關向受規管人士行使施加罰款權力的指引草擬本諮詢文件

Recipient 收件機構

Insurance Authority
保險業監管局

DECEMBER 2018

2018年12月

Consultation Issue 諮詢事項

Consultation Paper on the Draft Insurance (Maximum Number of Authorized Insurers) Rules
有關《保險業（獲授權保險人的最高數目）規則》草擬本的諮詢文件

Recipient 收件機構

Insurance Authority
保險業監管局

NOVEMBER 2018

2018年11月

Consultation Issue 諮詢事項

Consultation Paper on the Proposed Guidelines on
(i) "Fit and Proper" Criteria and
(ii) Continuing Professional Development Requirements for
Licensed Insurance Intermediaries
有關持牌保險中介人適當人選的準則指引草擬本及
持續專業培訓指引草擬本的諮詢文件

Recipient 收件機構

Insurance Authority
保險業監管局

JUNE 2018

2018年6月

Consultation Issue 諮詢事項

Consultation Paper on the Proposed Enhancements to
the Investor Compensation Regime and
Related Legislative Amendments
有關建議優化投資者賠償制度及相關法例修訂的諮詢

Recipient 收件機構

Securities and Futures Commission
證券及期貨事務監察委員會

Achieved a High Score According to the FPSB's Affiliate Assessment

學會在財務策劃標準制定局的聯屬機構評估報告中取得佳績

The IFPHK is an affiliate member of the FPSB. The FPSB conducts audits to evaluate and assess its members periodically to ensure that they are managing the FPSB's certification program in a manner that promotes the financial planning profession and benefits consumers of financial planning.

In June 2017, a senior official from the FPSB conducted an onsite audit of the IFPHK based on its member assessment program. The final assessment report was published on 20 December 2018. According to the final evaluation, the IFPHK's overall score was 90%. Moreover, the IFPHK exhibited 100% compliance in the areas of Reporting, Participation with the FPSB, Marketing and Growth, Education, Experience, Examination, Ethics and Practice, and Recertification.

學會是美國財務策劃標準制定局（FPSB）的聯屬機構，而FPSB會定期進行審計，以確保聯屬機構能夠以推動財務策劃專業發展和令消費者在財務策劃上得益的形式，管理FPSB旗下的資格認證。

2017年6月，FPSB的管理層按聯屬機構評估計劃要求，親臨香港對學會進行實地審核，評估報告於2018年12月20日發表。學會的評估總得分為90分，而學會在參與FPSB事務、市場營銷和發展、教育認證、經驗認證、考試運作、道德標準實踐以及再續資格認證等方面，取得100分佳績。

ENHANCING CONTINUING EDUCATION

加強持續進修

Continuing Education continues to go from strength to strength at the IFPHK. From June 2018 to May 2019, we introduced 257 CE programmes, of which 162 were conducted in-house. In total, a record-breaking high of 35,962 participants took part in the various programmes, of which 33,604 took part in the in-house programmes and 2,358 participated in the public programmes.

With timely and apposite training, we equip CFP certificants, AFP certificants and QRA holders with the knowledge they need to stay abreast of the latest industry changes. The IFPHK has developed numerous brand-new and high-value training programmes for financial planning professionals. These courses take into account changes in critical topics such as insurance planning, investment strategies, estate planning for high net worth clients in the PRC and Hong Kong, and financial ethics and compliance. Topics covering important developments in the industry, such as Fintech and Greater Bay Area developments, have also been organized in the past year.

持續進修在學會繼續保持強勁勢頭。由2018年6月至2019年5月，學會開辦了257個持續進修課程，其中162個是機構培訓課程。共有35,962人參加了各種持續進修課程，其中33,604人來自機構培訓課程，其餘2,358人參加公開課程，是有紀錄以來的新高。

為讓CFP持證人、AFP持證人及QRA持有人對日新月異的行業環境作更好準備，學會不斷致力提供嶄新及高質素的培訓課程予財務策劃從業員。學會課程涵蓋具深度的課題，包括保險策劃、投資策略、針對中國高淨值客戶的財富承傳、操守道德及法規等。此外，學會亦於去年加入如金融科技、大灣區發展等呼應業界重大發展的課題。



WORLD FINANCIAL PLANNING DAY 2018

世界財務策劃日2018

IFPHK Joins FPSB in Celebrating World Financial Planning Day 學會與FPSB攜手慶賀世界財務策劃日

The IFPHK supported the Financial Planning Standards Board (“FPSB”) in the United States in hosting the second World Financial Planning Day (“WFPD”) on 3 October 2018. FPSB affiliates from around the world, representing over 175,000 CFP professionals globally, took part in the WFPD to educate consumers about the importance of financial planning as part of the International Organization of Securities Commissions’ World Investor Week (“WIW”) that took place from 1 to 7 October 2018. The IFPHK adopted a 360-degree approach and mainly made use of social media to launch the WFPD in Hong Kong. A dedicated consumer webpage and brochure were created to guide the public through various financial planning topics, from wealth management, insurance, investment and taxation, to retirement and estate planning. The IFPHK also offered the public an online quiz to test their basic risk-tolerance level and financial planning aptitude. IFPHK representatives also spoke at a WIW seminar to highlight financial planning topics.

The key component of WFPD 2018 was the survey “Financial Goals and Retirement Planning of Hongkongers”, conducted online from 6 to 31 August 2018. This survey gathered information on the community’s attitudes towards their financial goals and retirement planning. Over 700 respondents took part, and the results were widely reported by more than 20 media outlets. A video on the results gained a viewership of 16,000 views in just one week. As for the survey data, a surprising 40% of respondents said they had no financial goals. In terms of income segmentation, 73% of those with a monthly income above \$65,000 had an idea what their financial goals were, whereas only 46% of those with a monthly income of \$15,000 or below had such an idea. Top financial goals that respondents mentioned were: housing (61%), retirement (46%) and medical expenses (45%). As for retirement resources, 28% of respondents said bank savings, 20% said investments, 16% said MPF accrued benefits, 10% said government pensions, and 6% indicated that they depended on their children financially.

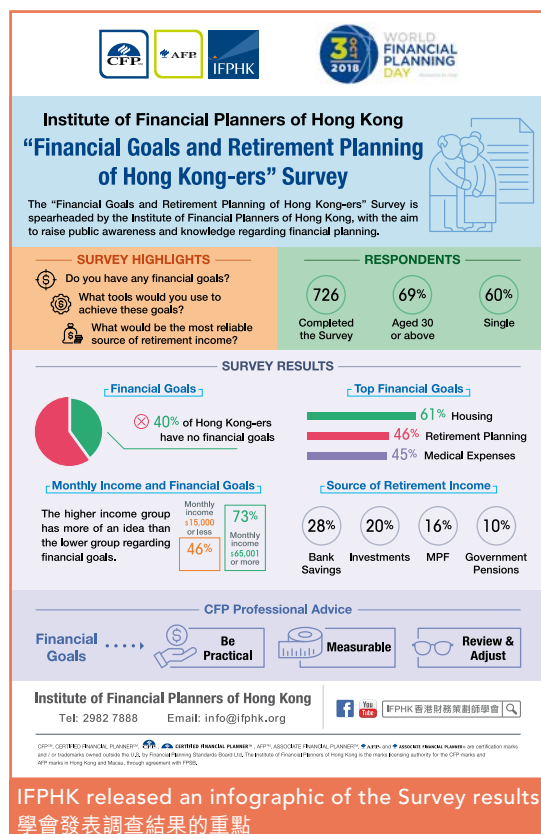
The survey brought to bear the value of effective financial planning education, and we worked hard to achieve this by enhancing our efforts for WFPD 2018. However, we have not stopped there. Rather, the IFPHK will continue to step up its game on educating the public about the importance of setting financial goals and understanding the need for financial planning and retirement planning.

學會響應美國財務策劃標準制定局 (FPSB) 的號召，於2018年10月3日主辦了第二屆「世界財務策劃日」。當天，代表全球逾175,000名CFP專業人士以及來自世界各地的FPSB聯屬機構都有份參與「世界財務策劃日」，一起向消費者解釋財務策劃的重要性。國際證監會組織 (IOSCO) 於2018年10月1日至7日舉行「世界投資者週」，而「世界財務策劃日」是其中的一項活動。在是次活動中，學會採取360度全方位策略，主要透過社交媒體在港推行「世界財務策劃日」，並製作專為消費者而設的網頁及小冊子，教育公眾認識不同的財務策劃課題，包括財富管理、保險、投資、稅務及退休與遺產安排。學會亦設計了網上問答遊戲，測試公眾的基本風險承受能力及財務策劃能力。此外，學會派出代表參與「世界投資者週」的講座，探討有關財務策劃的議題。

「世界財務策劃日2018」的其中一項重頭戲是「港人財務目標及退休實踐度」調查。學會在2018年8月6至31日進行網上調查，搜集港人對理財目標及退休策劃取態的資料。調查獲得超過700名受訪者參與，並被20多家傳媒機構廣泛報導，而調查結果短片更在一週內錄得16,000次收看紀錄。調查結果方面，令人意外的是多達4成受訪港人表示沒有制定財務目標。在不同收入水平的群組方面，月入超過\$65,000的群組有多達73%表示有制定財務目標，但在月入\$15,000或以下的群組中，僅僅46%表示有制定財務目標。受訪港人的首要財務目標為：房屋 (61%)，退休 (46%) 及醫療開支 (45%)。受訪港人退休後的收入來源則主要依靠銀行儲蓄 (28%)，其次為投資 (20%) 及強積金累算權益 (16%)。另有10%受訪者認為可依靠政府提供的保障，而僅有6%受訪者依靠子女的供養。

調查結果突顯了推行有成效的理財教育的重要性，而因應「世界財務策劃日」得出來的結果我們會加倍努力實現提升理財教育水平的目標。今後，學會將會不斷加強工作，推廣制定財務目標的重要性，以及讓市民明白財務策劃及退休策劃的需要。

"World financial Planning Day 2018" Highlights 「世界財務策劃日2018」花絮



IFPHK released an infographic of the Survey results
學會發表調查結果的重點



IFPHK promoted the World Financial Planning Day through an all-round approach
學會以全方位活動推廣「世界財務策劃日」



(From left) IFPHK CEO Dennis Lau and Vice Chairman (Finance and Administration) Chris Tse elaborated Survey results through IFPHK Facebook, receiving over 16,000 viewership

(左起) 學會行政總裁劉振輝和副主席(財務及行政)謝汝康透過學會Facebook解讀調查結果，瀏覽次數超過16,000次



The IFPHK's Survey received extensive media coverage
調查結果獲得傳媒廣泛報導

IFPHK FINANCIAL EDUCATION LEADERSHIP AWARDS 2019

香港財務策劃師學會 理財教育領袖大獎2019

IFPHK Honors Leadership in Pro Bono Financial Education

學會嘉許義務理財教育領袖

To celebrate the pro bono financial education efforts of firms and individuals in the industry, the IFPHK Financial Education Leadership Awards (the "FELA Awards") cum Accredited Professional Financial Planning Firm 2019 took place at the Conrad Hong Kong Hotel on 29 January 2019. More than 210 honoured guests attended the event, with Mr. Joseph Chan, JP, Under Secretary of Financial Services and the Treasury of the HKSAR further dignifying the ceremony as the Guest-of-Honour. We were also very fortunate to have distinguished members of the industry in attendance to present awards at the ceremony, including Dr. Moses Cheng, JP, Chairman of the Insurance Authority; Mr. Cheng Yan Chee, Chief Corporate Affairs Officer and Executive Director of the Mandatory Provident Fund Schemes Authority; Mr. Andrew Wan, Chief Financial Officer of the Securities and Futures Commission; Mr. David Kneebone, General Manager of the Investor and Financial Education Council; and Mr. Graham Douglas Turl, Chairman of the Hong Kong Investment Funds Association.

With the FELA Awards entering their second year, a total of 22 corporations received awards, with the Bank of China (Hong Kong) Limited and Prudential Hong Kong Limited both bestowed with the highest accolade of "Best Corporate Financial Education Leadership of the Year". Awardees shared their stories on their financial education journeys, from guiding young adults about money management, to providing financial education to families through interactive workshops, to holding regular financial planning seminars for colleagues, to using innovative methods in consumer financial education. Guests at the FELA Awards presentation ceremony felt a tremendous sense of community and congratulated each other on fulfilling their social responsibility towards the Hong Kong community.

We are also extremely grateful that the FELA Awards had the patronage of 11 supporting organizations, namely, the Insurance Authority, the Investor and Financial Education Council, the Mandatory Provident Fund Schemes Authority, the Financial Planning Standards Board, the Actuarial Society of Hong Kong, the Federation of Hong Kong Industries, the Hong Kong Computer Society, the Hong Kong General Chamber of Commerce, the Hong Kong Investment Funds Association, the Hong Kong Investor Relations Association, and the Hong Kong Retirement Schemes Association. The IFPHK looks forward to the continued support of these graceful patrons, and hopes that many more firms and individuals will take part in this prestigious event in the years to come.

為了表揚一眾企業及社會人士在提升本地市民金融知識方面的無私精神，學會於2019年1月29日假香港港麗酒店舉辦《香港財務策劃師學會理財教育領袖大獎暨優質財策企業2019》頒獎典禮。大會邀得財經事務及庫務局副局長陳浩濂先生、太平紳士擔任主禮嘉賓，並吸引逾210名來賓出席。學會亦非常榮幸地邀得陣容鼎盛的業界代表擔任頒獎嘉賓，包括保險業監管局主席鄭慕智博士、太平紳士、強制性公積金計劃管理局（積金局）機構事務總監及執行董事鄭恩賜先生、證券及期貨事務監察委員會（證監會）首席財務總監溫志遙先生、投資者及理財教育委員會總經理李博衛先生、以及香港投資基金公會主席杜國汶先生。

活動今年踏入第二屆，合共22家機構獲得嘉許，而最高榮譽獎項——「年度最佳企業理財教育領袖」分別由「中國銀行（香港）」及「保誠保險有限公司」奪得。典禮上，得獎者分享了提供理財教育的心路歷程，包括向剛踏入社會的青年人提供金錢管理的輔導、透過互動工作坊進行家庭理財教育、定期為同事舉辦財務策劃講座、以及採用創新手法教育消費者妥善理財。在頒獎典禮上，嘉賓都感受到強烈的社會歸屬感，更互相祝賀大家在履行本地社會責任上取得的佳績。

《香港財務策劃師學會理財教育領袖大獎暨優質財策企業2019》獲機構鼎力支持，學會在此表示衷心感謝。11間支持機構包括保險業監管局、投資者及理財教育委員會、強制性公積金計劃管理局、美國財務策劃標準制定局、香港精算學會、香港工業總會、香港電腦學會、香港總商會、香港投資基金公會、香港投資者關係協會及香港退休計劃協會。學會期待這些熱心的機構繼續支持，並期望未來有更多機構和社會人士參與這項盛大活動。



The Guest-of-Honour, Presenters and Corporate Awardees' Representative gathered on stage
主禮嘉賓、頒獎嘉賓與一眾獲獎機構代表於台上合照



Over 200 guests celebrated financial education and financial planning excellence at the Awards Presentation Ceremony
超過200名嘉賓見證得獎者的誕生



The "Citizen Volunteer in Financial Education" awardees received their awards on stage
「理財教育公民」得獎者於台上領取獎狀



(Left) Guest-of-Honour Joseph Chan, JP, Under Secretary for Financial Services and the Treasury of the HKSAR Government
(Right) Welcoming Speech by Steve Chiu, Chairman of IFPHK
(左) 主禮嘉賓財經事務及庫務局副局長陳浩濂先生, JP
(右) 學會主席趙小寶致歡迎辭

Award Winners of "IFPHK Financial Education Leadership Awards 2019": 「香港財務策劃師學會 理財教育領袖大獎2019」得獎名單：

Best Corporate Financial Education Leadership of the Year 年度最佳企業理財教育領袖

- Bank of China (Hong Kong) 中國銀行（香港）
- Prudential Hong Kong Limited 保誠保險有限公司

Corporate Financial Education Leadership (Gold Award) 企業理財教育領袖（金獎）

- | | | |
|---|---|---|
| <ul style="list-style-type: none"> • AIA International Limited
友邦保險（國際）有限公司 • AXA 安盛 • Bank of China (Hong Kong)
中國銀行（香港） • Bank of Communications
(Hong Kong) Limited
交通銀行（香港）有限公司 • China Construction Bank (Asia)
中國建設銀行（亞洲） • Convoy Financial Services Limited
康宏理財服務有限公司 • Dah Sing Bank, Limited
大新銀行有限公司 • Financial Dispute Resolution Centre
金融糾紛調解中心 | <ul style="list-style-type: none"> • Financial Education Centre,
Hong Kong Family Welfare Society
香港家庭福利會理財教育中心 • FTLife Insurance Company Limited
富通保險有限公司 • FWD Life Insurance Company
(Bermuda) Limited
富衛人壽保險（百慕達）有限公司 • Gain Miles Assurance
Consultants Limited
駿隆專業保險顧問有限公司 • Invesco Hong Kong Limited
景順投資管理有限公司 • MetLife Hong Kong
香港大都會人壽 | <ul style="list-style-type: none"> • Noble Apex Wealth Limited
御峰創富有限公司 • Po Leung Kuk
保良局 • Prudential Hong Kong Limited
保誠保險有限公司 • Sun Life Hong Kong
香港永明金融 • The Hong Kong and China Gas
Company Limited
香港中華煤氣有限公司 • Tung Wah Group of Hospitals
Healthy Budgeting Family Debt
Counselling Centre
東華三院健康理財家庭輔導中心 |
|---|---|---|

Corporate Volunteer Team in Financial Education (Gold Award) 理財教育公民——企業團隊（金獎）

- Noble Apex Wealth Limited 御峰創富有限公司

MEMBER ACTIVITIES

會員活動

IFPHK Financial Planning Conference 2018 香港財務策劃師學會 財務策劃會議 2018

The IFPHK Financial Planning Conference 2018, the IFPHK's annual flagship event, ended on 20 September 2018 at the Hong Kong Convention and Exhibition Centre. The signature event once again brought together high-profile speakers and close to 600 CFP professionals and industry practitioners. Themed "Embracing Changes with Confidence", the Conference provided a platform for prominent industry figures, including regulators, government officials and financial experts, to share their insights on the financial planning industry. The participants in attendance lauded the Conference as both informative and congenial.

學會一年一度的盛事——「財務策劃會議2018」，於2018年9月20日假香港會議展覽中心順利舉行。今年會議得到多位業界翹楚和近600名CFP認可財務策劃師及金融從業員參與，座無虛席。今年會議以「滿懷信心 擁抱挑戰」為主題，會上多位監管機構代表、財金官員及業界精英分享真知灼見，令會議在一片熱烈掌聲及和諧的氣氛中圓滿結束。



Joseph Chan, JP, Under Secretary for Financial Services and the Treasury, spoke at the Conference
財經事務及庫務局副局長陳浩濂先生，JP於會議上發表演說



IFPHK representatives and regulators at the Conference
學會代表與監管機構代表於會議期間合照



"Voluntary Health Insurance Scheme – a Better Way Out for Hong Kong?" Forum
「自願醫保能創新天？」論壇

2018 IFPHK Presentation Ceremony 2018年度香港財務策劃師學會頒授典禮

In recognition and celebration of new personal milestones being achieved, the IFPHK held its annual presentation ceremony on 4 November 2018 at the Hong Kong Convention and Exhibition Centre. Ms. Cynthia Hui, Executive Director (Members) of the Mandatory Provident Fund Schemes Authority, was the Guest-of-Honour. Ms. Hui was joined by IFPHK Chairman Steve Chiu, Vice Chairman (Development) Gin Lee, Vice Chairman (Finance and Administration) Chris Tse and CEO Dennis Lau to present the awards to the new CFP certificants, AFP certificants, QRA holders, and the respective top scorers and meriters.

為慶祝會員達至新的里程碑並嘉許他們所付出的努力，學會於2018年11月4日假香港會議展覽中心舉行一年一度的頒授典禮。典禮由強制性公積金計劃管理局執行董事（成員）許慧儀女士擔任主禮嘉賓。典禮上，許女士聯同學會主席趙小寶、副主席（發展）李明正、副主席（財務及行政）謝汝康與行政總裁劉振輝向新一屆的CFP持證人、AFP持證人、QRA持有人、傑出成績考生及優異成績考生頒發證書。



(From left) Cynthia Hui, Guest-of-Honour, and Steve Chiu, IFPHK Chairman
(左起) 主禮嘉賓許慧儀及學會主席趙小寶



Newly-awarded certificants at the ceremony
新一批持證人合照



Marching band performance
銀樂隊表演

IFPHK Accredited Professional Financial Planning Firm 2019 香港財務策劃師學會 優質財策企業2019

It is the IFPHK's mission to influence corporate industry leaders to uphold the highest standards in the financial planning industry. As such, the "IFPHK Accredited Professional Financial Planning Firm" award scheme was set up to encourage local financial planning firms to hire more CFP professionals and AFP professionals as part of their commitment to provide professional financial planning services to the public. Awarded firms are entitled to display the award logos as a hallmark of their professionalism.

This year, 12 financial planning firms from the banking, insurance and independent financial advisory sectors have been given the award.

學會一直致力推動金融機構的領袖維持財務策劃業的最高標準。為此，學會舉辦名為「優質財策企業」計劃，旨在鼓勵本地金融機構聘用更多擁有CFP資格認證及AFP資格認證的財務策劃師，並表揚它們在維護公眾利益所付出的努力，身體力行為市民提供專業理財服務。獲獎機構可獲學會頒發優質財策企業標誌，以彰顯它們對專業財務策劃的堅持。

今年，共有12間來自銀行、保險及獨立理財顧問三大財務策劃行業的金融企業獲頒發是項標誌。



Members' Networking Activity – IFPHK's Spring Festival Gathering cum Astrology Talk 會員聯誼活動 - 學會新春團拜暨豬年風水佈局講座

The IFPHK organized its first networking activity in 2019 – the "IFPHK Spring Festival Gathering cum 2019 Year of the Pig Chinese Astrology Talk" – on the evening of 28 February 2019, attracting over 50 members, and their friends and families.

The IFPHK's Board of Directors, as well as its Former and Current Chairmen, were present at the event to celebrate the Spring Festival. The festivities began with a toasting ceremony, followed by the distribution of red packets. Concluding the event was an astrology talk delivered by veteran astrologist Benny Lau on how to best take advantage of the lucky omens during the Year of the Pig. The talk was enjoyed by all present, and there was also enthusiastic participation in the subsequent Q&A session.



Distinguished guests alongside guest speaker Benny Lau (fourth from left)
出席嘉賓與資深玄學家劉宏業（左四）合照

學會於2019年2月28日黃昏假學會會址舉辦首個會員活動——「2019年新春團拜暨豬年風水佈局講座」，吸引逾半百會員及其親朋好友參與。活動上，一眾現屆董事會成員、前任及現任主席齊集向大家拜年。他們先進行祝酒儀式，掀開活動序幕，並隨即向在場人士大派開運利是。活動的壓軸嘉賓為資深玄學家劉宏業與大家分享豬年風水佈局玄妙之處，參與者全神貫注，更於問答環節中踴躍發問，讓活動在一片熱鬧歡欣的氣氛中圓滿結束。

Members' Networking Activity – “Outlook of the Financial Services Industry” Talk 會員聯誼活動 - 學會「金融業的未來」講座

To provide members with a competitive niche in the industry, the IFPHK hosted a talk themed “Outlook of the Financial Services Industry: FinTech and InsurTech Revolution” in the evening of 30 May 2019. The members' event attracted over 50 members and their friends attending.

IFPHK Chairman Steve Chiu kicked off the event by greeting all those present. Thomson Ho, co-founder of a digital insurance platform called 10Life, then shared his insights on the latest FinTech and InsurTech developments and their impacts on the financial services industry. The attendees enjoyed the talk and participated earnestly in the Q&A session.

為了提升會員的競爭力以迎接挑戰，學會特別於2019年5月30日黃昏假會址舉辦「金融業的未來：拆局FinTech與InsurTech發展」會員講座，吸引逾半百會員及其親朋好友出席。

學會主席趙小寶親臨致歡迎辭並掀開活動序幕。是次嘉賓講者為保險資訊數碼平台「10Life」創辦人何穎翔，為參加者解構金融科技（FinTech）與保險科技（InsurTech）的最新發展。來賓全神貫注，更於問答環節中踴躍發問，活動在一片熱鬧的氣氛中順利結束。



Guest speaker Thomson Ho (third from left) shared with the audience his insights on FinTech and InsurTech developments
嘉賓講者何穎翔（左三）分享金融科技（FinTech）與保險科技（InsurTech）的最新資訊

Focus Group Discussion on ESG Integration

「環境、社會及管治因素融入投資流程」專題小組



Focus group discussion on ESG integration
「環境、社會及管治因素融入投資流程」
專題小組

The IFPHK is dedicated to leading and increasing the importance of our CFP professionals in the financial planning industry. As part of this endeavour, a group of IFPHK members was invited to participate in a focus group discussion on Environmental, Social and Governance (ESG) integration on 3 May 2019 at the office of the IFPHK. The focus group was conducted as part of a partnership program between the Friends of the Earth (HK) Charity Limited and PolyU's Economic Sustainability & Entrepreneurial Finance Center, with the IFPHK as a supporting organization. During the event, participants discussed how best to carry out ESG integration among asset owners and investment professionals.

學會一直致力提升CFP專業人士在財務策劃業界的影響力。一群學會會員於2019年5月3日應邀到本會參與了一個名為「環境、社會及管治因素融入投資流程」專題小組討論，並透過自身的資產管理及投資經驗，分享將環境、社會及管治因素

融入投資流程的可行性。是次計劃由香港理工大學可持續經濟與創業金融中心與地球之友合辦，學會擔任支持機構。

15th Anniversary Appreciation Gifts for CFP Certificants

CFP持證人15週年感謝狀

The IFPHK owes its success to the generous support of our long-serving members. To express gratitude to our members' long-standing support, an appreciation certificate and logo pin were presented to recognize members who have been CFP professionals for 15 years or more.

會員的長期支持是學會穩健發展的基石。正因如此，學會特別送贈感謝狀及紀念襟章予持有CFP資格認證逾15年的會員，以答謝會員多年來的支持。

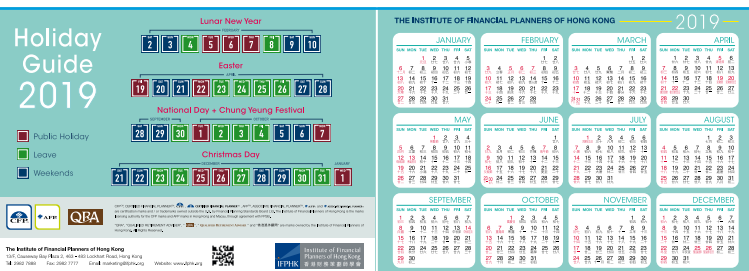


New Premium Product for CFP Certificants

CFP持證人新禮品

CFP professionals are one of the IFPHK's most important assets. To leverage their privileges in all aspects, the IFPHK has launched a new premium product for CFP certificants – a foldable umbrella. The umbrella features a modest dark blue colour with an underlying UV coating for all-weather use. Separately, the IFPHK has also printed an attractive 2019 calendar card for members and their friends.

CFP專業人士為學會重要的資產。為進一步提升會員的優越地位，學會推出全新CFP持證人禮品一摺疊雨傘。成熟穩重的寶藍色雨傘，內層配上防紫外光層，四季可用。同時，學會推出了精美的2019年年曆卡，贈予會員及其親朋好友。



The foldable umbrella and the 2019 calendar card
摺疊雨傘和2019年年曆卡

COMMUNITY AND CONSUMER EVENTS

社區服務及消費者活動

The IFPHK's Consultation at the 2nd "Hong Kong Strategy for Financial Literacy" Workshop

學會參與「香港金融理財知識和能力策略2」的諮詢會

As one of the leading professional bodies representing the financial planning industry, the IFPHK was invited by the Investor and Financial Education Council (IFEC) for consultation at the second "Hong Kong Strategy for Financial Literacy" (HKSFL) workshop on 21 June 2018. The IFPHK is, of course, one of the supporting organizations of the HKSFL workshop. IFPHK CEO Dennis Lau and Vice Chairman (Finance and Administration) Chris Tse were both in attendance, where they provided insight and advice on how to develop a strategy that addresses the city's financial education objectives, as well as its current financial and social environment, target segments, challenges and other goals.

作為領導本地財務策劃業的專業機構，學會於2018年6月21日應邀出席由投資者及理財教育委員會舉辦之「香港金融理財知識和能力策略」（簡稱「香港策略」）持份者工作坊，為第二階段「香港策略」的框架提出建議。學會為「香港策略」的支持機構之一。代表學會出席工作坊的為學會行政總裁劉振輝及副主席（財務及行政）謝汝康，他們就新策略提供了實務的建議，以配合香港理財教育的目標、現時的金融及社會情況、目標群眾、需要面對的挑戰及終極目標。



IFPHK CEO Dennis Lau (fourth from left), Vice Chairman (Finance and Administration) Chris Tse (second from right), IFEC General Manager David Kneebone (in the middle) and other participants of the Stakeholders Group 學會行政總裁劉振輝（左四）、副主席（財務及行政）謝汝康（右二）及投資者及理財教育委員會總經理李博衛（中間）與其他持份者合照

The IFPHK's Press Conference on the HKMC Annuity Plan

學會解讀「香港年金計劃」記者會



IFPHK Press Conference
記者會現場

To increase all external stakeholders' awareness of the advice that a financial planning professional can provide, the IFPHK held a press conference on 6 July 2018 on the HKMC Annuity Plan (the "Plan"). At the event, the IFPHK's former Chairman Paul Pong and current Vice Chairman (Finance and Administration) Chris Tse outlined various aspects of the Plan, including its prospects, restrictions and risks.

The press conference was held so that prospective applicants could be well informed and be able to make sound decisions on retirement planning. More than 10 media representatives were present for the event.

為提升公眾對財務策劃師專業建議的重視程度，學會於2018年7月6日特別舉行「香港年金計劃」記者招待會，並由學會前主席龐寶林及學會副主席（財務及行政）謝汝康分享「終身保證定額即享年金」產品的優點、限制及各種風險。

學會希望藉此機會讓有意申請的人士預早作好準備，以達到優化退休資產配置的目標。記者會反應熱烈，錄得逾十家本地媒體代表出席。



(From left) IFPHK Vice Chairman (Finance and Administration) Chris Tse, former Chairman Paul Pong and CEO Dennis Lau
(左起) 學會副主席（財務及行政）謝汝康、前主席龐寶林及行政總裁劉振輝



(From left) The IFPHK's former Chairman Paul Pong and current Vice Chairman (Finance and Administration) Chris Tse respond to questions from the media
(左起) 學會前主席龐寶林及副主席（財務及行政）謝汝康回應記者的提問



IFPHK Vice Chairman (Finance and Administration) Chris Tse attends media interviews on annuities
學會副主席（財務及行政）謝汝康接受傳媒訪問，分享年金建議

Hong Kong Financial Services Professionals Association – Hong Kong Pupil Financial Quotient Competition 2018 香港金融業協會 - 兒童及青少年財商比賽2018

IFPHK Vice Chairman (Finance and Administration) Chris Tse was invited to be a judge and presenter at the Hong Kong Pupil Financial Quotient Competition organized by the Hong Kong Financial Services Professionals Association. The competition was organized to boost the financial quotient of primary school students and concluded with a prize presentation ceremony on 18 August 2018.

學會副主席（財務及行政）謝汝康獲邀為兒童及青少年財商比賽2018擔任評判，並於2018年8月18日舉行之頒獎典禮上頒發獎項予得獎學生。是項比賽由香港金融業協會主辦，旨在增強小學生的財商概念。



IFPHK Vice Chairman (Finance and Administration) Chris Tse at the prize presentation ceremony
學會副主席（財務及行政）謝汝康擔任頒獎嘉賓

IFPHK Financial Education Resources Revamped 學會理財教育資源新面貌

The IFPHK has been constantly devoted towards making financial planning more appealing to the public. To make its financial education resources more user-friendly for those seeking financial planning, the IFPHK revamped its resources in September 2018 with a refreshing look. The revamped resources include a financial planning education booklet and a comprehensive consumer site, with both focusing on the six holistic approaches of financial planning: (1) Wealth Management, (2) Insurance Planning, (3) Investment Planning, (4) Tax Planning, (5) Retirement Planning and (6) Estate Planning.

With the launch of the new financial education resources, the IFPHK intends to show more clearly to the public how they can live better lives through a greater understanding of financial planning.

學會持續地以不同面貌吸引公眾對財務策劃的關注。於2018年9月，學會推出了全新面貌的理財教育資源，以推廣財務策劃的重要性。新推出的資源包括「財務策劃智慧錦囊」小冊子和「財務策劃基本篇」網頁。兩者均以六個主要的財務策劃範疇為主題，包括：（一）財富管理；（二）保險策劃；（三）投資策劃；（四）稅務策劃；（五）退休策劃及（六）遺產策劃。

隨着理財教育資源的推出，學會期望能藉此提升公眾對財務策劃的認識，從而協助市民創造更美好的生活。



“New Landscape, New Economy, New Risks” Investor Education Seminar

「新形勢、新經濟、新風險」投資教育講座



IFPHK Vice Chairman (Finance and Administration) Chris Tse shares his views on tackling market volatility with the audience
學會副主席（財務及行政）謝汝康與在場人士分享「波動市況下的投資十誠」

The success of any financial planning advocacy relies on tireless effort and pursuit. On 6 October 2018, IFPHK Vice Chairman (Finance and Administration) Chris Tse spoke on the topic “Tackling Market Volatility” at the “New Landscape, New Economy, New Risks” Investor Education Seminar. The event, which was part of World Investor Week 2018, was initiated by the Investor and Financial Education Council (IFEC) and co-hosted with the Hong Kong Exchanges and Clearing Limited (HKEX).

推動財務策劃能否成功，關鍵在於努力不懈的精神及無比的毅力。於2018年10月6日，學會副主席（財務及行政）謝汝康出席「新形勢、新經濟、新風險」投資教育講座，與在場人士分享「波動市況下的投資十誠」。

是次活動為投資者及理財教育委員會夥拍香港交易所舉辦之投資教育講座，為「2018世界投資者週」活動之一。

Hong Kong Money Month 2019 – The Family Planning Association of Hong Kong’s “Financial Literacy Ambassador Programme” Talk

香港理財月2019 - 香港家庭計劃指導會「理財大使計劃」講座

Raising public financial literacy lies within the core mission of the IFPHK. On 18 March 2019, IFPHK Board Member Ray Lee spoke on the topic of the management of investment risk and appropriate asset allocation techniques at the “Financial Literacy Ambassador Programme” Talk organized by The Family Planning Association of Hong Kong. The event was one of Hong Kong Money Month 2019’s programmes, and Ray Lee’s talk was well received with an overwhelming response by those in attendance.

提升公眾的理財知識一向是學會的核心使命。於2019年3月18日，學會董事會成員李澄幸出席由香港家庭計劃指導會舉行的「理財大使計劃」講座，與在場人士分享分散投資風險及合理資產配置的技巧。是次活動為「香港理財月2019」的活動之一。講座深受歡迎，李先生的演說更引發在場人士熱烈的討論。



IFPHK Board Member Ray Lee (right) receives a gift of appreciation after his presentation
學會董事會成員李澄幸（右）於講座後獲頒感謝紀念品

Employers' Federation of Hong Kong and the International SOS Foundation – “Duty of Care Conference 2019”

香港僱主聯合會與國際SOS基金會 - 「謹慎責任研討會2019」



IFPHK Chairman Steve Chiu at the “Duty of Care Conference 2019”
學會主席趙小寶擔任論壇講者

In keeping with the need to promote and increase the awareness of financial planning, on 10 April 2019, IFPHK Chairman Steve Chiu spoke about financial wellness at the “Duty of Care Conference 2019”, jointly organized by the Employers' Federation of Hong Kong and the International SOS Foundation. At the forum, he shared his views on financial training for the workplace.

為持續地加強公眾對財務策劃重要性的認識，學會主席趙小寶於2019年4月10日為香港僱主聯合會與國際SOS基金會合辦之「謹慎責任研討會2019」的財務健康論壇擔任講者。於論壇上，趙先生就在職人士的理財培訓提供了獨到的見解。

FINANCIAL STATEMENTS

財務報告

Directors' Report

The directors submit herewith their report and audited financial statements of The Institute of Financial Planners of Hong Kong Limited (the "Institute") for the year ended 31 December 2018.

Limitation of liabilities

The Institute is a company limited by guarantee of not exceeding HK\$50 per member of the Institute.

Principal activities

The principal activities of the Institute are the promotion of personal financial planning and the certification of the CERTIFIED FINANCIAL PLANNER^{CM} and CFP^{CM} certification marks in Hong Kong.

Results

The results of the Institute for the year ended 31 December 2018 are set out in the statement of comprehensive income on page 26.

Directors

The directors who held office during the year or during the period from the end of the year to the date of this report were:

Chan Kin Lok, Paul	
Chan Lai Kwan, Jenny	
Chiu Siu Po, Steve	
Choy Chung Foo	
Lam Ching Wang, Perseus	
Lee Ching Hang, Ray	
Lee Ming Gin, Gin	
Ma Ying Mao, Andrew	
Pong Po Lam, Paul	
Tse Yue Hong, Chris	(re-elected on 6 September 2018)
Wu Mew May, May	
Yung Wing Hung, Dominic	
Cheung Yin Ming, Edwin	(elected on 6 September 2018)
Ho Ka Kei, Michael	(elected on 6 September 2018)
Yau Shu Cheung, Gary	(elected on 6 September 2018)
Chan Siu Man, Trevor	(retired on 6 September 2018)
Chan Yau Kei, Kevin	(retired on 6 September 2018)
Lam Chong Hang, Alvin	(retired on 6 September 2018)

Arrangement for acquisition of shares or debentures

At no time during the year was the Institute a party to any arrangements to enable the directors of the Institute to acquire benefits by means of the acquisition of shares in, or debenture of, the Institute.

Management contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Institute were entered into or existed during the year.

Equity-linked agreements

No equity-linked agreements into which the Institute entered subsisted at any time during the year.

Permitted indemnity provisions

No permitted indemnity provision was in force during the year, or is in force at the date of this report, for the benefit of a then director or a director of the Institute (whether made by the Institute or otherwise).

Auditor

A resolution will be submitted to the annual general meeting to re-appoint Mazars CPA Limited, *Certified Public Accountants*, as auditor of the Institute.

Approved by the Board of Directors and signed on its behalf by



Chiu Siu Po Steve

Chairman

5 August 2019

Independent Auditor's Report

To the members of

The Institute of Financial Planners of Hong Kong Limited

(incorporated in Hong Kong with liability limited by guarantee)

Opinion

We have audited the financial statements of The Institute of Financial Planners of Hong Kong Limited (the "Institute") set out on pages 26 to 45, which comprise the statement of financial position as at 31 December 2018, and the statement of comprehensive income, the statement of changes in funds and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Institute as at 31 December 2018, and of its financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Institute in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors of the Institute are responsible for the other information. The other information comprises the directors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Financial Statements

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Institute or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Institute to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Certified Public Accountants
Hong Kong, 5 August 2019

The engagement director on the audit resulting in this independent auditor's report is:

Or Ming Chiu

Practising Certificate number: P04786

Statement of Comprehensive Income

Year ended 31 December 2018

		2018	2017
	Note	HK\$	HK\$
Income from certification & membership		13,822,859	12,307,233
Income from examinations		1,253,650	1,247,468
Income from annual events		1,037,236	22,620
Income from registered programs		415,500	353,500
Income from seminars & conferences		10,967,830	8,377,915
Income from sales of textbook		222,160	356,938
Interest income		485,529	318,200
Sponsorship income		336,000	219,936
Transcript review income		500	1,800
Other income		79,999	25,768
		28,621,263	23,231,378
Depreciation		(47,055)	(34,800)
Staff costs		(14,087,482)	(13,134,812)
Other operating expenses		(11,413,559)	(10,780,946)
Surplus (Deficit) before tax	3	3,073,167	(719,180)
Taxation	4	-	-
Surplus (Deficit) for the year		3,073,167	(719,180)
Other comprehensive income for the year		-	-
Total comprehensive income (loss) for the year and transferred to General Fund		3,073,167	(719,180)

Statement of Financial Position

At 31 December 2018

		2018	2017
	Note	HK\$	HK\$
Non-current assets			
Property, plant and equipment	5	<u>108,714</u>	<u>68,969</u>
Current assets			
Inventories	6	372,971	292,848
Registered program fees receivable	7	91,000	50,000
Deposits, prepayments and other debtors		2,376,819	1,721,807
Pledged deposits	14	1,042,200	1,042,200
Bank balances and cash		44,035,810	39,069,451
		<u>47,918,800</u>	<u>42,176,306</u>
Current liabilities			
Certification and license fees payable		1,189,545	1,183,432
Accrued charges and other payables		1,997,815	1,665,237
Contract liabilities	8	11,598,195	9,923,730
		<u>14,785,555</u>	<u>12,772,399</u>
Net current assets		<u>33,133,245</u>	<u>29,403,907</u>
NET ASSETS		<u>33,241,959</u>	<u>29,472,876</u>
Funds			
Building Fund		19,767,468	19,071,552
General Fund		13,474,491	10,401,324
TOTAL FUNDS		<u>33,241,959</u>	<u>29,472,876</u>

These financial statements on pages 26 to 45 were approved and authorised for issue by the Board of Directors on 5 August 2019 and signed on its behalf by



Chiu Siu Po Steve
Chairman



Tse Yue Hong Chris
Vice Chairman (Finance & Administration)

Statement of Changes in Funds

Year ended 31 December 2018

	Building Fund	General Fund	Total
	HK\$ (Note)	HK\$	HK\$
At 1 January 2017	17,024,483	11,120,504	28,144,987
Deficit for the year and total comprehensive loss for the year	-	(719,180)	(719,180)
Transaction with members			
<i>Contributions and distributions</i>			
Contributions to Building Fund	2,047,069	-	2,047,069
At 31 December 2017	<u>19,071,552</u>	<u>10,401,324</u>	<u>29,472,876</u>
At 1 January 2018	19,071,552	10,401,324	29,472,876
Surplus for the year and total comprehensive income for the year	-	3,073,167	3,073,167
Transaction with members			
<i>Contributions and distributions</i>			
Contributions to Building Fund	695,916	-	695,916
At 31 December 2018	<u>19,767,468</u>	<u>13,474,491</u>	<u>33,241,959</u>

Note: The Building Fund shall be used by the Institute for the sole purpose of purchase of real property for the use of the Institute and all incidental costs of fitting, equipping, renovating and improving the real property purchased. The Institute has resolved to change the contributions to the Building Fund from 15% to 5% of annual subscriptions with effect from 1 January 2018.

Statement of Cash Flows

Year ended 31 December 2018

		2018	2017
	Note	HK\$	HK\$
OPERATING ACTIVITIES			
Cash from (used in) operating activities	10	<u>3,871,714</u>	<u>(222,892)</u>
INVESTING ACTIVITIES			
Interest received		485,529	318,200
Purchase of property, plant and equipment		<u>(86,800)</u>	<u>(54,027)</u>
Net cash from investing activities		<u>398,729</u>	<u>264,173</u>
FINANCING ACTIVITIES			
Contributions to Building Fund received		<u>695,916</u>	<u>2,047,069</u>
Net cash from financing activities		<u>695,916</u>	<u>2,047,069</u>
Net increase in cash and cash equivalents		4,966,359	2,088,350
Cash and cash equivalents at beginning of year		<u>39,069,451</u>	<u>36,981,101</u>
Cash and cash equivalents at end of year, represented by bank balances and cash		<u><u>44,035,810</u></u>	<u><u>39,069,451</u></u>

Notes to Financial Statements

Year ended 31 December 2018

CORPORATE INFORMATION

The Institute of Financial Planners of Hong Kong Limited is a professional self-regulatory organisation incorporated in Hong Kong. The Institute's registered office is located at 13th Floor, Causeway Bay Plaza 2, 463-483 Lockhart Road, Hong Kong. The principal activities of the Institute are the promotion of personal financial planning and the certification of the CERTIFIED FINANCIAL PLANNER^{CM} and CFP^{CM} certification marks in Hong Kong.

1. PRINCIPAL ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), accounting principles generally accepted in Hong Kong and the Hong Kong Companies Ordinance.

These financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2017 financial statements except for the adoption of the following new / revised HKFRSs that are relevant to the Institute and effective from the current year. A summary of the principal accounting policies adopted by the Institute is set out below.

Adoption of new / revised HKFRSs

HK(IFRIC)-Int 22: Foreign Currency Transactions and Advance Consideration

The Interpretation clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognised the non-monetary asset or non-monetary liability arising from the advance consideration.

The adoption of the Interpretation does not have any significant impact on the financial statements.

HKFRS 9: Financial Instruments

HKFRS 9 replaces HKAS 39 *Financial Instruments: Recognition and Measurement* for annual periods beginning on or after 1 January 2018. It introduces new requirements for the classification and measurement of financial assets and financial liabilities, impairment for financial assets and hedge accounting.

The adoption of HKFRS 9 has no significant effect on the classification and measurement of the Institute's financial assets and financial liabilities. The carrying amounts for all financial assets and financial liabilities at 1 January 2018 have not been impacted by the initial application of HKFRS 9.

HKFRS 15: Revenue from Contracts with Customers

HKFRS 15 replaces, among others, HKAS 18 and HKAS 11 which specified the revenue recognition arising from sale of goods and rendering of services and the accounting for construction contracts respectively. The Standard establishes a comprehensive framework for revenue recognition and certain costs from contracts with customers within its scope. It also introduces a cohesive set of disclosure requirements that would result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The adoption of HKFRS 15 does not have any significant impact on the revenue recognition of the Institute.

Within the context of HKFRS 15, a receivable is an entity's right to consideration that is unconditional or only the passage of time is required before payment of that consideration is due. If an entity performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the entity shall present the contract as a contract asset, excluding any amounts presented as a receivable. Conversely, if a customer pays consideration, or an entity has a right to an amount of consideration that is unconditional, before the entity transfers a good or service to the customer, the entity shall present the contract as a contract liability when the payment is made or the payment is due (whichever is earlier).

Before the adoption of HKFRS 15, contract balances relating to service contracts were presented in the statement of financial position under trade receivables or payables, amounts due from (to) customers or receipts in advance. However, under HKFRS 15, certain of the balances are reclassified into contract assets or contract liabilities where appropriate. The Company has applied HKFRS 15 retrospectively only to contracts that were not completed at 1 January 2018 in accordance with the transitional provisions therein.

Basis of measurement

The measurement basis used in the preparation of the financial statements is historical cost.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Repairs and maintenance are charged to the profit or loss during the year in which they are incurred.

Depreciation is provided to write off the cost less accumulated impairment losses of property, plant and equipment over their estimated useful lives as set out below from the date on which they are available for use and after taking into account their estimated residual values, using the straight-line method, at the following rates per annum. Where parts of an item of property, plant and equipment have different useful lives, the cost or valuation of the item is allocated on a reasonable basis and depreciated separately:

Office equipment	33 1/3%
Computer equipment	33 1/3%
Leasehold improvement	Over the existing office lease term
Furniture and fixtures	Over the existing office lease term

Financial instruments

Financial assets

Recognition and derecognition

Financial assets are recognised when and only when the Institute becomes a party to the contractual provisions of the instruments and on a trade date basis.

A financial asset is derecognised when and only when (i) the Institute's contractual rights to future cash flows from the financial asset expire or (ii) the Institute transfers the financial asset and either (a) it transfers substantially all the risks and rewards of ownership of the financial asset, or (b) it neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but it does not retain control of the financial asset.

Classification and measurement – applicable from 1 January 2018

Financial assets (except for trade receivables without a significant financing component) are initially recognised at their fair value plus, in the case of financial assets not carried at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial assets. Such trade receivables are initially measured at their transaction price.

On initial recognition, a financial asset is classified as (i) measured at amortised cost; (ii) debt investment measured at fair value through other comprehensive income ("Mandatory FVOCI"); (iii) equity investment measured at fair value through other comprehensive income ("Designated FVOCI"); or (iv) measured at FVPL.

The classification of financial assets at initial recognition depends on the Institute's business model for managing the financial assets and the financial asset's contractual cash flow characteristics. Financial assets are not reclassified subsequent to their initial recognition unless the Institute changes its business model for managing them, in which case all affected financial assets are reclassified on the first day of the first annual reporting period following the change in the business model (the "reclassification date").

Financial assets measured at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVPL:

- (i) it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- (ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate method and are subject to impairment. Gains and losses arising from impairment, derecognition or through the amortisation process are recognised in profit or loss.

The Institute's financial assets at amortised cost include bank balances and cash, pledged deposits, and trade and other receivables.

Classification and measurement – applicable before 1 January 2018

Financial assets are initially recognised at their fair value plus, in the case of financial assets not carried at FVPL, transaction costs that are directly attributable to the acquisition of the financial assets.

Loans and receivables

Loans and receivables including bank balances and cash, pledged deposits, and trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are not held for trading. They are measured at amortised cost using the effective interest method, except where receivables are interest-free loans and without any fixed repayment term or the effect of discounting would be insignificant. In such case, the receivables are stated at cost less impairment loss. Amortised cost is calculated by taking into account any discount or premium on acquisition over the period to maturity. Gains and losses arising from derecognition, impairment or through the amortisation process are recognised in profit or loss.

Financial liabilities

Recognition and derecognition

Financial liabilities are recognised when and only when the Institute becomes a party to the contractual provisions of the instruments.

A financial liability is derecognised when and only when the liability is extinguished, that is, when the obligation specified in the relevant contract is discharged, cancelled or expires.

Classification and measurement

Financial liabilities are initially recognised at their fair value plus, in the case of financial liabilities not carried at FVPL, transaction costs that are direct attributable to the issue of the financial liabilities.

The Institute's financial liabilities include trade and other payables. All financial liabilities are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

Impairment of financial assets and other items under HKFRS 9

Applicable from 1 January 2018

The Institute recognises loss allowances for expected credit losses ("ECL") on financial assets that are measured at amortised cost (including bank balances and cash and trade and other receivables) to which the impairment requirements apply in accordance with HKFRS 9. Except for the specific treatments as detailed below, at each reporting date, the Institute measures a loss allowance for a financial asset at an amount equal to the lifetime ECL if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Institute measures the loss allowance for that financial asset at an amount equal to 12-month ECL.

Measurement of ECL

ECL is a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument.

For financial assets, a credit loss is the present value of the difference between the contractual cash flows that are due to an entity under the contract and the cash flows that the entity expects to receive.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument while 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Where ECL is measured on a collective basis, the financial instruments are grouped based on the following one or more shared credit risk characteristics:

- (i) past due information
- (ii) nature of instrument
- (iii) nature of collateral
- (iv) industry of debtors
- (v) geographical location of debtors
- (vi) external credit risk ratings

Loss allowance is remeasured at each reporting date to reflect changes in the financial instrument's credit risk and loss since initial recognition. The resulting changes in the loss allowance are recognised as an impairment gain or loss in profit or loss with a corresponding adjustment to the carrying amount of the financial instrument.

Definition of default

The Institute considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that the Institute may not receive the outstanding contractual amounts in full if the financial instrument that meets any of the following criteria.

- (i) information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Institute, in full (without taking into account any collaterals held by the Institute); or
- (ii) there is a breach of financial covenants by the counterparty.

Irrespective of the above analysis, the Institute considers that default has occurred when a financial asset is more than 90 days past due unless the Institute has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Assessment of significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Institute compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Institute considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Irrespective of the outcome of the above assessment, the Institute presumes that the credit risk on a financial instrument has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Institute has reasonable and supportable information that demonstrates otherwise.

Notwithstanding the foregoing, the Institute assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

Low credit risk

A financial instrument is determined to have low credit risk if:

- (i) it has a low risk of default;
- (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
- (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Simplified approach of ECL

For trade receivables, the Institute applies a simplified approach in calculating ECL. The Institute will recognise a loss allowance based on lifetime ECL at each reporting date and has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Credit-impaired financial asset

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower.
- (b) a breach of contract, such as a default or past due event.
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider.
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.
- (e) the disappearance of an active market for that financial asset because of financial difficulties.
- (f) the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

Write-off

The Institute writes off a financial asset when the Institute has no reasonable expectations of recovering the contractual cash flows on a financial asset in its entirety or a portion thereof. The Institute expects no significant recovery from the amount written off based on historical experience of recoveries of similar assets. The Institute expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities under the Institute's procedures for recovery of amounts due, taking into account legal advice if appropriate. Any subsequent recovery is recognised in profit or loss.

Applicable before 1 January 2018

At the end of each reporting period, the Institute assesses whether there is objective evidence that financial assets are impaired. The impairment loss of financial assets carried at amortised cost is measured as the difference between the assets' carrying amount and the present value of estimated future cash flow discounted at the financial asset's original effective interest rate. Such impairment loss is reversed in subsequent periods through profit or loss when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Cash equivalents

For the purpose of statement of cash flows, cash equivalents represent short-term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, net of bank overdrafts.

Revenue recognition

Applicable from 1 January 2018

Revenue from contracts with customers within HKFRS 15

Nature of goods and services

The nature of the goods or services provided by the Institute is as follows:

- (a) provision of certification and membership.
- (b) provision of registered programs.
- (c) provision of seminars, conferences, examinations and annual events.
- (d) sales of textbook.

Identification of performance obligations

At contract inception, the Institute assesses the goods or services promised in a contract with a customer and identifies as a performance obligation each promise to transfer to the customer either:

- (a) a good or service (or a bundle of goods or services) that is distinct; or
- (b) a series of distinct good or services that are substantially the same and that have the same pattern of transfer to the customer.

A good or service that is promised to a customer is distinct if both of the following criteria are met:

- (a) the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer (i.e. the good or service is capable of being distinct); and
- (b) the Institute's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract (i.e. the promise to transfer the good or service is distinct within the context of the contract).

Timing of revenue recognition

Revenue is recognised when (or as) the Institute satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

The Institute transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- (a) the customer simultaneously receives and consumes the benefits provided by the Institute's performance as the Institute performs;
- (b) the Institute's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced; or
- (c) the Institute's performance does not create an asset with an alternative use to the Institute and the Institute has an enforceable right to payment for performance completed to date.

If a performance obligation is not satisfied over time, the Institute satisfies the performance obligation at a point in time when the customer obtains control of the promised asset. In determining when the transfer of control occurs, the Institute considers the concept of control and such indicators as legal title, physical possession, right to payment, significant risks and rewards of ownership of the asset, and customer acceptance.

Income from certification is recognised at a point in time on completion of certification services.

Income from membership is recognised over time over the membership period.

Income from registered programs, seminars, conferences, examinations and annual events is recognised over time when the activities are held.

Sale of textbook is recognised at a point in time at which the customer obtains the control of the promised asset, which generally coincides with the time when the goods are delivered to customers and the title is passed.

Interest income

Interest income from financial assets is recognised using the effective interest method. For financial assets measured at amortised cost that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the assets while it is applied to the amortised cost (i.e. the gross carrying amount net of loss allowance) in case of credit-impaired financial assets.

Applicable before 1 January 2018

Revenue is recognised when it is probable that the economic benefits will flow to the Institute and when the revenue and costs, if applicable, can be measured reliably and on the following basis:

Income from certification, membership and examinations is recognised upon completion of service provided.

Income from registered programs is recognised when the Institute's rights to receive payment have been established.

Income from seminars, conferences and annual events is recognised in the period when activities are held.

Income from sales of textbook is recognised when goods are delivered and title has passed.

Interest income from financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Contract assets and contract liabilities

If the Company performs by transferring services to a customer before the customer pays consideration or before payment is due, the contract is presented as a contract asset, excluding any amounts presented as a receivable. Conversely, if a customer pays consideration, or the Company has a right to an amount of consideration that is unconditional, before the Company transfers a service to the customer, the contract is presented as a contract liability when the payment is made or the payment is due (whichever is earlier). A receivable is the Company's right to consideration that is unconditional or only the passage of time is required before payment of that consideration is due.

For a single contract or a single set of related contracts, either a net contract asset or a net contract liability is presented. Contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

Foreign currency translation

Items included in the Institute's financial statements are measured using the currency of the primary economic environment in which the Institute operates ("functional currency").

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, cost of conversion and other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the first in, first out method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period of the write-down or loss occurs.

Impairment of non-financial assets

At each end of the reporting period, the Institute reviews internal and external sources of information to assess whether there is any indication that its property, plant and equipment may be impaired or impairment loss previously recognised no longer exists or may be reduced. If any such indication exists, the recoverable amount of the asset is estimated, based on the higher of its fair value less costs to sell and value in use. Where it is not possible to estimate the recoverable amount of an individual asset, the Institute estimates the recoverable amount of the smallest group of assets that generates cash flows independently (i.e. cash-generating unit).

If the recoverable amount of an asset or a cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. Impairment losses are recognised as an expense in profit or loss immediately.

A reversal of impairment loss is limited to the carrying amount of the asset or cash-generating unit that would have been determined had no impairment loss been recognised in prior years. Reversal of impairment loss is recognised as an income in profit or loss immediately.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease.

Lease incentives are recognised in the profit or loss as an integral part of the net consideration agreed for the use of the leased asset. Contingent rentals are recognised as expenses in the accounting period in which they are incurred.

Employee Benefits

Short term employee benefits

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees.

Defined contribution plans

The obligations for contributions to defined contribution retirement scheme are recognised as an expense in the profit or loss as incurred and are reduced by contributions forfeited by those employees who leave the scheme prior the contributions are vested fully in those employees. The assets of the scheme are held separately from those of Institute in independently administered funds.

Taxation

The charge for current income tax is based on the results for the year as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, any deferred tax arising from initial recognition of goodwill; or other asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss is not recognised.

The deferred tax liabilities and assets are measured at the tax rates that are expected to apply to the period when the asset is recovered or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

Related parties

A related party is a person or entity that is related to the Institute.

- (a) A person or a close member of that person's family is related to the Institute if that person:
- (i) has control or joint control over the Institute;
 - (ii) has significant influence over the Institute; or
 - (iii) is a member of the key management personnel of the Institute or of the parent of the Institute.

(b) An entity is related to the Institute if any of the following conditions applies:

- (i) The entity and the Institute are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Institute or an entity related to the Institute. If the Institute is itself such a plan, the sponsoring employers are also related to the Institute.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Institute or to the parent of the Institute.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (a) that person's children and spouse or domestic partner;
- (b) children of that person's spouse or domestic partner; and
- (c) dependants of that person or that person's spouse or domestic partner.

In the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture.

Critical accounting estimates and judgements

Estimates, assumptions concerning the future and judgements are made by the management in the preparation of the financial statements. They affect the application of the Institute's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key sources of estimation uncertainty

Loss allowance for ECL

The Institute's management estimates the loss allowance for trade and other receivables by using various inputs and assumptions including risk of a default and expected loss rate. The estimation involves high degree of uncertainty which is based on the Institute's historical information, existing market conditions as well as forward-looking estimates at the end of each reporting period. Where the expectation is different from the original estimate, such difference will impact the carrying amount of trade receivables. Details of the key assumption and inputs used in estimating ECL are set out in note 11 to the financial statements.

Future changes in HKFRSs

At the date of authorisation of these financial statements, the HKICPA has issued a number of new / revised HKFRSs that are not yet effective for the current year, which the Institute has not early adopted. The directors are in the process of assessing the possible impact on the future adoption of these new / revised HKFRSs, but are not yet in a position to reasonably estimate their impact on the Institute's financial statements except for HKFRS 16 as set out below.

HKFRS 16: Leases

HKFRS 16 significantly changes, among others, the lessee accounting by replacing the dual-model under HKAS 17 with a single model which requires a lessee to recognise right-of-use assets and lease liabilities for the rights and obligations created by all leases with a term of more than 12 months, unless the underlying asset is of low value. For lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. HKFRS 16 also requires enhanced disclosures to be provided by lessees and lessors.

As at 31 December 2018, the Institute's total future minimum lease payments under non-cancellable operating lease amount to approximately HK\$4,575,903 as disclosed in note 13. A preliminary assessment indicates that this lease arrangement will meet the definition of a lease. Upon application of HKFRS 16, the Institute will recognise a right-of-use asset and a corresponding liability in respect of the lease. In addition, the application of new requirements may result in changes in measurement, presentation and disclosure as indicated above.

2. REVENUE

	2018	2017
	HK\$	HK\$
Revenue from contracts with customers within HKFRS 15		
Income from certification & membership	13,822,859	12,307,233
Income from examinations	1,253,650	1,247,468
Income from annual events	1,037,236	22,620
Income from registered programs	415,500	353,500
Income from seminars & conferences	10,967,830	8,377,915
Income from sales of textbook	222,160	356,938
	27,719,235	22,665,674

3. SURPLUS (DEFICIT) BEFORE TAX

	2018	2017
This is stated after charging:	HK\$	HK\$
Auditor's remuneration	77,000	77,000
Contributions to a defined contribution plan	675,987	589,809
Cost of inventories	111,655	195,213
Operating lease charges on premises	3,487,080	3,442,531

4. TAXATION

Hong Kong Profits Tax for current year has not been provided as the Institute's estimated assessable profits for the year are wholly absorbed by unrelieved tax losses brought forward from previous years.

Reconciliation of tax expense

	2018	2017
	HK\$	HK\$
Surplus (Deficit) before tax	3,073,167	(719,180)
Income tax at applicable tax rate of 16.5% (2017:16.5%)	507,073	(118,665)
Tax exempt revenue	(80,112)	(52,503)
Unrecognised tax losses	-	183,821
Utilisation of previously unrecognised tax losses	(411,818)	-
Unrecognised temporary differences	(15,143)	(12,653)
Tax expense for the year	-	-

5. PROPERTY, PLANT AND EQUIPMENT

	Office equipment	Computer equipment	Leasehold improvement	Furniture and fixtures	Total
	HK\$	HK\$	HK\$	HK\$	HK\$
Reconciliation of carrying amount – year ended 31 December 2017					
At beginning of year	10,389	39,353	-	-	49,742
Additions	13,900	40,127	-	-	54,027
Depreciation	(8,878)	(25,922)	-	-	(34,800)
At end of the reporting period	<u>15,411</u>	<u>53,558</u>	<u>-</u>	<u>-</u>	<u>68,969</u>
Reconciliation of carrying amount – year ended 31 December 2018					
At beginning of year	15,411	53,558	-	-	68,969
Additions	15,188	71,612	-	-	86,800
Depreciation	(11,064)	(35,991)	-	-	(47,055)
At end of the reporting period	<u>19,535</u>	<u>89,179</u>	<u>-</u>	<u>-</u>	<u>108,714</u>
At 1 January 2018					
Cost	55,250	446,238	1,363,787	356,915	2,222,190
Accumulated depreciation	(39,839)	(392,680)	(1,363,787)	(356,915)	(2,153,221)
	<u>15,411</u>	<u>53,558</u>	<u>-</u>	<u>-</u>	<u>68,969</u>
At 31 December 2018					
Cost	70,438	517,850	1,363,787	356,915	2,308,990
Accumulated depreciation	(50,903)	(428,671)	(1,363,787)	(356,915)	(2,200,276)
	<u>19,535</u>	<u>89,179</u>	<u>-</u>	<u>-</u>	<u>108,714</u>

6. INVENTORIES

	2018	2017
	HK\$	HK\$
Souvenirs and text books for sale	<u>372,971</u>	<u>292,848</u>

All inventories, excluding those fully provided for with nil carrying value, are stated at cost.

7. REGISTERED PROGRAM FEES RECEIVABLE

	2018	2017
	HK\$	HK\$
Registered program fees receivable	91,000	50,000

Information about the Institute's exposure to credit risks and loss allowance for trade and other receivables is included in note 11.

Included in the balances are the trade receivables from contracts with customers within HKFRS 15 of HK\$91,000 as at 31 December 2018 (1 January 2018: HK\$50,000).

8. CONTRACT LIABILITIES

The movements (excluding those arising from increases and decreases both occurred within the same year) of contract liabilities from contracts with customers within HKFRS 15 during the year are as follows.

	Total
	HK\$
Year ended 31 December 2018	
At beginning of the year	9,923,730
Recognised as revenue	(9,923,730)
Receipt of advances or recognition of receivables	11,598,195
At the end of the reporting period	11,598,195

At 31 December 2018, no contract liabilities are expected to be settled after more than 12 month.

9. DEFERRED TAXATION

Unrecognised deferred tax assets arising from

	2018	2017
	HK\$	HK\$
Deductible temporary differences	89,385	104,528
Tax losses	3,252,414	3,664,232
At the end of the reporting period	3,341,799	3,768,760

Both the tax losses and the deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Institute can utilise the benefits therefrom.

10. CASH FROM (USED IN) OPERATING ACTIVITIES

	2018	2017
	HK\$	HK\$
Surplus (Deficit) before tax	3,073,167	(719,180)
Depreciation	47,055	34,800
Interest income	(485,529)	(318,200)
Changes in working capital:		
Inventories	(80,123)	155,583
Registered program fees receivable	(41,000)	51,529
Deposits, prepayments and other debtors	(655,012)	(140,731)
Pledged deposits	-	(57,600)
Certification and license fees payable	6,113	42,230
Accrued charges and other payables	332,578	260,672
Contract liabilities	1,674,465	468,005
Cash from (used in) operating activities	3,871,714	(222,892)

11. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Institute's principal financial instruments comprise fees receivables and payables, cash and bank deposits. The main purpose of these financial instruments is to raise and maintain finance for the Institute's operations.

The main risk arising from the Institute's financial instruments is liquidity risk and credit risk. The Institute does not have any written risk management policies and guidelines. However, the directors generally adopt conservative strategies on its risk management and limit the Institute's exposure to these risks to a minimum.

Liquidity risk

The Institute's objective is to maintain a balance between continuity of funding and flexibility. The maturity profile of the Institute financial liabilities at the end of the reporting period based on contractual undiscounted payments are summarised below:

	On demand	Less than 3 months	3-6 months	Total
	HK\$	HK\$	HK\$	HK\$
Year ended 31 December 2018				
Certification and license fees payable	-	1,189,545	-	1,189,545
Accrued charges and other payables	-	1,627,815	370,000	1,997,815
	<u>-</u>	<u>2,817,360</u>	<u>370,000</u>	<u>3,187,360</u>
	On demand	Less than 3 months	3-6 months	Total
	HK\$	HK\$	HK\$	HK\$
Year ended 31 December 2017				
Certification and license fees payable	-	1,183,432	-	1,183,432
Accrued charges and other payables	-	1,315,237	350,000	1,665,237
	<u>-</u>	<u>2,498,669</u>	<u>350,000</u>	<u>2,848,669</u>

Credit risk

The carrying amount of financial assets recognised on the statement of financial position, which is net of impairment losses, represents the Institute's exposure to credit risk without taking into account the value of any collateral held or other credit enhancements.

Trade receivables

The Institute deals only with recognised, creditworthy third parties. Receivable balances are monitored on an ongoing basis with the result that the Institute's exposure to credit risk is not significant.

The Institute's exposure to credit risk is influenced mainly by the individual characteristics of each counter party. At the end of the reporting period, the Institute had a concentration of credit risk as 8% (2017: 9%) of the total receivables was due from the Institute's two largest customers.

The Institute applies a simplified approach in calculating ECL for trade receivables and recognises a loss allowance based on lifetime ECL at each reporting date and has estimated a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The expected loss rate used in the provision matrix is calculated for each category based on past due information over the past two years and adjusted for current and forward-looking factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Institute's estimate on future economic conditions over the expected lives of the receivables. There was no change in the estimation techniques or significant assumptions made during the year.

The information about the exposure to credit risk and ECL for trade receivables using a provision matrix as at 31 December 2018 is summarised below.

As at December 2018

	Expected loss rate	Gross carrying amount	Loss allowance	Credit- impaired
	%	HK\$	HK\$	
Not past due	-	17,000	-	No
1-30 days past due	-	74,000	-	No
		<u>91,000</u>	<u>-</u>	

The ageing of trade receivables as at 31 December 2017 was as follows:

	2017 HK\$
Neither past due nor impaired	<u>50,000</u>

Receivables that were neither past due nor impaired as at 31 December 2017 related to customers for whom there was no history of default.

The Institute does not hold any collateral over trade receivables as at 31 December 2018 (2017: Nil).

Other receivables

The Institute considers its other receivables are subject to low credit risk and the ECL of these other receivables is insignificant after taking into account the financial position and credit quality of the counter party.

Bank balances and time deposits

All of the Institute's bank balances and time deposits were deposited with creditworthy financial institutions in Hong Kong, which the Institute considers they do not have significant credit risk.

Fair values

All financial instruments are carried at amounts not materially different from their fair values as at 31 December 2018 and 2017.

The carrying value less impairment provision of receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Institute for similar financial instruments.

12. FUND MANAGEMENT

The total funds of the Institute comprise the Building Fund and the General Fund. The objectives of the Institute's capital management are to safeguard the Institute's ability to continue as a going concern in promoting the CFP certification and reinforcing the standards in financial planning. No changes were made in the objectives, policies or processes of fund management during the years ended 31 December 2018 and 2017.

13. COMMITMENTS UNDER OPERATING LEASES

At the end of the reporting period, the Institute had total future minimum lease payments under non-cancellable operating leases, which are payable as follows:

	2018	2017
	HK\$	HK\$
Within one year	3,440,500	3,493,800
In the second to fifth years inclusive	1,135,403	4,575,903
	<u>4,575,903</u>	<u>8,069,703</u>

14. PLEDGE OF ASSETS

The Institute has pledged its bank deposits with a net book value of approximately HK\$1,042,200 (2017: HK\$1,042,200) for procuring a continuous bank guarantee in favour of the landlord in respect of a tenancy agreement for the existing office premises signed with the landlord.

15. INFORMATION ABOUT THE BENEFITS OF DIRECTORS

The following disclosures are presented pursuant to section 383 of the Hong Kong Companies Ordinance.

a) Directors' remuneration

There was no directors' remuneration for the year (2017: *Nil*).

b) Loans, quasi-loans and other dealings in favour of directors

There were no loans, quasi-loans or other dealings in favour of the directors of the Institute, or in favour of companies controlled by and entities connected with these directors, that were entered into or subsisted during the year (2017: *nil*).

c) Directors' material interests in transactions, arrangements or contracts

After consideration, the directors are of the opinion that no transactions, arrangements and contracts of significance in relation to the Institute's business to which the Institute was a party and in which a director of the Institute had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2017: *nil*).



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