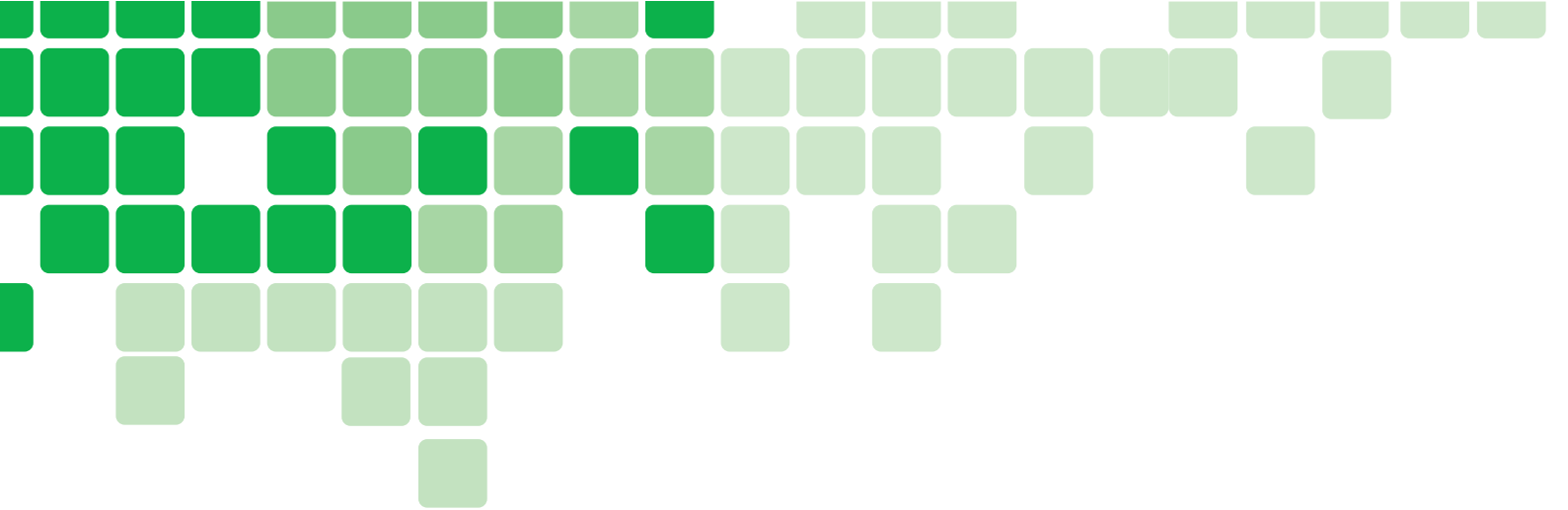


FPAM



Annual Report 2014





Vision

To establish financial planning as a recognized profession through the promotion of excellence in financial planning for the benefit of all Malaysians.

Mission

To establish the global CFP Mark as the leading symbol of excellence for personal financial planning in Malaysia.



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NOTICE IS HEREBY GIVEN that the 15th Annual General Meeting of the Financial Planning Association of Malaysia (FPAM) will be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Saturday, 27 June 2015 at 11.00 a.m. for the following purposes:

1. To receive the President's Statement and Board of Governor's report on the activities of the Association for the year ending 31 December 2014
2. To receive the audited accounts of the Association for the year ending 31 December 2014
3. To elect members of the Board of Governors
 - 3.1 To elect the following Charter Member Representatives to the Board of Governors:5.
 - 3.1.1 Puan Sharifatul Hanizah Said Ali (representing Bank Muamalat Bhd)
 - 3.1.2 Ms. Lor Ai Siew (representing Public Mutual Bhd)
 - 3.1.3 Ms. Elena Chuah Ai Ling (representing CIMB Bank Bhd)
 - 3.1.4 Mr. Ismitz Matthew De Alwis (representing Kenanga Investors Bhd)
 - 3.2. To elect 3 Board members from the following 6 nominees from Certified Members:
 - 3.2.1 Ms. Tang Wee Hen
 - 3.2.2 Mr. Edmond Cheah
 - 3.2.3 Mr. Chu Chee Khiang
 - 3.2.4 Mr. Kong Kim Heng
 - 3.2.5 Mr. Lee Seng Wah
 - 3.2.6 Mr. Paul Low Hong Ceong
4. Recommendation to appoint auditors for 2016 and to authorize the Board to determine their remuneration
5. To transact any other ordinary business for which due notice shall have been given.

By Order of the Board

Paul Khoo Chuin Yuen
Honorary Secretary
Kuala Lumpur
Date: 6 June 2015

Notes:

Only Certified Members of the Association who have fully paid all fees payable in respect of their membership before the date of the Annual General Meeting are entitled to attend and vote at the Annual General Meeting. No proxies are allowed.

Board of Governors



- | | |
|--|---|
| 1) Puan Sharifatul Hanizah Said Ali, President | 8) Ms Say Sok Kwan, Board Member |
| 2) Mr Wong Boon Choy, Board Member | 9) Mr David D Mathew, Board Member |
| 3) Mr Steve Teoh Loon Heng, Board Member | 10) Ms Linnet Lee, CEO |
| 4) Ms Lor Ai Siew, Board Member | 11) Mr U Chen Hock, Board Member |
| 5) Ms Elena Chuah Ai Ling, Board Member | 12) Puan Aida Daud, Board Member |
| 6) Ms Tang Wee Hen, Deputy President | 13) Mr Paul Khoo Chuin Yuen, Honorary Secretary |
| 7) Mr Dennis Tan Yik Kuan, Vice-President | 14) Mr Wong Loke Lim, Honorary Treasurer |

Not in photograph:

- | | |
|--|--|
| (i) Mr Choong Wai Hong, Vice-President | (ii) Mr Edmond Cheah Swee Leng, Board Member |
|--|--|



Board Attendance In Year 2014-2015







Board of Governors - Responsible for all policy matters affecting the Association and the profession		25 June 2014	27 August 2014	21 October 2014	17 January 2015	29 April 2015	Total
1	Sharifatul Hanizah Said Ali	●	●		●	●	4/5
2	Tang Wee Hen		●	●	●	●	4/5
3	Dennis Tan Yik Kuan		●		●		2/5
4	Choong Wai Hong						0/5
5	Paul Khoo Chuin Yuen	●	●	●	●	●	5/5
6	Wong Loke Lim	●	●	●	●	●	5/5
7	Wong Boon Choy		●	●	●		3/5
8	Edmond Cheah Swee Leng						0/5
9	Steve Teoh Loon Heng	●	●	●	●	●	5/5
10	U Chen Hock	●	●		●		3/5
11	Aida Md Daud	●	●		●	●	4/5
12	Lor Ai Siew	●		●	●	●	4/5
13	Elena Chuah Ai Ling		●	●	●	●	4/5
14	Say Sok Kwan		●		●		2/5
15	David D Mathew (Appointed 12 September 2014)			●	●	●	3/3

● Present ■ Absent

Profiles of Board of Governors

Name	Profile
	<p>PUAN SHARIFATUL HANIZAH SAID ALI President</p> <p>Puan Sharifatul Hanizah Said Ali joined Muamalat Invest Sdn Bhd (MISB) in October 2012 as its Chief Executive Officer. She was appointed as Executive Director of MISB on 17 December 2012 upon obtaining approval from the Securities Commission.</p> <p>Puan Hanizah has 25 years of experience in the financial services industry. She began her career in the capital markets industry in 1988 with a bank-backed broking house prior to joining Permodalan Nasional Berhad ("PNB") in 1991. She held several senior positions in PNB with roles and responsibilities in the Investment, Corporate Services and CEO's office. Her vast experience has spanned both the local institution and brief experiences through various work attachments overseas during her tenure at PNB. She has extensive and diverse experience encompassing the field of investment analysis, portfolio management, equity trading and unit trust business. She is currently a holder of the Securities Commission's Capital Markets Services Representative Licence for fund management, a Fellow of the Financial Services Institute of Australasia and a Certified Financial Planner certificant.</p> <p>Puan Hanizah also helmed RHB Asset Management Sdn Bhd in 2007 and subsequently as Managing Director of RHB Investment Management Sdn Bhd from January 2008 to July 2012. Assets under management grew from strength to strength, starting at RM4 billion and until July 2012, saw it at RM16 billion.</p> <p>During her tenure at PNB and RHB, she also served on the boards of both exchange listed and private companies as a nominee for both organisations and is currently also contributing to FAA as member contributor for panel of reviewers.</p> <p>Puan Hanizah has been a member of the Board of Governors of the FPAM since 2010 and was the Honorary Treasurer from 2011 to 2013.</p>
	<p>MS TANG WEE HEN Deputy President</p> <p>Ms Tang Wee Hen is active in promoting financial planning practice in the local, region and international scene. She is a Chartered Accountant (Bachelor of Accounting, Universiti Malaya), CFP, and also an Associate Certified Coach (ACC) credentialed under International Coach Federation (ICF) USA.</p> <p>She was the Vice President of CIMB Wealth Advisors Financial Care Centre where her role was to set up, manage and develop the Financial Care Centre, one of the pioneer licensed financial planning companies providing comprehensive financial planning services in Malaysia. As a Manager Coach for the Financial Planners, she conducted Sales Performance Coaching Clinics to support the planners and she also provided financial planning tools and processes training and support to the financial planners.</p> <p>Prior to CIMB, Ms Tang held various local, regional and international roles with NCR Malaysia, NCR Corporation (USA), IPerintis (affiliated company with Petronas) and British American Tobacco in the areas of finance, accounting, auditing (International Corporate Auditor of NCR in 15 countries), taxation and project management since 1994.</p> <p>Currently, Ms Tang serves as the Vice President Asia for PlanPlus Inc, a world class award winning financial planning software and training company based in Canada. She is also a Partner of Harvest Global Resources SB, a specialist provider of Sales Coaching in the areas of Skills Coaching, Performance Coaching and Developmental Coaching, both for Sales Leaders and Sales Professionals.</p> <p>With more than 10 years of experience in the financial advisory industry, she has specialized herself as a Financial Advisor Consultant Coach, helping financial planners/advisors (both individual and corporate) in developing, transitioning and performing in their business.</p> <p>She is a member of the Board Member of FPAM since 2011 and leads the Practitioner Development Work Group, a member of the Financial Planning Association (FPA USA) Global Committee and Asia Pacific Geographic Focus Group.</p>
	<p>MR. DENNIS TAN YIK KUAN Vice President</p> <p>As Managing Director of iFAST Capital Sdn Bhd, Mr Dennis Tan has over 10 years' experience in the unit trust industry. Mr Tan oversees the iFAST Integrated Wealth Management Platform ("iFAST Platform") business in Malaysia. Launched in October 2008, the iFAST Platform serves Corporate Unit Trust Advisers and financial institutions.</p> <p>iFAST Capital is a subsidiary of iFAST Malaysia Sdn. Bhd., which is wholly owned by iFAST Corporation Ltd. ("iFAST Corporation"). iFAST Corporation is headquartered in Singapore and the iFAST group of companies are also present in Hong Kong, Malaysia and China.</p> <p>iFAST Capital is licensed by the Securities Commission of Malaysia and holds the Capital Markets Services License to carry out the regulated activities of dealing in unit trust, investment advice and dealing in private retirement scheme. The company is also registered with the Federation of Investment Managers Malaysia (FIMM) as an Institutional Unit Trust Advisers (IUTA) to market and distribute unit trusts and Institutional PRS Advisers (IPRA) to market and distribute PRS.</p> <p>Mr Tan joined iFAST Corp in 2002 as an IT Manager and has been actively involved in the software development for end-user application. In 2004, he climbed the ranks to take on the position of Business Development Manager responsible for the growth of the software division business. In 2006, Mr Tan was promoted to Managing Director of iFAST Service Centre Sdn Bhd and more recently in 2008, he took on the role as the Managing Director of iFAST Capital Sdn Bhd.</p> <p>Mr Tan is also the Executive Director for iFAST Malaysia Sdn Bhd and also FA Corporate and Compliance Consultancy Sdn Bhd. He is a Computer Science graduate from University Putra Malaysia.</p> <p>He is a Vice-President of FPAM.</p>





Profiles of Board of Governors (cont'd)

Name	Profile
	<p>MR. CHOONG WAI HONG Vice President</p> <p>Mr Choong Wai Hong, MBA (RMIT), Bachelor Comp Science (UM) & ACCA (UK), has worked in the financial services industry for the past 19 years. He is currently Maybank's Group Head of HNW and Affluent Banking overseeing the premium customer franchise across the Group regionally. He concurrently serves as the Head of Community Financial Services in Singapore and is responsible for the country's retail banking, branch distribution and SME business.</p> <p>Before Maybank, he served at an international bank across Malaysia and later Singapore, where he helmed their Strategic Projects, Distribution Management, Wealth Management, and Retail Banking Product division over a span of 8 years. Prior to that, he started his career in management consulting under Andersen Consulting (later known as Accenture) where he spent 7 years consulting for the financial service industry in retail banking systems & operations, private banking set-up, wealth management advisory solutions and capital market exchanges (derivatives) in Europe, Hong Kong, Singapore and Malaysia.</p> <p>Mr Choong is also a founding committee member of the Asian Wealth Management Association (HK). Currently, he is one of the two appointed Vice-Presidents of FPAM (2013-2015).</p>
	<p>MR. PAUL KHOO CHUIN YUEN Honorary Secretary</p> <p>Mr Paul Khoo has over 17 years of financial services industry experience. He joined StandardFA from a stock broking-backed asset management company, where he was CEO, overseeing Malaysia & Vietnam. He started his fund management career with a global asset management company and assumed various senior roles before serving as their Chief Retail Marketing Officer. During his career in the fund management industry, he was instrumental in expanding the retail and institutional channel, and in addition to establishing a good investment track record. He graduated from University of New Orleans, USA with a Bachelor of Science in Finance majoring in Investment.</p>
	<p>MR. WONG LOKE LIM Honorary Treasurer</p> <p>Mr Wong Loke Lim was first elected to the Board of Governors of FPAM in 2007. He has almost thirty years of experience in the banking and finance-related industry. Currently, he is the Managing Director of i-Biz Concept Sdn Bhd, a financial training and management resources provider. He is also a director of TCF Solution Berhad, a Bursa Malaysia-listed company. Previously, Mr Wong was a general manager at KAF Investment Bank Berhad, an executive director/licensed fund manager representative at Hickham Capital Management Sdn Bhd and the Group Chief Internal Auditor of a KLSE-listed company. He is a Certified Financial Planner, a chartered accountant and a fellow of the Association of Chartered Certified Accountants.</p> <p>Mr Wong was the Deputy President of FPAM from 2011-2013.</p>
	<p>MR. WONG BOON CHOY Immediate Past President</p> <p>Mr Wong Boon Choy, CA(M), CPA, CFP, was appointed as the Chief Executive Officer and Executive Director of Manulife Asset Management Services Berhad on 1 September 2014. Prior to his current appointment, he was the Chief Executive Officer and Executive Director of MAAKL Mutual Bhd from May 2004 until June 2014. He also served as the Senior General Manager of Public Mutual (formerly known as KL Mutual) in 1988 to 2004. Mr Wong has accumulated more than 20 years of experience in the Malaysian unit trust industry. Before joining KL Mutual, he was with an international accounting firm for eight years.</p> <p>Mr Wong is a founder member and former President of the Financial Planning Association of Malaysia (FPAM). He was also involved in establishing the Federation of Investment Managers Malaysia (FiMM) when he was appointed the Founding Secretary. A strong believer in financial planning, he co-authored a financial planning book entitled "Financial Freedom – Your Guide To Lifetime Financial Planning" and a second book entitled "Financial Freedom – Through Malaysian Equities and Unit Trusts". In June 2008, Mr. Wong co-authored a third book which revolves around the themes of health and wealth entitled "CHOICES – Live Well and Don't Die Broke".</p>

Profiles of Board of Governors (cont'd)

Name	Profile
	<p>MR. EDMOND CHEAH SWEE LENG Board Member</p> <p>Mr Edmond Cheah is a founder member and Past President of the FPAM which was established in December 1999.</p> <p>He is a Chartered Accountant by profession and a member of the Malaysian Institute of Accountants and Association of Chartered Accountants, England & Wales. He is also a Certified Financial Planner certificant. His professional experience has been in the fields of audit, merchant banking, corporate and financial advisory, portfolio and investment management, unit trust management and financial planning.</p> <p>Mr Cheah was the Chief Executive Officer/Executive Director and a member of the Investment Committee of Public Mutual Berhad, the largest private unit trust management company in Malaysia. He was also a Council Member and Chairman of the Secretariat of the Federation of Malaysian Unit Trust Managers (FMUTM, now known as FiMM), a former Task Force Member on Islamic Finance for Labuan International Offshore Financial Centre (LOFSA) and a former member of the Securities Market Consultation Panel in Bursa Malaysia Berhad.</p> <p>Mr Cheah sits on the Board of Adventa Berhad, Nylex Malaysia Berhad and Ancom Berhad. These companies are listed on Bursa Malaysia. He was appointed on 1 September 2014 and is an investment committee member of Manulife Asset Management Services Berhad.</p>
	<p>MR. STEVE TEOH LOON HENG Board Member</p> <p>A political science graduate, Mr Steve Teoh, CFP, BA (Hons) UK, MMIM, PHF, is the Past President and a Founding Board Member of FPAM. Until 2011, he was a practicing Financial Planner licensed by the Securities Commission of Malaysia.</p> <p>He was the Chair of the Appeals Committee/Disciplinary Board and was Editor and Editorial Panelist of the 4E Journal for the past 12 years and currently served as its Advisor. He was a member the Financial Planning Standards Board Communications Advisory Panel (CAP) that supports the CFP brand development and communications activities amongst the 25 global FPSB affiliates.</p> <p>Amongst the local industry development undertakings, he was the Chair of the Malaysian Financial Planning Industry Consolidation Taskforce, and was a Work Group Member Representative of the industry SRO (Self-Regulatory Organization) initiatives. The undertaking of the Taskforce is a sanctioned initiative by both the Securities Commission and Bank Negara Malaysia to assist in the orderly development of the Malaysian Financial Planning Industry. Mr Teoh also represented FPAM on the Working Group for Financial Planning at the Malaysian Institute of Accountants (MIA).</p> <p>He was a Licensed Representative of a Wealth Management Consultancy and was the Executive Director of a Securities Commission licensed Asset Management Company.</p> <p>On the social responsibilities front, Mr Teoh is a founding trustee of the BUDIMAS Charitable Trust, a foundation that caters for underprivileged children in 14 orphanages nationwide. The Foundation is under the distinguished Royal Patronage of Her Majesty, the Raja Permaisuri Agong.</p>
	<p>MR. U CHEN HOCK Board Member</p> <p>Mr U Chen Hock is the Executive Director, Group Retail Banking of RHB Bank Berhad.</p> <p>He was formerly the CEO/ED of OSK Investment Bank Berhad (OSKIB) before the latter's merger with RHB Investment Bank. Prior to joining OSKIB, he had an illustrious career spanning over 30 years with a global bank during which time, he had assumed numerous positions and responsibilities in the region in the areas of corporate, commercial and consumer banking.</p> <p>He is a Board Member of FPAM since 2011. He was the President of FPAM for 1.5 terms between 2005/2008 before leaving Malaysia for his overseas postings.</p>
	<p>PUAN AIDA DAUD Board Member</p> <p>Puan Aida Md Daud is currently the Senior Vice President of Human Capital Management and Development Division of Permodalan Nasional Berhad (PNB). She joined PNB in 1981 as an analyst and held various positions in Research and Corporate Services. She was the head of Corporate Services before moving to lead the training and development function in the HR Division in 1998. Since 2012, she heads the division and is responsible for the management and development of human capital of PNB.</p> <p>She graduated from ITM with a Diploma in Public Administration in 1981. In 1984, she participated in a one-year attachment with JB Were & Sons in Melbourne, Australia where she also completed a certificate course from the Financial Securities Institute of Australasia or Finsia (formerly known as Securities Institute, Australia). She then pursued her Bachelor of Science degree in Business Administration (Finance and Law) from Portland State University, USA and later an MBA from Strathclyde University, Scotland.</p> <p>She joined Finsia as an Affiliate member in 1998 and became a Senior Associate Member in 2005, and has been a Certified Member of FPAM since 2003.</p> <p>Puan Aida is a Board Member of FPAM since 2009.</p>

Profiles of Board of Governors (cont'd)

Name	Profile
	<p>MS. LOR AI SIEW Board Member</p> <p>Ms Lor Ai Siew, BA (Hons), CFP, is the General Manager of Agency Operations Department at Public Mutual, overseeing Business Development, Agent Service and Insurance matters. She joined Public Mutual in 1996 and has accumulated more than 15 years of experience in the Malaysian unit trust industry. Prior to joining Public Mutual, she was in the insurance industry from 1990 to 1996, in charge of Agency Development and Support.</p> <p>Ms Lor was a Working Committee Member – Chapter Development, and is currently a Board Member of the Financial Planning Association of Malaysia (FPAM).</p>
	<p>MS SAY SOK KWAN Board Member</p> <p>Associate Professor Ms Say Sok Kwan is the Dean, Faculty of Accountancy, Finance and Business, Tunku Abdul Rahman University College (TAR UC). She has more than 25 years of working experience in the education industry.</p> <p>Ms Say is a Board Member of FPAM since 2011.</p>
	<p>MS ELENA CHUAH AI LING Board Member</p> <p>Ms Elena Chuah Ai Ling is the Head of Sales Management, Consumer Sales & Distribution, CIMB Bank Bhd. She became a member of the Board of Governors of FPAM since 2014.</p> <p>She is responsible for overseeing a few key portfolios primarily related to the sales enablement of the branch sales staff across the 293 branches nationwide. Areas of coverage range from communication, sales tracking and compliance, sales coaches, CRM, KPIs, campaign management, training, licensing and process reengineering to name a few.</p> <p>Ms Chuah began her career as a Management Trainee in UOB Bank before joining Citibank as a CitiGold officer in Penang. In April 2003, she joined Southern Bank as part of a Mass Affluent Project Team and within less than a year was promoted to Area Manager covering the whole Northern region to Perak.</p> <p>After the merger with CIMB Bank, Elena Chuah undertook various senior leadership positions in Kuala Lumpur including serving as Head of Preferred Banking Sales Management in Jan 2010 to the current appointment in 2013.</p>
	<p>MR DAVID DINESH MATHEW Board Member [Appointed 12 September 2014]</p> <p>Mr David Dinesh Mathew is a Partner at Messrs Shook Lin & Bok, one of the largest law firms in Malaysia. It is also the oldest law firm of local origin in the country.</p> <p>Mr Mathew graduated with a LL.B (Honours) from the University of London in 2002. He was then called to the Bar of England and Wales as a member of the Honourable Society of Gray's Inn in 2003. He went on to obtain a Masters in Law (LL.M) (specialising in Corporate and Commercial Law) at the University of London in 2004. He also holds a Graduate Diploma in Law from City University, London as well as credits in the subjects of U.S. and EU Antitrust and Banking and Finance Law from Cornell University.</p> <p>The focus of his work is in the areas of General Litigation, Administrative Law and Employment Law. He also acts as counsel for two major Malaysian public utility companies and has experience handling judicial review applications for regulatory bodies as well as for international clients against local authorities. He has further been involved in a number of important human rights cases in Malaysia relating to religious freedom and native title rights.</p> <p>Outside of legal practice, Mr Mathew taught the final year LL.B subject of Remedies at the University of Malaya from 2008 – 2010. He continues to lecture at the University of Malaya on an ad-hoc basis in practical legal areas such as opinion writing, drafting and trial preparation.</p> <p>Mr Mathew also conducts training workshops for various organisations and professional bodies in the areas of Anti-Money Laundering and Anti-Terrorism Financing, Competition Law and Employment Law.</p>

President's Statement



On behalf of the Board of Governors, I have the pleasure to present to you the 15th Annual Report and Financial Statements of the Financial Planning Association of Malaysia for the year ended 31 December 2014.

Financial Performance

For the year ended 31 December 2014, the Association achieved revenue of RM 2,149,000. This represents a 5.9% increase over the revenue for 2013.

During this period, we recorded a surplus of RM115, 600. The reduced surplus and increased expenditure was driven mainly by larger ticket costs incurred during the course of the year as we normalized human capital increases with the expansion of the team to now include a CEO, after a half year gap and heightened visibility and engagement activities thereby requiring increased investments in collaterals. FPAM also widened its global industry stakeholder engagement through non-recurring activities targeted towards improving and broaden understanding of role of financial planners worldwide. An example of this is the participation in FPSB-led Global Consumer Survey by GFK on public's perception of financial planning (estimated 10,000 respondents) and the value of the CFP mark. The results will be made known in early 2017.

With the increased resources and visibility efforts ramped up, we also saw a flurry of activities. A quick snapshot comparison; 2013 Annual Report recorded 28 CE Courses, 2 Networking Nights and 5 General Meetings. For 2014, we recorded 33 CE Courses, 2 Networking Nights, 5 General Meetings, 6 Public Financial Literacy Talks, 3 Seminars/ Study Tour.

For 2015, we will further strengthen and focus our initiatives on activities in key areas such as membership growth, self-sustainability and visibility which are the Association's basis for existence.

Membership growth and exams are important sources of revenue for the Association and going forward we will continue to work towards building up our membership engagement and growing scope of activities for the financial planning industry to achieve this. Planned activities over and above CE Courses and regular Tea Talks are, FPAM Annual Luncheon Talk, increase in numbers of Public Financial Literacy Talks and Practice Workgroup Sessions

As an Association, efficient cost management will surely be an area of spotlight and one optimal avenue is to establish more industry collaborations as a means to optimize resources available to undertake innovative programs to promote the industry and the importance of financial planning, such as Annual Signature Financial Planner Conference, co-organized with MFPC, events joint with other financial services based/related organizations and participating in Regulators' activities.

Meanwhile, as we focus on expansion of membership and scope of activities, resources will also be allocated towards increasing marketing and branding activities to promote the CFP mark and the Association to create greater awareness within the industry and to the general public.

Membership

Notwithstanding the efforts above, the number of current certified members saw a drop 2,705 to 2,434 individuals, by 549 or -18%. The various attributable reasons have been long standing members who have progressed on to other career alternatives and structural changes of the landscape pursuant to regulatory developments. A similar drop in growth pattern was also recorded globally where we saw the average growth of CFP professionals globally is 2.7% for 2014 vs 3.3% for 2013. Nevertheless Malaysia still holds its 9th ranking among the 26 affiliates in terms of total CFP professionals worldwide. This is still ahead of many other developed countries.

In that declining trend however, we are pleased to record that the Association added 2 new charter members and 4 corporate members. Potential areas for the industry continue to come from the demand for more Licensed Financial Planners.

CFP Professionals in Financial Advice and Wealth Management space who can offer good financial advice as well as tied-agents who are skilled in consultative selling, in order to better serve our 16 million working Malaysians, continue to be an asset to any financial services organization.



It is noteworthy that we have members who are currently involved in the distribution of financial products or employed in the financial services sector which is important as they are able to practice ethical product advice, wealth management and consultative selling, which puts their clients' needs first. These members usually acquire the qualification either through sponsorship by their company or through their own interest in acquiring the knowledge. They are keen to obtain the CFP qualification and learn how to serve their clients better.

The Association continues to strengthen the relevance of the CFP designation for all professionals in the financial industry. Consumers value ethical professionals who place their interests first, and are competent in providing professional and personalized financial services. FPAM, through its collaboration with Financial Planning Standards Board (FPSB), the international owner of the CFP mark outside of the United States, will continue to focus on how the CFP designation can improve members' competency, skills and knowledge to increase their prestige and recognition, in their respective industry segments.

As FPSB grows its affiliate membership to 26 countries this year, so does our cross-border recognition of the CFP mark in these affiliate countries, hence the global recognition of the CFP mark and its certification program as excellence in financial planning.

FPAM continues to grow membership by introducing the certification program to those about to enter the employment market to meet our needs for more financial planners. This is in addition to those who are already employed in the industry and register for the program to equip them with knowledge with a view to develop their career further. We believe that the program provides opportunities for new entrants to the work place with more employment options and the advantage of added knowledge in fields related to the financial services sector. To this end, we have signed Memorandum of Understanding with selected institutions of higher learning in Malaysia to promote the certification program. For 2014, we have started discussions with 3 universities for Module exemptions for their students to complete the CFP certification programme.

Stakeholders Engagement

The Association has stepped up its engagement with relevant stakeholders in 2014. It participated in a Dialogue Session with Securities Commission in regards to easing of requirements to increase the number of Licensed Financial Planners. There were 175 engagements with regulators, government bodies, members and commercial organizations for the year. Out of these, there were 6 Public Financial Literacy Awareness Talks conducted nationwide.

CE Courses

Continuing education continues to be an integral aspect of a professional certification program. This is especially so for members who carry the CFP mark to keep themselves constantly updated on the latest developments in the industry.

For the year ended 31 December 2014, FPAM organized a total of 33 courses nationwide for its members encompassing a range of relevant topics which is beneficial to its members in all sectors of the financial services industry. Almost all of these courses are recognized by SIDC for CPE points and by FiMM for CPD points.

FPAM will also have joint-collaborations with various bodies for related industry courses to give our members a wider scope of programmes.

Chapters

We are also very encouraged and appreciative of the support from the Chapters and this is evidenced by FPAM's Chapters' active organization of various programs for their members in 2014. We also support the Chapters by subsidizing their CE courses and networking activities. We currently have 5 Chapters located in Penang, Ipoh, Malacca, Sabah and Sarawak. Together the Chapters organised 25 activities in their respective states.

The success of our Chapters is due in large part to their committee members who are committed to organizing activities for their members to keep abreast of the latest developments in their industry and provide opportunities for networking. We thank them for their continual passion and volunteer spirit.

Acknowledgement

I am honoured to have been entrusted with the responsibility of being the President of FPAM for yet another year. I would like to thank each and every one of my fellow Board members for their contribution in terms of time, knowledge and expertise. It has helped me to continue carrying out my responsibilities with their support.

The Board of Governors has strategized plans on the Association's direction and operations as well as put in place a series of targets and action plans. These plans would serve as the road map to ensure that the Association is able to overcome obstacles and remain on course to serve the industry and its members well.

On behalf of the Board of Governors, I would also like to express my appreciation to the Secretariat of FPAM for their contribution in the management of the Association.

Last but not least, I wish to thank all of our members; Individuals, Charter and Corporate, for your unwavering commitment and support of FPAM and its activities. I look forward to more of it as we work together towards our passion and vision of helping more Malaysians become more financially-savvy to achieve their life goals.

Wishing all a productive and blessed year in their financial journey ahead.

Thank you.

Sharifatul Hanizah Said Ali, CFP CERTTM
President

Calendar of Events

for the Year 2014

Continuing Education (CE) courses

Associate members must complete 20 hours of Continuing Education (CE) every two years. Once certified, members are required to maintain technical competency and fulfil ethical obligations by completing 30 hours of CE every two years. This is to ensure that member keeps abreast of current developments in the financial planning profession.

A total of 33 courses ranging from intermediate to advance levels were organised nationwide. All courses were accredited with SIDC 10 CPE points. In addition, FPAM had also undertaken to organise in house courses for Maybank Academy.

FPAM like to record its appreciation and thanks to all the Chapters for contributing their services in making all these courses a success.

FPAM CE CALENDAR FOR THE YEAR 2014

January 25

Seminar : **Estate Planning Case Studies for the High Net Worth**

Instructor : Mr. Azhar Iskandar Hew
Venue : Dewan Berjaya, Bukit Kiara Equestrian Resort, KL

February 22

Seminar : **New Retirement Realities**

Instructor : Mr. Rajen Devadason
Venue : Dewan Berjaya, Bukit Kiara Equestrian Resort, KL

February 22

Event : **Price Action Analysis, Trading Psychology and Position Sizing**

Instructor : Mr. YS Tang
Venue : Marvelux Hotel, Melaka

March 10

Seminar : **Asia Financial Planners Seminar**

Venue : Berjaya Time Square, KL



March 15

Seminar : **Theoretical & Practical Approach to Portfolio Construction**

Instructor : Mr. Phua Lee Kerk
Venue : Dewan Berjaya, Bukit Kiara Equestrian Resort, KL

March 22

Seminar : **Estate Planning Case Studies for the High Net Worth**

Instructor : Mr. Azhar Iskandar Hew
Venue : Symphony Suites Hotel, Ipoh Perak

March 22

Seminar : **Investment Planning in the Current Economic Climate**

Instructor : Mr. Wee Hun Been & Mr. Yeo Chee Wei
Venue : Four Points Hotel Kuching, Sarawak

March 24

Seminar : **Good & Services Tax Seminar 2014**

Instructor : Royal Custom Malaysia
Venue : Dewan Tun Dr. Ismail, PWTC KL

April 12

Seminar : **Wealth Maximization through Tax Planning**

Instructor : Mr. KP Bose Dasan
Venue : Dewan Berjaya, Bukit Kiara Equestrian Resort, KL

April 19

Seminar : **Understanding Investors Behaviour in Financial and Investment Decision Making**

Instructors : Dr. Ch'ng Kean Siang, Pn. Norariefah Mohd Iqbal and Pn. Shahira Zaireen
Venue : Northam Hotel, Penang



April 23

Seminar : **Company Analysis: The Strategic Position**

Instructor : Mr. Ch'ng Huck Khoo
Venue : Dewan Berjaya, Bukit Kiara Equestrian Resort, KL

Calendar of Events (cont'd)

for the Year 2014



May 17

Seminar : **Understanding & Interpreting Financial Statements**
 Instructor : Thye Foot Leong
 Venue : Dewan Berjaya, Bukit Kiara Equestrian Resort, KL

May 24

Seminar : **Wealth Maximization through Tax Planning**
 Instructor : Mr. KP Bose Dasan
 Venue : Symphony Suites Hotel, Ipoh Perak



June 21

Seminar : **Estate Planning and the Benefits of Private Trust**
 Instructor : Ms. Nur Sabrina Soon
 Venue : Dewan Berjaya, Bukit Kiara Equestrian Resort, KL

June 7 – 8

Event : **CFP Certification Examinations**
 Venue : Kuala Lumpur, Penang, Johor, Sabah & Sarawak

June 28

Event : **14th Annual General Meeting**
 Venue : Dewan Berjaya, Bukit Kiara Equestrian Resort, Kuala Lumpur



June 28

Event : **Annual Chapters Meeting**
 Venue : Dewan Berjaya, Bukit Kiara Equestrian Resort, Kuala Lumpur



June 28

Seminar : **Wealth Maximization through Tax Planning**
 Instructor : Mr. KP Bose Dasan
 Venue : The Palace Hotel, Kota Kinabalu Sabah

July 6

Seminar : **New Retirement Realities**
 Instructor : Mr. Rajen Devadason
 Venue : Maybank Academy, Bangi

July 13

Seminar : **New Retirement Realities**
 Instructor : Mr. Rajen Devadason
 Venue : Maybank Academy, Bangi

July 19

Seminar : **Price Action Analysis, Trading Psychology and Position Sizing**
 Instructor : Mr. YS Tang
 Venue : Dewan Berjaya, Bukit Kiara Equestrian Resort, KL

July 27

Seminar : **Shariah Perspectives of Financial Planning and Wealth Management**
 Instructor : Mr. Mahadzir Ahmad
 Venue : Symphony Suites, Ipoh Perak

August 16

Seminar : **Anti-Money Laundering (AML) for Financial Professional**
 Instructor : Mr. David Mathew
 Venue : Dewan Berjaya, Bukit Kiara Equestrian Resort, KL

August 21

Tea Talk : **Goods & Services Tax (GST)**
 Speaker : Mr. Jason Ng
 Venue : Dewan Perdana, Bukit Kiara Equestrian Resort, KL
 Sponsor : Kenanga Investors Bhd



September 6

Seminar : **Investment Planning in the Current Economic Climate**
 Instructor : Mr. Wong Loke Lim
 Venue : Symphony Suites Hotel, Ipoh Perak

September 20

Seminar : **Good and Services Tax (GST)**
 Instructor : Mr. Jason Wong
 Venue : Dewan Berjaya, Bukit Kiara Equestrian Resort, KL

Calendar of Events (cont'd)

for the Year 2014

September 27

Seminar : **Wealth Maximization through Tax Planning**
 Instructor : Mr. KP Bose Dasan
 Venue : Evergreen Laurel Hotel, Penang



September 30

Seminar : **Good and Services Tax (GST), 2014 Budget and Its Impact on Capital Market**
 Instructor : Dr. Ch'ng Huck Khoon
 Venue : Sabah Hotel, Sandakan Sabah

October 11

Seminar : **GST - Preparing Malaysians for the Full Impact of GST**
 Instructor : Mr. KP Bose Dasan
 Venue : The Palace Hotel, Sandakan Sabah

October 16

Tea Talk : **Building a Profitable and Comprehensive Financial Planning Practice**
 Speaker : Mr. Yap Ming Hui
 Venue : Dewan Perdana, Bukit Kiara Equestrian Resort, KL
 Sponsor : Kenanga Investment Bank Bhd



October 25

Seminar : **Investment Planning in the Current Economic Climate**
 Instructor : Mr. Yeo Hun Been
 Venue : Phillip Mutual Bhd Office, Kota Kinabalu Sabah

October 30

Seminar : **Investing in Alternative Investments (A.I)**
 Instructor : Chris Gan
 Venue : Dewan Berjaya, Bukit Kiara Equestrian Resort, KL

November 4

Seminar : **New Retirement Realities**
 Instructor : Mr. Rajen Devadason
 Venue : Berjaya Time Square Hotel, Kuala Lumpur

November 5

Seminar : **New Retirement Realities**
 Instructor : Mr. Rajen Devadason
 Venue : Royale Bintang, Kuala Lumpur

November 15

Seminar : **Practical Application of Trust in Estate Planning**
 Instructor : Mr. Azhar Iskandar Hew
 Venue : Dewan Berjaya, Bukit Kiara Equestrian Resort, KL



November 15

Seminar : **GST - Preparing Malaysians for the Full Impact of GST**
 Instructor : Mr. KP Bose Dasan
 Venue : Four Points By Sheraton, Kuching Sarawak

December 2

Tea Talk : **Regulatory Changes Affecting the IFP & CFP Certification Program**
 Speaker : Ms. Patricia Chow
 Venue : Dewan Berjaya, Bukit Kiara Equestrian Resort, KL
 Sponsor : Affin Hwang Asset Management Bhd

December 6 - 7

Event : **CFP Certification Examinations**
 Venue : Kuala Lumpur, Penang, Johor, Sabah & Sarawak

December 6

Event : **Value Investing in Quality Bursa Malaysia Share**
 Instructor : Mr. Bill Wermine
 Venue : EcoTree Hotel, Melaka

December 20

Seminar : **Preventing of Insider Trading and Chinese Wall Requirement**
 Instructor : Mr. Vergis Mathew
 Venue : Dewan Berjaya, Bukit Kiara Equestrian Resort, KL

Report of the Board of Governors

for the Year Ended 31 December 2014



The Board of Governors have pleasure in submitting their report and audited financial statement of the Association for the financial year ended 31 December 2014.

Principal Activities

The Association's principal activities are to conduct its affair with the primary purpose of educating the public on the benefits of financial planning and to conduct certification courses and examinations leading to CFP certification. There has been no significant change in the nature of these activities during the financial year.

1 Financial Results

Operating surplus for the year

RM115,603

In the opinion of the Board, the results of the operations of the Association during the financial year were not substantially affected by any item, transaction or events of a material and unusual nature.

Reserves and Provisions

There were no material transfer to or from reserve or provision during the financial year Other than those disclosed in the financial statements.

2.0 Education and Examination

2.1 Updates for 2014

Accreditation by Finance Accreditation Agency (FAA)

FPAM is pleased to announce that the CFP certification program was accredited by the Finance Accreditation Agency in 2014. FAA is an international and independent quality assurance and accreditation body for the Financial Services Industry supported by Bank Negara Malaysia and the Securities Commission. It is responsible for quality assurance of learning initiatives within the financial services industry, including program accreditation, individual accreditation and institutional accreditation.

The accreditation is another major milestone in the history of the certification program as it is not only recognized globally in 26 affiliate countries but has also met the standards set by an accreditation body for programs tailored for the financial services industry in Malaysia.

Appointment of New Education Provider

FPAM appointed TAR University College (TARUC) as an approved education provider in 2014. TARUC had earlier signed an MOU with FPAM on academic collaboration for its students.

The collaboration has proven to be very successful and well received by the students. As a result, TARUC has decided to offer the program also to the public.

The collaboration would be beneficial as it would increase awareness of the CFP mark and certification program in the Wilayah region. Students would also benefit from TARUC's expertise and experience as an education provider.

New Structure for CFP Certification Program

The CFP certification program underwent a review in 2014. As a result of the review, the syllabus of the certification program has been enhanced and structure of the program has also change.

Report of the Board of Governors (cont'd)

for the Year Ended 31 December 2014

Effective January 2015, members will be required to pass four (4) modules in order to complete the certification program. The modules are:

- Module 1 – Foundation in Financial Planning and Tax Planning
- Module 2 – Insurance Planning and Estate Planning
- Module 3 – Investment Planning and Retirement Planning
- Module 4 – Financial Plan Construction and Professional Responsibilities

The new structure is also in line with the new licensing requirements for both the Financial Adviser's Licence and the Capital Markets Services License.

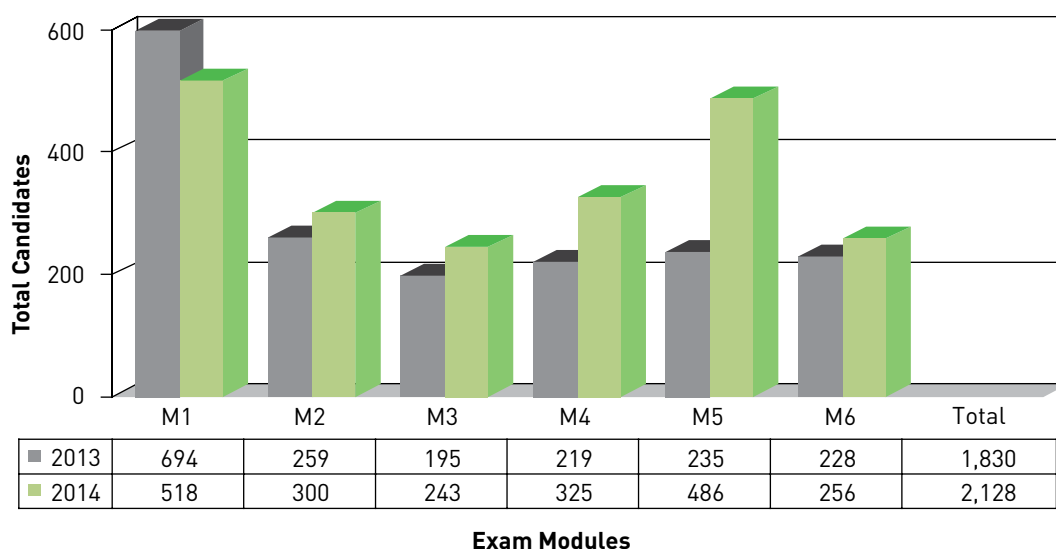
2.2 Enrollment Trend

A total of 2,128 candidates registered for the certification examinations in 2014 compared to 1,830 in 2013, recording an increase of 16%.

The increase in examination registrations for 2014 is a result of the surge in registration for Module 1 in 2013 continuing on to other modules. The surge in Module 1 candidates was due to the implementation of the degree requirement as a prerequisite for the CFP certification program effective 2014.

In 2014, 58% of exam registrations were employees of Charter members. This remains unchanged from 2013. Registrations from Corporate member companies remain at 2% and likewise registrations from the public at 40%.

2014 vs 2013 Comparison of Candidates by Exam Modules



Analysis of registrations by industry for 2014 highlights an increase in registrations from the insurance and unit trust industry and decrease from the banking sector. The increase in registrations from the unit trust and insurance sector is due to many agents who want to enroll for the certification program likely due to a more competitive market place which has created a demand for advisory selling which requires agents who are professional, ethical and able to serve the needs of more sophisticated consumers.

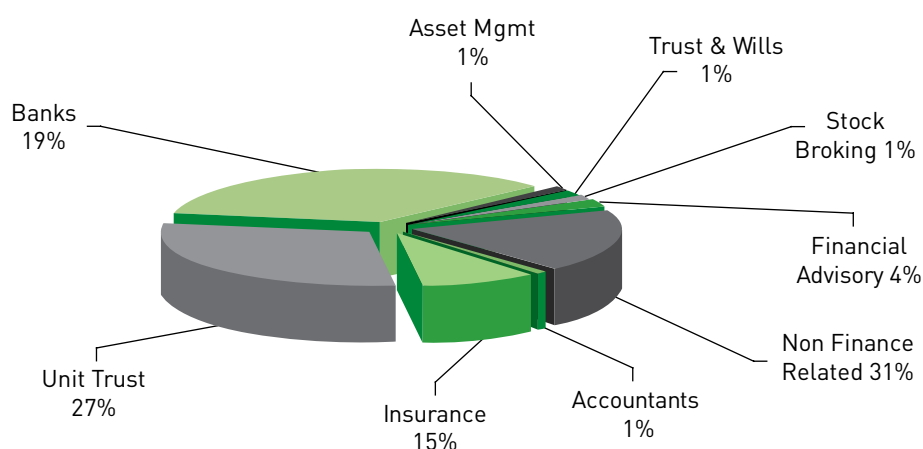
In 2013 registrations from the banking sector totaled 27%, in 2014 it declined to 19%. Registrations from those in the unit trust and insurance industry increased respectively from 25% and 14% in 2013 to 27% and 15% in 2014.

Report of the Board of Governors (cont'd)

for the Year Ended 31 December 2014



Analysis of Exam Candidates by Industry 2014



3.0 Membership

3.1 Individual Members

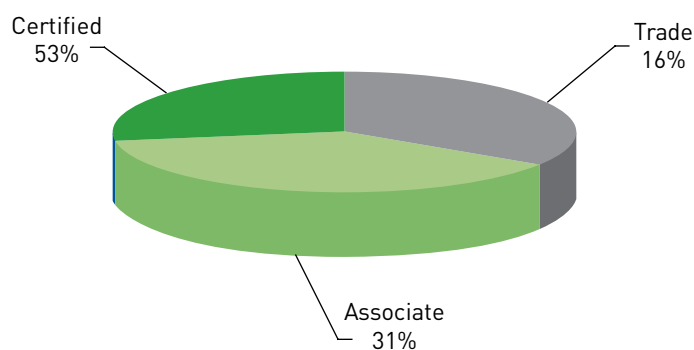
3.1.1 Membership by Category

The total number of members who have completed or are undergoing CFP certification program as at 31 December 2014 stands at 4,700. For the year ended 2014 only members who paid their dues in 2014 are recognized as members.

The decrease in new Trade members for 2014 contributed mainly to the decrease in membership. The decrease in Trade membership is the stabilizing of exam registrations for Module 1 after the surge in 2013 when many members tried to beat the deadline before the implementation of the degree requirement as an entry prerequisite for the certification program.

Renewals for Certified membership also decreased in spite of more concerted efforts in encouraging members to renew their memberships. The uncertainties in the country's economic situation has also contributed to the lower renewals in 2014.

Membership as at 31 December 2014



Report of the Board of Governors (cont'd)

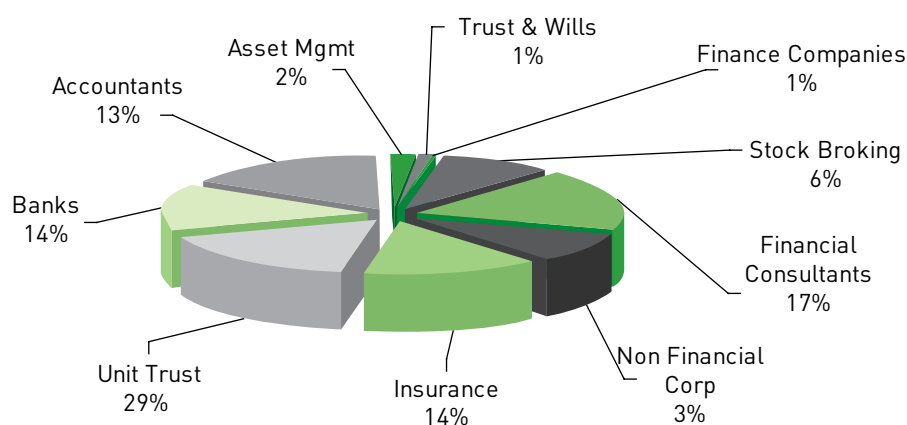
for the Year Ended 31 December 2014

3.1.2 CFP Professionals by Industry

An analysis of the 2,484 Certified members as at 31 December 2014 by industry indicates that like previous years the largest groups of Certified members continue to be those working in the unit trust and financial consultancy and advisory sector. Members working in the unit trust industry and as financial consultants form the largest groups, each accounting for 29% and 17% respectively.

Certified members working in the financial services sector like banking and insurance and those working as Accountants comprise the next biggest groups of Certified members. Members working in these sectors are often required to provide advice to their clients. Their advice needs to be credible, timely and relevant and to ensure that they meet those criterion, they are required to have a recognized professional qualification which provides them with the knowledge required to do their job.

CFP Professionals By Industry as at 31 December 2014

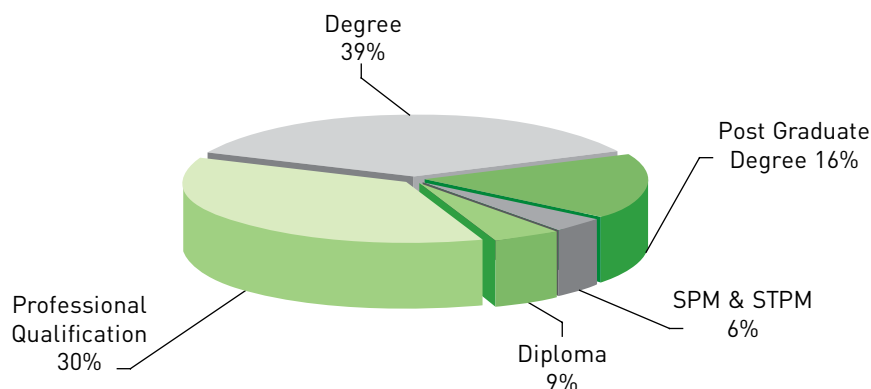


3.1.3 CFP Professionals by Qualification

The CFP designation continues to be sought after by professionals who have at least a Bachelor's degree. This is due to the recognition accorded to it worldwide and by local regulatory bodies.

Over 85% of Certified members possess at least a degree and for those working in the financial services industry, the qualification is the one which is relevant to their career and able to provide opportunities for career enhancement and growth. The prerequisite of a Bachelor's degree has also added to the prestige of the program.

CFP Professionals By Qualifications as at 31 December 2014



Report of the Board of Governors (cont'd)

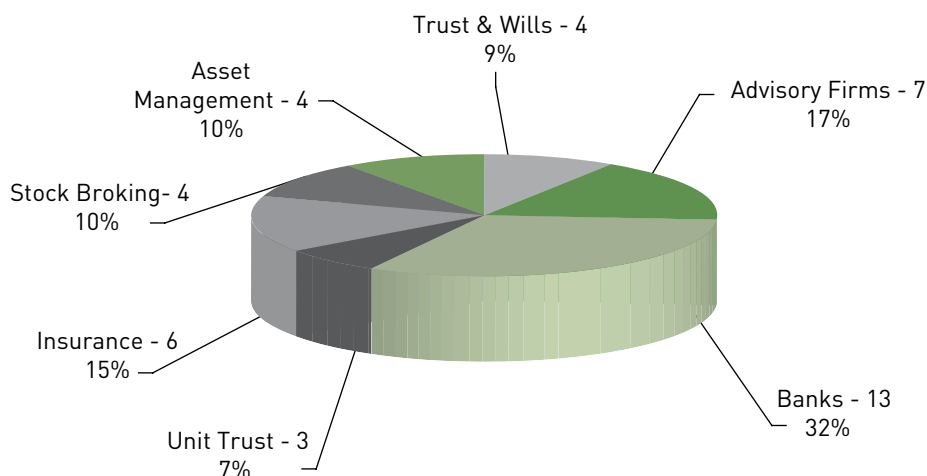
for the Year Ended 31 December 2014



3.2 Charter and Corporate Members

FPAM now has a total of 41 Charter and Corporate members drawn from a wide cross section of the financial sector with almost all of the major sectors being represented.

Charter & Corporate Members as at 31 December 2014



4. CE COURSE

This year a total of 25 full day courses with fees were organised nationwide. Of these courses, 16 were organised by FPAM in the Klang Valley and the balance by the local Chapters in their respective regions.

In Perak, 3 courses were held in Ipoh. In Penang, there were 3 courses. Over in Sabah, 2 courses were held in Kota Kinabalu whereas in Sarawak, 1 course was held in Kuching. FPAM will like to record its appreciation and thanks to all the Chapters for contributing their services in making these courses a success.

All courses were accredited with SIDC with 10 CPE points. Courses were held on weekends as well as weekdays. Just over 600 participants attended the courses with members comprising about 50%.

Report of the Board of Governors (cont'd)

for the Year Ended 31 December 2014

5.0 The 4E Journal

4E Journal, the official publication of FPAM continues to remain as an important journal for stakeholders in the financial planning industry and anyone wishing to keep abreast of the latest industry news and views.

For 2014, the publication was increased to 3 issues to offer features and updates instead of half yearly as the previous year.



Report of the Board of Governors (cont'd) for the Year Ended 31 December 2014



6.0 Chapter

Perak

March 22

Seminar : **Estate Planning Case studies for the High Net Worth**

Instructor : Mr. Azhar Iskandar Hew
Venue : Symphony Suites Hotel, Ipoh



May 24

Seminar : **Wealth Maximization through Tax Planning**

Instructor : Mr. KP Bose Dasan
Venue : Symphony Suites Hotel, Ipoh



July 22

Event : **Financial Literacy Talk**

Instructor : Syanon Munning & Evonne Chen
Venue : Universiti Tunku Abdul Rahman (UTAR)



August 16

Event : **FPAM Ipoh 12th General Meeting**

Guest : Yew Teck Huat & Linnet
Speakers : Lee
Venue : Kinta Riverfront Hotel, Ipoh



September 6

Seminar : **Investment Planning in the Current Economic Climate**

Instructor : Mr. Wong Loke Lim
Venue : Symphony Suites Hotel, Ipoh Perak



September 29 – October 1

Event : **FPAM Perak Chapter Study Tour to Singapore**

Places Visited:

- Financial Alliance Pte Ltd
- iFast Corporation Ltd
- Education provider Kapital Minds
- Society of Trust & Estate Practitioners (STEP) Singapore
- Financial Planning Association of Singapore (FPAS)



Malacca

February 22

Event : **Price Action Analysis, Trading Psychology and Position Sizing**

Instructor : Mr. Tang Yue Shiang
Venue : Marvelux Hotel, Melaka

March 14

Event : **Melaka Chapter Networking Nite**

Venue : Holiday Inn, Melaka



October 16

Event : **Networking and Industry Update with Financial Alliance Pte Ltd**

Venue : Nyonya Suan Restaurant



October 16

Event : **Nicholas Chu New Book Launching and Public Financial Education Talk (In cooperation with Malacca Foundry & Engineering Industries Association, (MFEIA))**

Venue : MFEIA main hall, Malacca



Report of the Board of Governors (cont'd)

for the Year Ended 31 December 2014

December 6

Event : **Value Investing in Quality Bursa Malaysia Share**
 Instructor : Mr. Bill Wermine
 Venue : EcoTree Hotel, Melaka

Penang

April 19

Seminar : **Understanding Investors Behaviour in Financial and Investment Decision Making**
 Instructors: Dr. Ch'ng Kean Siang, Pn. Norariefah Mohd Iqbal and Pn. Shahira Zaireen
 Venue : Northam Hotel, Penang



April 19

Event : **Networking Night**
 Venue : Northam Hotel, Penang



July 24

Event : **Star Property Talk**
 Venue : G Hotel, Penang



September 27

Seminar : **Wealth Maximization through Tax Planning**
 Instructor : Mr. KP Bose Dasan
 Venue : Evergreen Laurel Hotel, Penang



November 13

Event : **Financial Literacy Talk at SEGi College Penang**
 Instructor : Sin Chee Kwan
 Venue : SEGi College Penang



Sabah

June 28

Seminar : **Wealth Maximization through Tax Planning**
 Instructor : Mr. KP Bose Dasan
 Venue : The Palace Hotel, Kota Kinabalu

July 19

Event : **Financial Literacy Talk to Sabah Social Movement Society**
 Instructor : Mr. Wilfred Lim
 Venue : Celyn Hotel, Kota Kinabalu



September 30

Seminar : **Good and Services Tax (GST), 2014 Budget and Its Impact on Capital Market**
 Instructor : Dr. Ch'ng Huck Khoon
 Venue : Sabah Hotel, Sandakan Sabah

October 11

Seminar : **GST - Preparing Malaysians for the Full Impact of GST**
 Instructor : Mr. KP Bose Dasan
 Venue : The Palace Hotel, Kota Kinabalu, Sabah



Sarawak

March 22

Seminar : **Investment Planning in the Current Economic Climate**
 Instructor : Mr. Wee Hun Been & Mr. Yeo Chee Wei
 Venue : Four Points Hotel Kuching, Sarawak

November 15

Seminar : **GST - Preparing Malaysians for the Full Impact of GST**
 Instructor : Mr. KP Bose Dasan
 Venue : Four Points By Sheraton, Kuching Sarawak

August – October

Event : **GST seminars and awareness**
 Venue : Bintulu

Statement by The Board of Governors



We, the undersigned, on behalf of the Board of Governors of the Financial Planning Association of Malaysia ("the Association"), state that, in our opinion, the financial statements set out on pages 4 to 19 are drawn up so as to give a true and fair view of the financial position of the Association as at 31 December 2014 and of its results and cash flows for the financial year then ended in accordance with the Private Entity Reporting Standards in Malaysia.

Signed on behalf of the Board of Governors in accordance with their resolution dated 20 May 2015.

SHARIFATUL HANIZAH SAID ALI

President

WONG LOKE LIM

Treasurer

Kuala Lumpur



Independent Auditor's Report

To The Members of Financial Planning Association of Malaysia

Report on the financial statements

We have audited the financial statements of Financial Planning Association of Malaysia ("the Association") which comprise the statement of financial position as at 31 December 2014 and the statement of comprehensive income, statement of changes in surplus and statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 4 to 19.

Board of Governors' responsibility for the financial statements

The Board of Governors of the Association is responsible for the preparation of the financial statements so as to give a true and fair view in accordance with Private Entity Reporting Standards in Malaysia. The Board of Governors are also responsible for such internal control as the Board of Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Association's preparation of financial statements that give a true and fair view 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 Association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Governors of the Association, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Association as at 31 December 2014 and of its financial performance and cash flows for the financial year then ended in accordance with Private Entity Reporting Standards in Malaysia.

Other matters

This report is made solely to the members of the Association, as a body, and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young
AF: 0039
Chartered Accountants

Kuala Lumpur, Malaysia
20 May 2015

Muhammad Syarizal Bin Abdul Rahim
No. 3157/01/17(J)
Chartered Accountant

Statement of comprehensive income

For the financial year ended 31 December 2014

	Note	2014 RM	2013 RM
Income			
Membership fees		1,291,569	1,301,638
Sponsorship income		30,500	25,500
Surplus from conference		10,948	5,547
Surplus from continuing education courses	3	105,780	131,051
Surplus from examination	4	629,207	433,717
Surplus from manual project		6,812	10,236
Gains on disposal of property and equipment		-	40,500
Interest income		59,301	74,563
Other income		14,949	7,127
		<u>2,149,066</u>	<u>2,029,879</u>
Less: Expenditure			
Staff costs			
- salaries and bonus		824,955	731,090
- defined contribution plan		121,903	118,960
Rental expenses		60,144	60,144
Depreciation of property and equipment	7	12,653	11,347
Financial Planning Standard Board and Board meeting expenses		43,833	31,337
Chapter development expenses		43,234	37,077
Marketing and promotional expenses		80,975	10,533
Membership development expenses		7,290	5,520
Auditors' remuneration		18,000	13,000
Licence fee		299,571	294,761
Other expenses	5	510,974	430,314
		<u>2,023,532</u>	<u>1,744,083</u>
Surplus of income over expenditure before taxation		125,535	285,796
Taxation	6	(9,932)	(6,073)
Surplus of income over expenditure after taxation		<u>115,603</u>	<u>279,723</u>

The accompanying notes form an integral part of the financial statements.

Statement of financial position

as at 31 December 2014

	Note	2014 RM	2013 RM
Assets			
Non-current assets			
Property and equipment	7	41,313	24,950
Current assets			
Receivables, deposits and prepayments	12	192,697	150,659
Deposits with financial institutions	13	896,693	-
Cash and cash equivalents	8	2,434,134	3,269,021
		3,523,524	3,419,680
Total assets		3,564,837	3,444,630
Current liabilities			
Grants	9	453,253	585,628
Advanced membership fees	10	350,825	357,870
Provision for taxation		3,700	3,000
Deferred tax liabilities	14	9,232	-
Payables	11	1,093,163	1,000,571
		1,910,173	1,947,069
Non-current liability			
Sponsorship deposits received from charter members		104,500	63,000
Total liabilities		2,014,673	2,010,069
Net assets		1,550,164	1,434,561
Represented by:			
Surplus brought forward		1,434,561	1,154,838
Surplus of income over expenditure after taxation		115,603	279,723
Surplus carried forward		1,550,164	1,434,561

The accompanying notes form an integral part of the financial statements.

Statement of changes in surplus

as at 31 December 2014



	Surplus RM
At 1 January 2013	1,154,838
Surplus of income over expenditure after taxation for the year	279,723
	<hr/>
At 31 December 2013	1,434,561
	<hr/>
At 1 January 2014	1,434,561
Surplus of income over expenditure after taxation for the year	115,603
	<hr/>
At 31 December 2014	1,550,164
	<hr/>

The accompanying notes form an integral part of the financial statements.

Statement of cash flows

For the financial year ended 31 December 2014

	2014 RM	2013 RM
Cash flows from operating activities		
Surplus of income over expenditure before taxation	125,535	285,796
Adjustments for:		
Depreciation of property and equipment (Note 7)	12,653	11,347
Gain on disposal of property and equipment	-	(40,500)
Interest income	(59,301)	(74,563)
	78,887	182,080
Increase in payables	92,593	101,939
(Increase)/decrease in receivables	(42,038)	7,733
Utilisation of grant	(132,375)	(69,300)
Decrease in advanced membership fees	(7,045)	(57,755)
Increase in sponsorship deposits received from charter members	41,500	4,500
Net cash generated from operating activities	31,521	169,197
Cash flows from investing activities		
Proceed from disposal of property and equipment	-	40,501
Purchase of property and equipments	(29,016)	(7,185)
Fixed deposits placement with financial institutions	(896,693)	-
Net cash (used in)/generated from investment activities	(925,709)	33,316
Cash flows from financing activity		
Interest received, representing net cash inflow from financing activity	59,301	74,563
Net (decrease)/increase in cash and cash equivalents	(834,887)	277,076
Cash and cash equivalents at beginning of financial year	3,269,021	2,991,945
Cash and cash equivalents at end of financial year (Note 8)	2,434,134	3,269,021

The accompanying notes form an integral part of the financial statements.

Notes to the financial statements

- 31 December 2014



1. Corporate information

The Financial Planning Association of Malaysia ("the Association") was established pursuant to the Societies Act, 1966 on 13 December 1999.

The Association is a non-profitable organisation with a mission to educate the public on the process and benefits of financial planning and to raise the standards of competency and ethical practice of qualified financial planners in Malaysia.

The address of the registered office and principal place of business of the Association is at Unit 305, Block A Pusat Dagangan Phileo Damansara I, Jln 16/11 Off Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan.

The financial statements were authorised for issue by the Board of Governors of the Association in accordance with their resolution dated 20 May 2015.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared under the historical cost convention and comply with the Private Entity Reporting Standards in Malaysia.

The financial statements are presented in Ringgit Malaysia ("RM").

2.2 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

Property and equipment are depreciated on a straight line basis to write off the cost of the assets to their residual values over their estimated useful lives, summarised as below:

Office equipment	5 years
Renovation	5 years
Furniture and fittings	5 years
Computer equipment and software	3 years
Motor vehicle	5 years

Gains and losses on disposals are determined by comparing proceeds with carrying amounts and are included in the statement of income and expenditure.

At each reporting date, the Association assesses whether there is any indication of impairment. Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount.

Repairs and maintenance are charged to the statement of income and expenditure during the period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Association. Major renovations are depreciated over the remaining useful life of the related asset.



Notes to the financial statements (cont'd)

- 31 December 2014

2. Summary of significant accounting policies (cont'd)

2.3 Impairment of financial assets

To determine whether there is objective evidence that an impairment loss on the financial assets has been incurred, the Association considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss. The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

2.4 Impairment of non-financial assets

The Association assess at each reporting date whether there is an indication that an asset maybe impaired. If there is such indication or when annual impairment testing for an asset is required, the Association estimate the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit ("CGU")'s fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

For other non-financial assets, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Association estimates the asset's or CGU's recoverable amount.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceeds the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the profit or loss, unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.5 Receivables

Receivables are carried at anticipated realised value. An estimate is made for doubtful debts based on a review of all outstanding amounts as at financial year end. Bad debts are written off during the financial year in which they are identified.



2. Summary of significant accounting policies (cont'd)

2.6 Revenue recognition

Annual membership fees are recognised as income over the membership period when no uncertainty as to its collectability exists.

Sponsorship deposits received from charter members are recognised as income evenly over a period of ten years upon commencement of the CERTIFIED FINANCIAL PLANNER™ Certification Programme.

Other income such as surplus from conference, examination and continuing education courses are recognised on an accrual basis.

Interest income is recognised on time proportion basis that reflects the effective yield of the asset.

2.7 Income taxes

Current tax expense is determined according to the tax laws of the jurisdiction in which the Association operates and include all taxes based upon the taxable surplus.

Deferred tax is recognised in full, using the liability method, on temporary differences arising between the amount attributed to assets and liabilities for tax purposes and their carrying amounts in the financial statements. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of transaction affects neither accounting nor taxable profit and loss.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences or unused tax losses can be utilised.

Deferred tax is determined using tax rates (and tax laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or deferred tax liability is settled.

2.8 Employee benefits

Short-term employee benefits

Wages, salaries, bonuses, paid annual leave and non-monetary benefits are accrued in the year in which the associated services are rendered by employees of the Association.

Defined contribution plans

A defined contribution plan is a pension plan under which the Association pays fixed contributions to the national pension scheme, Employees' Provident Fund ('EPF'). The Association's contributions to defined contribution plans are charged to the statement of income and expenditure in the financial year to which they relate. Once the contributions have been paid, the Association has no further payment obligations.

2.9 Cash and cash equivalents

Cash and cash equivalents comprise cash, bank balances and deposits held with licensed banks with original maturity of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Notes to the financial statements (cont'd)

- 31 December 2014

2. Summary of significant accounting policies (cont'd)

2.10 Grants

Grants from the government are recognised at their fair values where there is a reasonable assurance that the grants will be received and the Association will comply with all the attached conditions.

Government grants relating to income are deferred and recognised in the statement of income and expenditure over the period necessary to match them with the costs they are intended to compensate.

2.11 Foreign currency conversion and translation

Transactions in foreign currencies are converted into Ringgit Malaysia at rates of exchange ruling at the transaction dates. Monetary assets and liabilities in foreign currencies at the balance sheet date are translated into Ringgit Malaysia at rates of exchange ruling at that date. All exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are included in the income statement.

The principal closing exchange rates for every unit of foreign currency to Ringgit Malaysia used in the translation of foreign currency amounts are as follows:

	2014 RM	2013 RM
<u>Foreign currencies</u>		
US Dollar	3.50	3.28

3. Surplus from continuing education courses

	2014 RM	2013 RM
Continuing education course income	174,640	203,671
Seminar package expenses	(23,123)	(31,323)
Other expenses	(45,737)	(41,297)
	<u>105,780</u>	<u>131,051</u>

4. Surplus from examination

	2014 RM	2013 RM
Examination fee income	627,625	456,962
Expenses incurred in relation to examination	(130,793)	(92,545)
Grant income	132,375	69,300
	<u>629,207</u>	<u>433,717</u>

The grant income relates to the drawn down during the year by the Association and Islamic Banking and Finance Institute Malaysia Sdn Bhd ("IBFIM") for the Islamic Financial Planners certification programme as disclosed in Note 9.

Notes to the financial statements (cont'd)

- 31 December 2014



5. Other expenses

	2014 RM	2013 RM
4E Journal expenses	44,280	62,099
Annual General Meeting expenses	13,503	12,690
Bank and credit card charges	21,267	20,001
Electricity and utilities	12,485	11,938
Impairment of trade receivables (Note 12)	20,850	-
General expenses	14,417	36,281
Allowance for Board of Governors and Committee Members	5,000	2,700
Insurance	8,220	7,060
Maintenance of premises and computers	34,677	20,356
Maintenance of website	10,013	8,100
Postage and courier	9,053	7,043
Printing and stationeries	19,584	23,213
Professional fees	50,780	15,070
Rental of photocopier	7,055	7,025
Staff training, recruitment and welfare	24,274	49,254
Telecommunication	19,587	19,030
Travelling	30,268	23,816
Unrealised foreign exchange loss	-	5,807
Withholding tax	33,286	29,531
Islamic Financial Planners expenses (Note 9)	132,375	69,300
	<hr/> 510,974	<hr/> 430,314

6. Taxation

	2014 RM	2013 RM
Income tax:		
Current year	3,000	3,048
(Over)/under provision in prior year	(2,300)	3,025
	<hr/> 700	<hr/> 6,073
Deferred tax		
Relating to origination and reversal of temporary differences	9,232	-
	<hr/> 9,932	<hr/> 6,073

The chargeable income of the Association is taxed at a scaled rate under Schedule 1 of the Income Tax Act, 1967 and current taxation for the current financial year is provided based on the Income Tax (Exemption) (No. 19) Order 2005, whereby statutory income derived from members' subscription fees is exempted.

Notes to the financial statements (cont'd)

- 31 December 2014

6. Taxation (cont'd)

The explanation of the relationship between taxation and surplus of income over expenditure before taxation is as follows:

	2014 RM	2013 RM
Surplus of income over expenditure before taxation	125,535	285,796
Tax at Malaysian statutory tax rate @ 25%	31,384	71,449
Effect of reduction in tax rate	(15,501)	(28,385)
Effect of income not subject taxation	(7,903)	(46,604)
Effect of expenses not deductible for tax purposes	4,252	6,588
(Over)/under provision in prior year	(2,300)	3,025
	9,932	6,073

7. Property and equipment

	Office equipment RM	Renovation RM	Furniture and fittings RM	Computer equipment and software RM	Motor vehicles RM	Total RM
Cost						
At 1 January 2014	51,218	15,590	54,312	325,053	-	446,173
Additions	7,267	-	-	21,749	-	29,016
At 31 December 2014	58,485	15,590	54,312	346,802	-	475,189
Accumulated depreciation						
At 1 January 2014	45,663	5,571	49,633	320,356	-	421,223
Charge for the financial year	2,833	2,558	1,245	6,017	-	12,653
At 31 December 2014	48,496	8,129	50,878	326,373	-	433,876
Net book value						
At 31 December 2014	9,989	7,461	3,434	20,429	-	41,313

Notes to the financial statements (cont'd)

- 31 December 2014



7. Property and equipment (cont'd)

	Office equipment RM	Renovation RM	Furniture and fittings RM	Computer equipment and software RM	Motor vehicles RM	Total RM
Cost						
At 1 January 2013	49,667	15,590	53,878	321,353	148,986	589,474
Additions	1,551	-	1,934	3,700	-	7,185
Disposals	-	-	(1,500)	-	(148,986)	(150,486)
At 31 December 2013	51,218	15,590	54,312	325,053	-	446,173
Accumulated depreciation						
At 1 January 2013	44,027	3,013	49,840	314,496	148,985	560,361
Charge for the financial year	1,636	2,558	1,293	5,860	-	11,347
Disposals	-	-	(1,500)	-	(148,985)	(150,485)
At 31 December 2013	45,663	5,571	49,633	320,356	-	421,223
Net book value						
At 31 December 2013	5,555	10,019	4,679	4,697	-	24,950

8. Cash and cash equivalents

	2014 RM	2013 RM
Deposits held with licensed banks	746,365	2,488,606
Cash and bank balances	1,687,769	780,415
	2,434,134	3,269,021

Included in the cash and bank balances is the grant received (net of expenses claimed) from Capital Market Development Fund ("CMDf") to date amounting to RM453,253 (2013: RM585,628).

The weighted average effective interest rate ("WAEIR") per annum and average maturity of deposits with financial institutions as at the reporting date is as follows:

	2014		2013	
	Average Maturity Days	WAEIR % p.a.	Average Maturity Days	WAEIR % p.a.
Licensed banks	15	3.15	30	3.12

Notes to the financial statements (cont'd)

- 31 December 2014

9. Grant

This is the grant awarded by CMDF to the Association and IBFIM in relation to development and implementation of the certification programme for Islamic Financial Planners .

The balance represents the total amount received from CMDF for the Association and IBFIM to date, less accumulated eligible expenses claimed by the Association and IBFIM. The amount drawn down was based on milestones achieved based on the broad guidelines agreed with CMDF.

	2014 RM	2013 RM
At 1 January	585,628	654,928
Utilisation of grant	(132,375)	(69,300)
At 31 December	453,253	585,628

10. Advanced membership fees

	2014 RM	2013 RM
Trade membership fees	149	1,199
Associate membership fees	5,730	36,870
Certified membership fees	344,946	319,801
	350,825	357,870

Advanced membership fees represent annual fees paid by members that relate to the unexpired periods of the membership.

11. Payables

	2014 RM	2013 RM
Trade payables	299,570	296,808
Other payables	386,094	410,068
Accruals	407,499	293,695
	1,093,163	1,000,571

Included in accruals are allowances payable to the Board of Governors of the Association of RM5,000 (2013: RM10,300).

Notes to the financial statements (cont'd)

- 31 December 2014



12. Receivables, deposits and prepayments

	2014 RM	2013 RM
Trade receivable	142,600	77,850
Less: Impairment	(24,880)	(4,030)
	<hr/>	<hr/>
	117,720	73,820
Deposits and prepayments	74,977	76,839
	<hr/>	<hr/>
	192,697	150,659
	<hr/>	<hr/>

Impairment of RM20,850 (2013: RM2,960 reversal of impairment) was recognised during the year as these trade receivables are past due and unsecured in nature. There is no bad debts written off during the current financial year (2013: RM64,030).

13. Deposits with financial institutions

These are short-term placements with licensed banks with original maturity of 3 months or more. The weighted average effective interest rates ("WAEIR") per annum and average maturity of deposits with financial institutions as at the reporting date was as follows:

	2014 WAEIR % p.a.	Average maturity days
Licensed banks	3.27%	129
	<hr/>	<hr/>

14. Deferred tax liabilities

	Accelerated capital allowance on property and equipment RM
At 1 January 2014	-
Recognised in income statement	9,232
	<hr/>
At 31 December 2014	9,232
	<hr/>

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