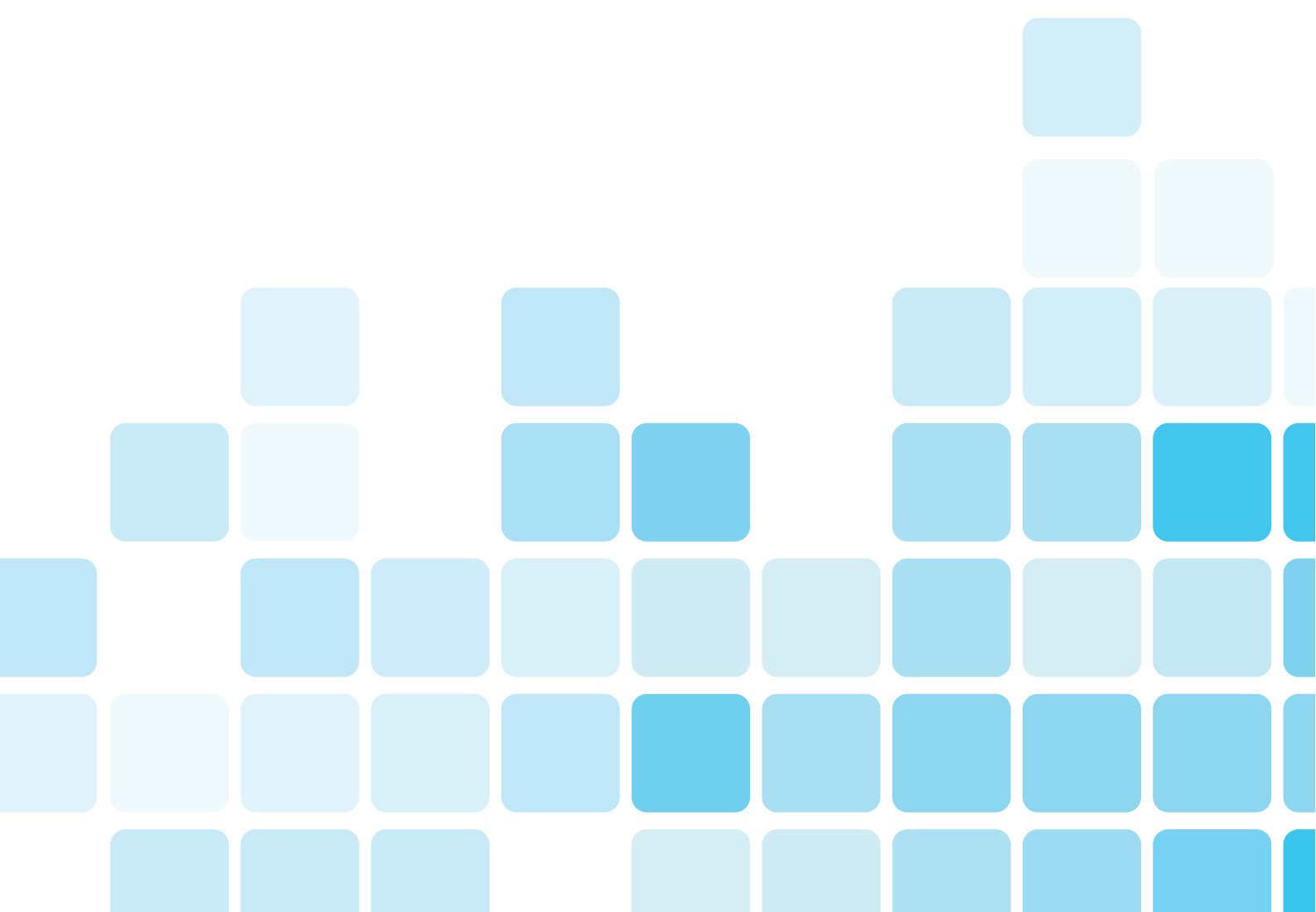
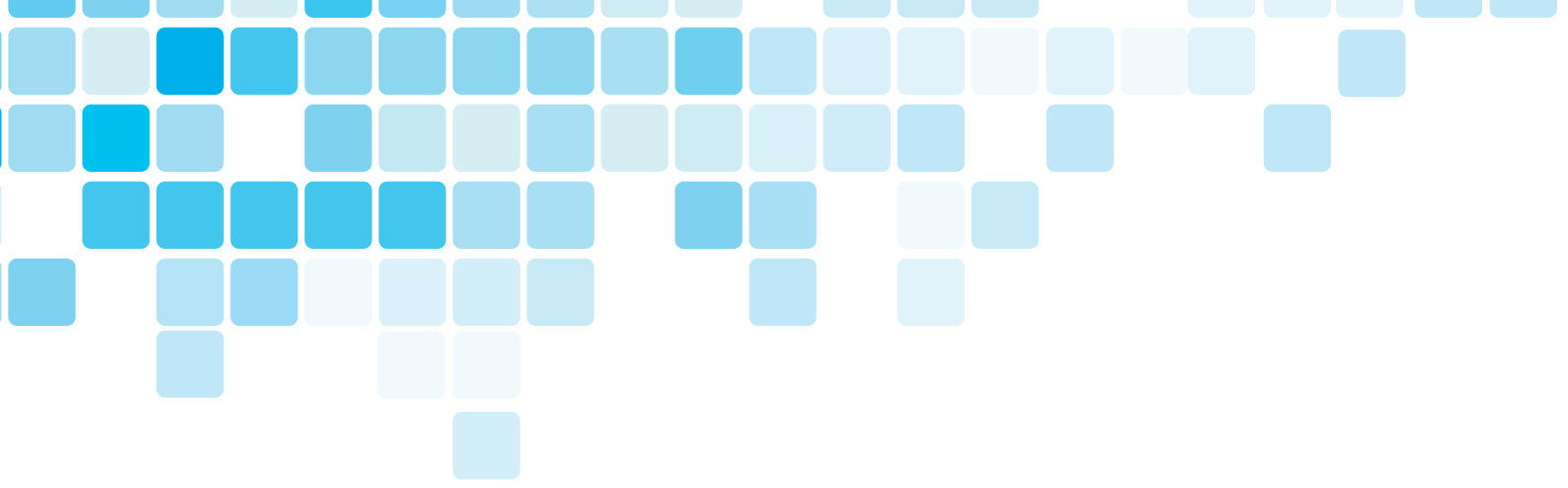




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NOTICE IS HEREBY GIVEN that the 14th Annual General Meeting of the Financial Planning Association of Malaysia (FPAM) will be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Saturday, 28 June 2014 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 2013.
2. To receive the audited accounts of the Association for the year ending 31 December 2013.
3. Recommendation to appoint auditors for 2015 and to authorize the Board to determine their remuneration.
4. To transact any other ordinary business for which due notice shall have been given.

By Order of the Board

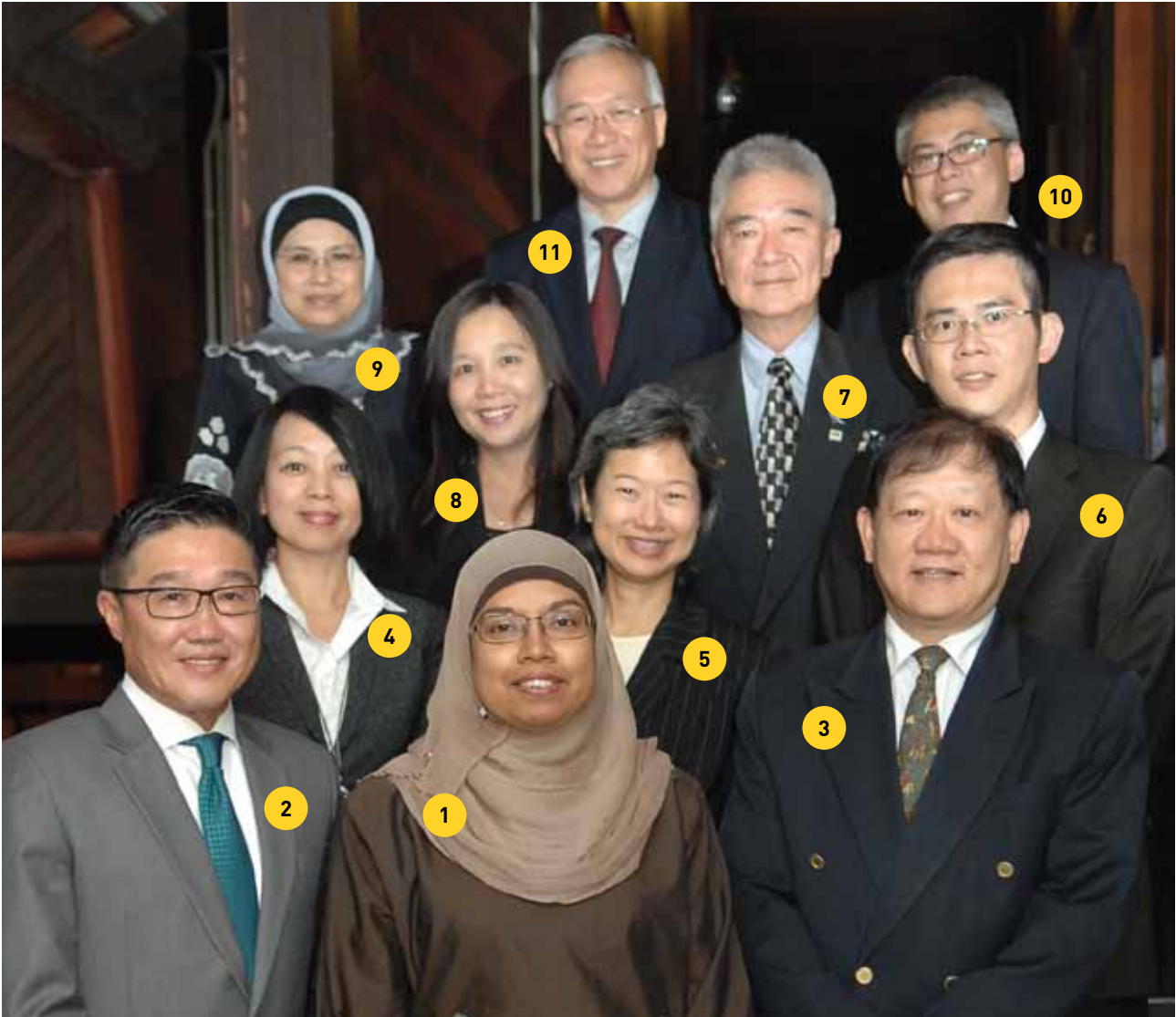
Paul Khoo Chuin Yuen
Honorary Secretary

Kuala Lumpur
Date: 7 June 2014

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) Sharifatul Hanizah Said Ali (President) | 7) Steve Teoh Loon Heng |
| 2) Mark Toh Chin Hian | 8) Lor Ai Siew |
| 3) Edmond Cheah Swee Leng | 9) Aida Md Daud |
| 4) Tang Wee Hen (Deputy President) | 10) Wong Loke Lim (Hon. Treasurer) |
| 5) Linnet Lee Soo Lin (CEO) | 11) Wong Boon Choy (Immediate Past President) |
| 6) Dennis Tan Yik Kuan (Vice-President) | |

Not in photograph:

- | | |
|--|-----------------------|
| 1) Choong Wai Hong (Vice-President) | 4) Alex Sito Kok Chau |
| 2) Paul Khoo Chuin Yuen (Hon. Secretary) | 5) Say Sok Kwan |
| 3) U Chen Hock | |

Board Attendance In Year 2013-2014



Board of Governors

- Responsible for all policy matters affecting the Association and the profession

	3 July 2013	25 September 2013	18 December 2013	22 January 2014	22 February 2014	30 April 2014	Total
1 Sharifatul Hanizah Said Ali	●	●	●	●	●	●	6/6
2 Tang Wee Hen	●	●	●	●	●	●	6/6
3 Dennis Tan Yik Kuan	●	●	●	●	●	●	6/6
4 Choong Wai Hong	●	●	●	■	●	■	4/6
5 Ong Eu Jin <i>(Resigned 9 December 2013)</i>	●	●	■	■	■	■	2/2
6 Paul Khoo Chuin Yuen	●	●	■	●	●	■	4/6
7 Wong Loke Lim	■	■	■	●	●	●	3/6
8 Wong Boon Choy	●	■	■	●	●	●	4/6
9 Alex Sito Kok Chau	●	■	●	■	■	■	2/6
10 Edmond Cheah Swee Leng	●	●	■	●	■	●	4/6
11 Steve Teoh Loon Heng	●	●	●	●	●	●	6/6
12 U Chen Hock	●	●	■	●	●	■	4/6
13 Aida Md Daud	●	●	●	●	●	●	6/6
14 Lor Ai Siew	●	●	■	●	■	●	4/6
15 Dato' Sulaiman Mohd Tahir <i>(Resigned 24 February 2014)</i>	■	■	■	■	■	■	-
16 Say Sok Kwan	■	●	●	■	■	■	2/6
17 Mark Toh Chin Hian <i>(Appointed 18 March 2014)</i>	■	■	■	■	■	●	1/1

● Present ■ Absent ■ Resigned

Profiles of Board of Governors

Name	Profile
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PUAN SHARIFATUL HANIZAH SAID ALI

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.

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. She also contributes as both moderator and panel assessor for selected areas of the capital markets at Finance Accreditation Agency, a body supported by both Bank Negara Malaysia and Securities Commission Malaysia.

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.

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.

Puan Hanizah has been a member of the Board of Governors of the FPAM since 2010, was the Honorary Treasurer (2011-2013) and is currently the President of FPAM (2013-2015).



MS TANG WEE HEN

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.

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.

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.

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.

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.

She is appointed the Deputy President of FPAM (2013-2015) and leads the Practitioner Development Work Group, a member of the Financial Planning Association (FPA USA) Global Committee and Asia Pacific Geographic Focus Group.



MR. DENNIS TAN YIK KUAN

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 is targeted at Corporate Unit Trust Advisers and financial institutions.

iFAST Capital is a wholly owned subsidiary of iFAST-OSK Sdn Bhd – a 62%:38% joint venture between Singapore's iFAST Corporation Pte Ltd ("iFAST Corp") and Malaysia's OSK Investment Bank Bhd. Since 2000, iFAST Corp has been one of the largest online unit trust distributors in Asia and Singapore's leading wealth management platform for independent financial advisory companies.

iFAST Capital is licensed by the Securities Commission of Malaysia and holds the Capital Markets Services Licence 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.

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.


Mr Tan is also the Executive Director for iFAST-OSK Sdn Bhd and also FA Corporate and Compliance Consultancy Sdn Bhd. He is a Computer Science graduate from University Putra Malaysia and a Certified Financial Planner (CFP) certificant.

He is appointed one of the two Vice-Presidents of FPAM (2013-2015)


Profiles of Board of Governors (cont'd)

Name	Profile
	<p>MR. CHOONG WAI HONG</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. ONG EU JIN (RESIGNED 9 DECEMBER 2013)</p> <p>Mr Ong Eu Jin, LLB(Hons), MBA, LLM, CFP, is a practicing lawyer and partner of Lee Hishammuddin Allen & Gledhill. Previously, he was the Chief Operating Officer and Executive Director of OSK Trustees Berhad, a trust corporation registered with the Securities Commission and under the Trust Companies Act 1949.</p> <p>Mr Ong is currently the Honorary Secretary of FPAM.</p> <p>A qualified solicitor of the Supreme Court of England and Wales, he has authored three finance bestsellers and has also written on wealth protection and preservation, estate planning and business succession planning for local publications such as The Edge Malaysia and Smart Investor. Despite a tight schedule, Mr Ong manages to find time to go on the conference circuit, having been a featured speaker at events and seminars organized by Bursa Malaysia, Securities Commission Malaysia and the Financial Planning Association of Malaysia, among others.</p> <p>Mr Ong was the Honorary Secretary of FPAM (2013-2015) but resigned from the Board on 9 December 2013.</p>
	<p>MR. PAUL KHOO CHUIN YUEN</p> <p>Mr Paul Khoo joined Standard Financial Adviser Sdn Bhd (StandardFA) as its Chief Executive Officer on November 1, 2009.</p> <p>Paul has over 17 years of financial services industry experience. He joined StandardFA from a stock broking backed asset management company, where he was CEO, Chairman of Investment Panel and member of Investment Committee. He started his fund management career with a global asset management firm and assumed various senior roles with this global company 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 channels, in addition to establishing excellent investment track records.</p> <p>He graduated from University of New Orleans, USA with a Bachelor of Science in Finance majoring in Investment. He is a Board Member of FPAM and is appointed the Honorary Secretary after the resignation of Mr Ong Eu Jin in December 2013.</p>
	<p>MR. WONG LOKE LIM</p> <p>Mr Wong Loke Lim is the Executive Director overseeing the investment management business of boutique financial services company, Hickham Capital Management Sdn Bhd. He is also the Managing Director of i-Biz Concept Sdn Bhd, a financial training and management resources provider. Previously, Mr Wong was a general manager at KAF Investment Bank Bhd. He is a Certified Financial Planner, a chartered accountant and a fellow of the Association of Chartered Certified Accountants.</p> <p>Mr Wong is the Honorary Treasurer of FPAM (2013-2015).</p>
	<p>MR. WONG BOON CHOY</p> <p>Mr Wong Boon Choy, CA(M), CPA, CFP, is the Chief Executive Officer and Executive Director of MAAKL Mutual. Prior to joining MAAKL Mutual, he was the Senior General Manager of Public Mutual (formerly known as KL Mutual). He joined KL Mutual in 1988 and since then 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 when he was appointed the Founding Secretary.</p> <p>A strong believer in financial planning, he co-authored a financial planning book entitled "<i>Financial Freedom – Your Guide To Lifetime Financial Planning</i>" and a second book entitled "<i>Financial Freedom – Through Malaysian Equities and Unit Trusts</i>". In June 2008, Mr Wong co-authored a third book which revolves around the themes of health and wealth entitled "<i>CHOICES – Live Well and Don't Die Broke</i>".</p>

Profiles of Board of Governors (cont'd)

Name	Profile
	<p>MR. EDMOND CHEAH SWEE LENG</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 is also an Investment Committee Member and Director of MAAKL Mutual Berhad, a Manulife financial company.</p>
	<p>MR. ALEX SITO KOK CHAU</p> <p>Mr Alex Sito is the general manager and head of the marketing and financial planning department at Public Mutual. His responsibility covers all functions of the company's marketing and communications, marketing research, Web marketing, bank channel business development, foreign market development and a range of financial planning products and services. Mr Sito joined Public Mutual in 1996. He is a chartered financial consultant and a Certified Financial Planner certificant. He also holds a Master degree in Marketing from University of Newcastle, Australia. Mr Sito has over 20 years of experience in the financial services industry and is the co-author of a book on financial planning entitled: Financial Freedom – Your Guide To Lifetime Financial Planning.</p> <p>Mr. Sito is also a member of the American Marketing Association and is a Board Member of FPAM.</p>
	<p>MR. STEVE TEOH LOON HENG</p> <p>A political science graduate, Mr. Steve Teoh, CFP, BA (Hons) UK, MMIM, is a 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>Under the present 2103/2015 Board of Governors tenure, he currently serves as Chair of Membership Development which includes the oversight of Chapter Development and Activities nationwide. He also advises the Board on MarComm and Brand matters given his past professional experience in these disciplines. He was Editor/Adviser to the Editorial Panel of the 4E Journal for the past 13 years. He is a member the Financial Planning Standards Board Communications Advisory Panel (CAP) that supports the CFP brand development activities amongst the 25 global 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 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 until April 2005, 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 over 600 underprivileged children in 12 orphanages nationwide under the distinguish Royal Patronage of Her Majesty, SPB Raja Permaisuri Agong of Malaysia (the Queen).</p>
	<p>MR. U CHEN HOCK</p> <p>Mr U Chen Hock is the Executive Director, Group International Business with RHB Bank Bhd.</p> <p>Prior to joining RHB Bank Bhd, he served as the CEO of OSK Investment Bank Berhad till April 2013 and a long career with a global bank in numerous senior positions within the region.</p> <p>He is currently a Board Member of FPAM. He was the President of FPAM for 1.5 terms between 2005/2008 before leaving Malaysia for his overseas postings.</p>

Profiles of Board of Governors (cont'd)

Name	Profile
	<p>PUAN AIDA DAUD</p> <p>Puan Aida Md Daud is currently the Senior Vice President of Human Capital Management and Development Division, responsible for the management and development of human capital of Permodalan Nasional Bhd (PNB). She graduated from ITM with a Diploma in Public Administration in 1981 and holds a Bachelor of Science in Business Administration (Finance and Law) from Portland State University, USA and an MBA from Scotland's Strathclyde University.</p> <p>Aida joined PNB in 1981 as an analyst and held various positions in Research and Corporate Services. She was the head of Corporate Service before moving to lead the training and development function in the HR Division in 1998. 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 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.</p>
	<p>MS. LOR AI SIEW</p> <p>Ms Lor Ai Siew, BA (Hons), CFP, is the General Manager of Agency Operations Department at Public Mutual, handling Business Development, Agent Service and Insurance matters. She joined Public Mutual in 1996 and since then has accumulated more than 18 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 is currently a Board Member of the FPAM.</p>
	<p>MR. MARK TOH CHIN HIAN (APPOINTED 18 MARCH 2014)</p> <p>Mr Mark Toh Chin Hian is the Director of Agency Culture & Engagement for AIA Bhd.</p> <p>Mark has over 35 years of working experience spanning across insurance, unit trust and fund management businesses. Mark has extensive experience in business development, sales management and strategic management through his association with local, regional and global fund management companies. He last held the position of Chief Executive Officer of AIA Pension and Asset Management Sdn. Bhd.</p> <p>Prior to joining AIA, he was the Regional Head of Partner Relationships for the Fund Management arm of a multi-national company based in Hong Kong. He is also a founder member of the Financial Planning Association of Malaysia (FPAM) and Federation of Investment Managers Malaysia (FIMM).</p> <p>Mr Toh was appointed to the FPAM Board of Governors on 18 March 2014.</p>
	<p>MS SAY SOK KWAN</p> <p>Associate Professor Ms Say Sok Kwan is the current Dean, Faculty of Accountancy, Finance and Business, Tunku Abdul Rahman University College. Prior to this appointment, she has held the positions of Head of School, Head of Accounting Division and Course Leader for ACCA and CIMA programmes. Her responsibilities as a Dean include provides academic and administrative leadership and direction for the Faculty, provides leadership in curriculum development, review and revision of academic curricula of programmes and assures quality and relevancy of syllabi and course content, monitors the faculty's credential and promotes the professional and scholarship development of the faculty, maintains contact and establishes collaborations with institutions, professional bodies and organisations on academic activities, projects and entrepreneurship.</p> <p>Ms Say is a member of the Tunku Abdul Rahman University Board of Governors and also a Board Member of FPAM.</p>
	<p>DATO' SULAIMAN MOHD TAHIR (RESIGNED 24 FEBRUARY 2014)</p> <p>Dato' Sulaiman Mohd Tahir, aged 51, is the Head of Consumer Sales and Distribution Division, a position he held since July 2005. On 1 October 2009, Dato' Sulaiman was appointed Executive Director of CIMB Bank and subsequently the Deputy Head of Consumer Banking on 22 July 2013.</p> <p>Presently, Dato' Sulaiman is responsible for the development, performance, and management of the sales and distribution channels for CIMB Bank which encompass about 8,200 staff, 297 branches (including 5 Private Banking branches), 36 mobile sales centres and contact centre to service the Bank's 8.0 million customers.</p> <p>Besides that, Dato's Sulaiman is also responsible for the management of Retail Banking in CIMB Singapore and Cambodia. Dato' Sulaiman sits in CIMB Bank Board together with other various Management Committees within CIMB Bank Berhad.</p> <p>With over 25 years of experience in consumer and commercial banking, he held various positions in the Bank including Group Head of the Japanese Business Unit, Branch Manager Shah Alam, Area Business Manager for Shah Alam and Petaling Jaya and Regional Manager for Business Credit for Selangor and Wilayah Persekutuan. In 2002, he was appointed to head the Credit Card Centre before being entrusted to the position of Head of Retail Sales. This was followed by the appointment as Head of Retail Sales and Distribution Division in January 2005.</p> <p>A graduate of RMIT University, Australia with a degree in Accounting, Dato' Sulaiman served Price Waterhouse before joining Bank of Commerce (M) Berhad (now known as CIMB Bank) in 1987.</p> <p>Dato' Sulaiman was a Board Member of FPAM until his resignation on 24 February 2014.</p>

President's Statement



On behalf of the Board of Governors, I have the pleasure to present to you the 14th Annual Report and Financial Statements of the Financial Planning Association of Malaysia for the year ended 31 December 2013.

Financial Performance

For the year ended 31 December 2013, the Association achieved a surplus of RM279,723. This represents more than 78 percent increase over the surplus for 2012.

During this period, income decreased by RM30,776 or 1.5%. Concurrently, total expenditure decreased by RM159,166 or 9%.

For 2014, we will continue our initiatives to increase revenue from key areas such as membership and examination which are the Association's core sources of income. Continuing education is an important source of income for the Association and going forward we will continue to work towards increasing and broadening the scope of financial planning-related courses. This will be an on-going process to increase not only the pool of speakers but our commitment to ensure that the topics offered are both relevant and compelling to members.

The Association will also continue to be more vigilant in terms of managing its expenditure. We will look to more industry collaboration as a means to optimize resources available to undertake programs to promote the industry and the importance of financial planning. Meanwhile, as we embark on continuous expansion of membership and scope of services, resources will also be allocated towards more 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

The number of current certified members has increased from 2,657 to 2,705 individuals, by 48 or 2%. The average growth of CFP professionals globally is 3.7% for 2013.

The increase to 2,705 CFP professionals means that Malaysia still hold its 9th ranking among the 25 affiliates in terms of total CFP professionals worldwide. This is ahead of many other developed countries.

One of the challenges of growing and retaining membership for FPAM is that financial planning is a relatively young industry in Malaysia and the total number of members licensed to practice needs to increase in order to better serve our 16 million working Malaysians. Many members are currently involved in the distribution of financial products or employed in the financial services sector.

These members usually acquire the qualification either through sponsorship by their company or through their own interest in acquiring knowledge in financial planning. Some are eager to obtain the qualification and learn how to advise on a wider range of financial products through advisory selling and they may want to remain in the advice space whilst other members want to know how to practice financial planning holistically to better serve their clients in this expanded space.

The Association continues to strengthen the relevance of the CFP designation for all professionals in the financial industry. Consumers value ethical professionals who place client's interests first, and are competent in providing personalized financial planning 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 25 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 is also growing membership by introducing the certification program to those about to enter the employment market. Previously, those who register for the program would mainly come from those already employed in the industry and looking to equip themselves 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.

Future entry qualifications

The Financial Planning Standards Board Limited recommends that a Bachelor's or equivalent degree be required for CFP certification and has allowed each affiliate to develop a program to gradually conform to this requirement. Malaysia has announced its new entry requirement from 2014 onwards whereby anyone who wishes to enroll in the certification program will be required to possess a Bachelor's or equivalent degree.

Members who are already enrolled in the program are allowed to complete it without having to conform to the new requirement. Members will also be assured of the continuing rigor of the CFP certification program which ensures that it is always up to date, relevant and respected.

CE Courses

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

For the year ended 31 December 2013, FPAM organized a total of 25 courses for its members encompassing a range of topics which are relevant and beneficial to its members employed in all sectors of the financial services industry. These courses were conducted in the Klang Valley and in the Chapter areas. Almost all of these courses are recognized by SIDC for CPE points and by FIMM for CPD points.

From time to time, 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 2013. 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.

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

Acknowledgement

I am honoured to have been entrusted with the responsibility of being the President of FPAM. My being able to carry out this responsibilities has been due to the support of my fellow Board members and the Secretariat. I would like to thank each and every one of them for contributing their valuable time, knowledge and expertise.

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. Going forward, these plans would serve as the road map to ensure that the Association remains 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 continued commitment and support of FPAM and its activities and look forward to more of it as we all work 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 your financial journey ahead.

Thank you.

Sharifatul Hanizah Said Ali, CFP CERT™
President

Calendar of Events

for the Year 2013

January

January 12

Seminar: **Wealth Maximization Through Tax Planning**
Instructor: *Mr. KP Bose Dasan*
Venue: Dewan Berjaya, Bukit Kiara Equestrian Resort, KL

February

February 21

Seminar: **Management for Practical Investing**
Instructor: *Dr. Ch'ng Huck Khoon*
Venue: Dewan Berjaya, Bukit Kiara Equestrian Resort, KL

March

March 2

Seminar: **Estate Planning Case Studies for the High Net Worth**
Instructor: *Ms. Azhar Iskandar Hew*
Venue: Dewan Berjaya, Bukit Kiara Equestrian Resort, KL

March 2

Seminar: **What to Invest Now? Portfolio Management in Trying Time**
Instructor: *Mr. Phua Lee Kerk*
Venue: Pullman Hotel Kuching, Sarawak

March 23

Seminar: **Foreign Exchange and Derivatives Strategies: Instruments and Practical Solution For Privates Clients**
Instructor: *Mr. Ding Lai Hong*
Venue: Dewan Berjaya, Bukit Kiara Equestrian Resort, KL

April

April 20

Seminar: **Shariah Perspectives of Financial Planning and Wealth Management**
Instructor: *Mr. Mahadzir Ahmad*
Venue: Dewan Berjaya, Bukit Kiara Equestrian Resort, KL

April 20

Seminar: **Management for Practical Investing**
Instructor: *Mr. Ch'ng Huck Khoon*
Venue: Tower Regency Hotel, Ipoh Perak

May

May 18

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

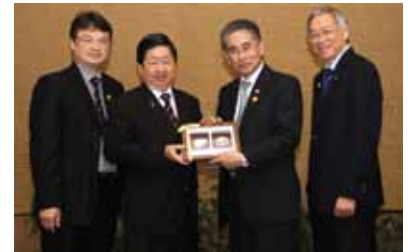


May 18

Seminar: **Estate Planning Case Studies for the High Net Worth**
Instructor: *Mr. Azhar Iskandar Hew*
Venue: Tang Dynasty Hotel Kota Kinabalu, Sabah

May 22

Seminar: **MFPC & FPAM Seminar 2013: Financial Planning Trends and Development**
Venue: Dewan Berjaya, Bukit Kiara Equestrian Resort, KL



May 29

Seminar: **REAL PROFITS – Exploiting Mass Market & Elitist Strategies to Rise YOUR Financial Planning Practice Profits**
Instructor: *Mr. Rajen Devadason*
Venue: Dewan Berjaya, Bukit Kiara Equestrian Resort, KL

Calendar of Events (cont'd)

for the Year 2013

June

June 5

Seminar: **Risk and Return and Modern Portfolio Theory**

Instructor: *Dr. Ch'ng Huck Khoon*

Venue: Dewan Berjaya, Bukit Kiara Equestrian Resort, KL

June 15

Event: **13th Annual General Meeting**

Venue: Dewan Berjaya, Bukit Kiara Equestrian Resort, Kuala Lumpur



June 8

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

Instructor: *Phua Lee Kerk*

Venue: Evergreen Laurel Hotel, Penang

June 22

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

Instructor: *Mr. Mr. Wee Hun Been & Mr. Yeo Chee Wei*

Venue: Dewan Berjaya, Bukit Kiara Equestrian Resort, KL



July

July 20

Seminar: **Anti-Money Laundering (AML) For Financial Professionals**

Instructor: *Mr. David Mathew*

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

Calendar of Events (cont'd)

for the Year 2013

August

August 24

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

September

September 21

Seminar: **Price Action Analysis, Trading Psychology and Position Sizing**
Instructor: *Mr. YS Tang*
Venue: Tower Regency Hotel, Ipoh Perak

September 28

Seminar: **Estate Planning Case Studies for the High Net Worth**
Instructor: *Mr. Azhar Iskandar Hew*
Venue: Evergreen Laurel Hotel, Penang



October

October 12

Seminar: **How To Select A Winning Stock?**
Instructor: *Dr. Ch'ng Huck Khoon*
Venue: The Palace Hotel Kota Kinabalu, Sabah



October 26

Seminar: **Islamic Financial Planning – Comprehensive Case Study**
Instructor: *En. Mahadzir Ahmad*
Venue: Dewan Berjaya, Bukit Kiara Equestrian Resort, KL

October 26

Seminar: **Master Smart Techniques in the Client Engagement Process To Kick-start Your Practice Immediately**
Instructor: *Ms. Carol Yip*
Venue: Symphony Suites, Ipoh Perak

November

November 21

Seminar: **Wealth Maximization Through Tax Planning**
Instructor: *Mr. KP Bose Dasan*
Venue: Dewan Berjaya, Bukit Kiara Equestrian Resort, KL

November 27

Seminar: **Devising a Winning Investment Plan**
Instructor: *Ch'ng Huck Khoon*
Venue: Dewan Berjaya, Bukit Kiara Equestrian Resort, KL

December

December 7

Seminar: **Investment Planning in the Current Economic Climate**
Instructor: *Mr. Wong Loke Lim*
Venue: Evergreen Laurel Hotel, Penang

December 17

Seminar: **Risk profiling - an international perspective of the most significant change to advice**
Instructor: *Mr. Paul Resnik*
Venue: Bukit Kiara Equestrian Resort, KL



December 18

Seminar: **How To Select A Winning Stock?**
Instructor: *Dr. Ch'ng Huck Khoon*
Venue: Bukit Kiara Equestrian Resort, KL

Report of the Board of Governors

for the Year Ended 31 December 2013



The Board of Governors have pleasure in submitting their report and audited financial statement of the Association for the financial year ended 31 December 2013.

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

RM279,723

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 2013

Appointment of New Education Provider

FPAM appointed a new education provider for Johor in 2013. The new education provider is Aman Academy.

Aman Academy offers various Bachelor and Diploma programs for adults and school leavers with its campus located in Batu Pahat, Johor.

The academy would serve the thriving banking and insurance sector in the Northern region of Johor and those who are interested in the CFP certification program in neighbouring towns like Muar, Kluang and Segamat.

The collaboration is beneficial as it would increase awareness of the CFP mark and certification program in the northern region of Johor. The academy would not only be able to market the program to those working in the financial services sector but also to those already enrolled in its Bachelor and professional programs. This would further increase awareness of the program to undergraduates in the northern region of Johor.

The registration for the first batch of students from Kolej Aman will commence in 2014.

2.2 Enrollment Trend

A total of 1,830 candidates registered for the certification examinations in 2013 compared to 1,612 in 2012, recording an increase of 13.5%.

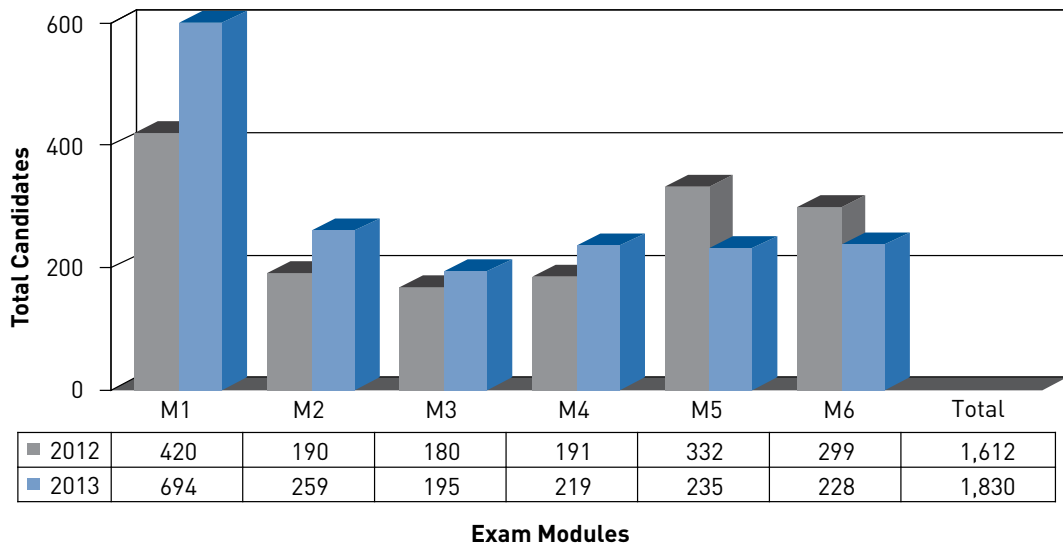
The surge in examination registrations for 2013 is due to the implementation of the degree requirement as a prerequisite for the CFP certification program. Many members of the public who do not possess a Bachelor's degree waited until the December 2013 deadline to register for the program hence the increased registrations for 2013.

In 2013, 58% of exam registrations were employees of Charter members. This remains unchanged from 2012. Registrations from Corporate member companies remain steady at 2% and likewise for registrations from the public.

Report of the Board of Governors (cont'd)

for the Year Ended 31 December 2013

Comparison of Candidates by Exam Modules 2013 vs 2012

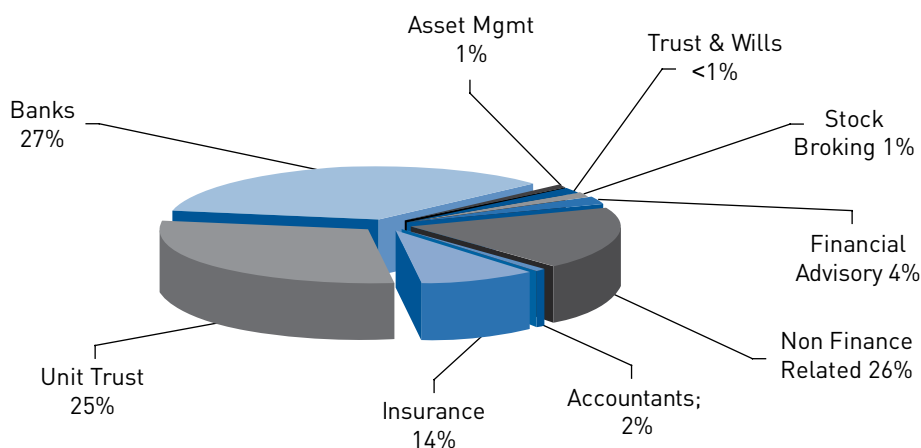


Exam Modules

An analysis of registrations by industry for 2013 indicates an increase in registrations from the insurance and unit trust industry and decreased registrations from the banking sector. The increased in registrations from the unit trust and insurance sector is due to many agents who enrolled for the certification program before the implementation of the degree requirement and a more competitive market place which has created a demand for agents and consultants who are professional, ethical and able to serve the needs of more sophisticated consumers.

In 2012, registrations from the banking sector totaled 30%, in 2013 it declined to 27%. Registrations from those in the unit trust and insurance industry increased respectively from 22% and 11% in 2012 to 25% and 14% in 2013.

Analysis of Exam Candidates by Industry 2013





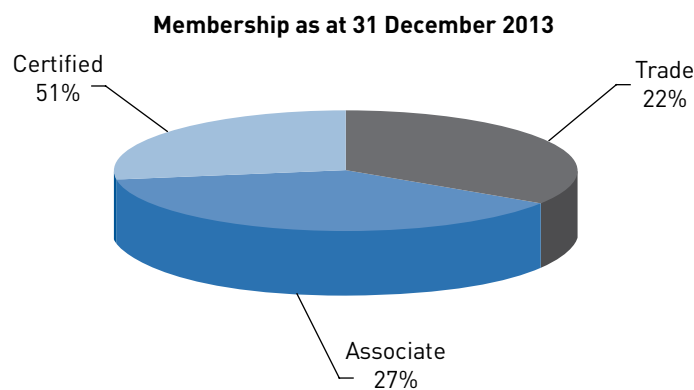
3.0 Membership

3.1 Individual Members

3.1.1 Membership by Category

The total number of members who have completed or are undergoing the CFP certification program as at 31 December 2013 stands at 5,331. For the year ended 2013, only members who paid their dues in 2013 are recognized as current members.

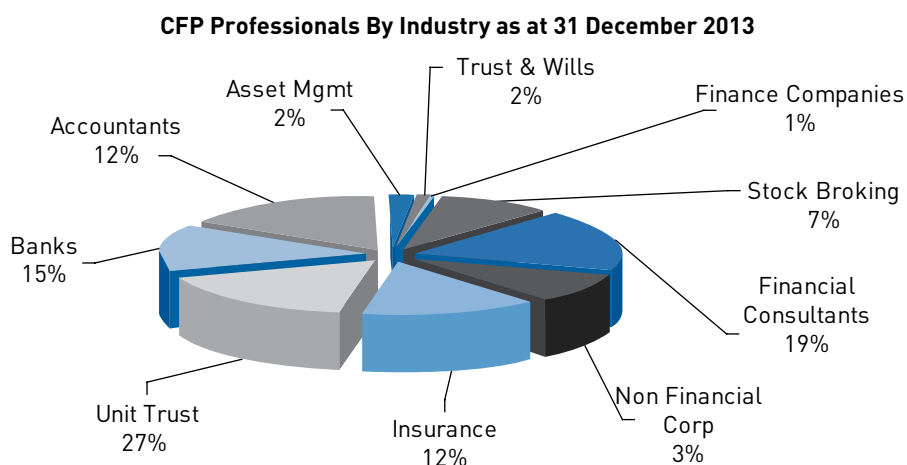
The increase in new Trade members for 2013 contributed mainly to the increase in membership. The increase in Trade membership is due to the surge in registration before implementation of the degree requirement as a prerequisite for the certification program. Renewals for Certified membership also increased due to more concerted efforts in encouraging members to renew their memberships and also increased awareness of the importance of the qualification especially for members employed in the financial services industry.



3.1.2 CFP Professionals by Industry

An analysis of the 2,705 Certified members as at 31 December 2013 by industry indicates that similar to previous years, the largest groups of Certified members continue to be those working in the unit trust and financial advisory sector. Members working in the unit trust industry and as financial consultants form the largest groups, each accounting for 27% and 19% respectively.

Certified members working in the in 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 criteria, they need to have a recognized qualification which provides them with the knowledge required to do their job well.



Report of the Board of Governors (cont'd)

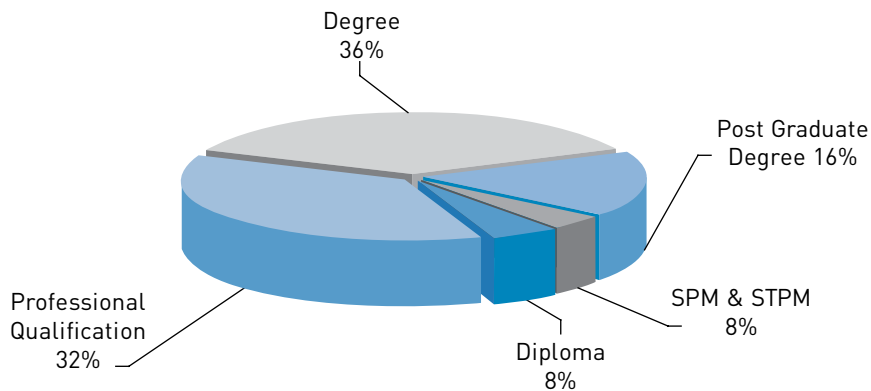
for the Year Ended 31 December 2013

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 84% 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.

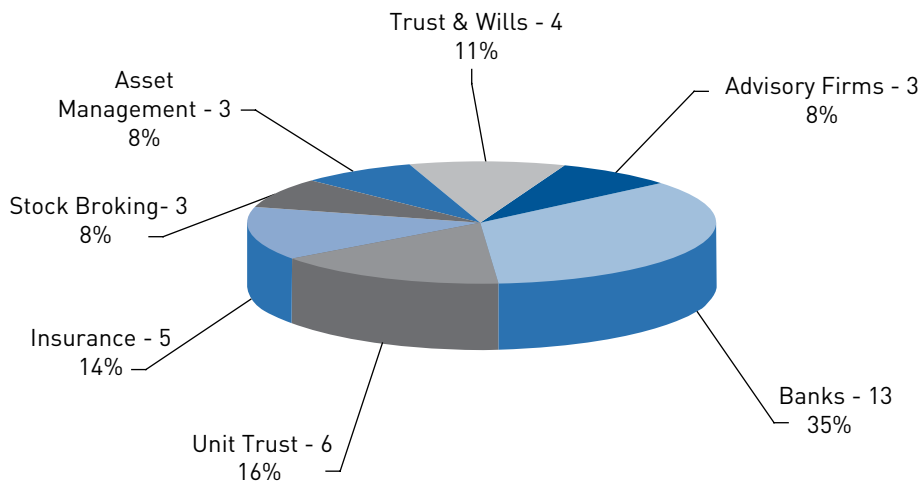
CFP Professionals By Qualifications as at 31 December 2013



3.2 Charter and Corporate Members

FPAM has a total of 37 Charter and Corporate members drawn from a wide cross section of the financial sector with almost all of the major sectors being represented in the association.

Charter & Corporate Members as at 31 December 2013



Report of the Board of Governors (cont'd)

for the Year Ended 31 December 2013



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 2013

5.0 The 4E Journal

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

The half yearly features industry news and trends, insight into prominent personalities and global updates.

For 2014, the publication will be increased to 3 issues and there will be more articles on financial planning practises within and outside Malaysia to showcase its importance and relevance in the financial industry.



Report of the Board of Governors (cont'd)

for the Year Ended 31 December 2013



6.0 Chapter

Perak

March 9

Event: **Ipoh Chapter 10th Anniversary Celebration / Networking Night**
Venue: MH Hotel Ipoh

April 20

Seminar: **Management for Practical Investing**
Instructor: *Mr. Ch'ng Huck Khoo*
Venue: Tower Regency Hotel, Ipoh Perak

July 27

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

August 17

Seminar: **Ipoh Chapter AGM**
Venue: Kinta Riverfront Hotel, Ipoh

September 21

Seminar: **Price Action Analysis, Trading Psychology and Position Sizing**
Instructor: *Mr. YS Tang*
Venue: Tower Regency Hotel, Ipoh Perak

October 26

Seminar: **Master Smart Techniques in the Client Engagement Process To Kick-start Your Practice Immediately**
Instructor: *Ms. Carol Yip*
Venue: Symphony Suites, Ipoh Perak

Penang

June 8

Seminar: **Theoretical & Practical Approach to Portfolio Construction**
Instructor: *Phua Lee Kerk*
Venue: Evergreen Laurel Hotel, Penang

July 19

Event: **Penang Chapter AGM**
Venue: Little Cottage 2, Penang

September 28

Seminar: **Estate Planning Case Studies for the High Net Worth**
Instructor: *Mr. Azhar Iskandar Hew*
Venue: Evergreen Laurel Hotel, Penang

Sabah

May 18

Seminar: **Estate Planning Case Studies for the High Net Worth**
Instructor: *Mr. Azhar Iskandar Hew*
Venue: Tang Dynasty Hotel Kota Kinabalu, Sabah

October 12

Event: **Sabah Chapter AGM**
Venue: The Palace Hotel Kota Kinabalu, Sabah



Report of the Board of Governors (cont'd)

for the Year Ended 31 December 2013

October 12

Seminar: **How To Select A Winning Stock?**
Instructor: *Dr. Ch'ng Huck Khoon*
Venue: The Palace Hotel Kota Kinabalu, Sabah



Melaka

June 28

Event: **Melaka Chapter AGM / Networking Dinner**
Venue: Swan Garden Hotel, Melaka



Sarawak

March 2

Seminar: **What to Invest Now? Portfolio Management in Trying Time**
Instructor: *Mr. Phua Lee Kerk*
Venue: Pullman Hotel Kuching, Sarawak

December 7

Seminar: **Investment Planning in the Current Economic Climate**
Instructor: *Mr. Wong Loke Lim*
Venue: Evergreen Laurel Hotel, Penang

December 8

Event: **Sarawak Chapter AGM**
Venue: Harbour View Hotel Kuching, Sarawak



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 17 are drawn up so as to give a true and fair view of the statement of financial position of the Association as at 31 December 2013 and of its statement of comprehensive income and cash flows for the financial year then ended in accordance with the MASB Approved Accounting Standards in Malaysia for Private Entities."

Signed on behalf of the Board of Governors in accordance with their resolution dated 23 May 2014.

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 which comprise the statement of financial position as at 31 December 2013 and the statement of comprehensive income, and statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 24 to 34.

Board of Governors' Responsibility for the Financial Statements

The Board of Governors of the Association is responsible for the preparation and fair presentation of these financial statements in accordance with MASB Approved Accounting Standards in Malaysia for Private Entities. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 and fair presentation of the financial statements 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 the 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 have been properly drawn up in accordance with MASB Approved Accounting Standards in Malaysia for Private Entities so as to give a true and fair view of the financial position of the Association as at 31 December 2013 and of its financial performance and cash flows for the financial year then ended.

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

Gloria Goh Ewe Gim
No. 1685/04/15(J)
Chartered Accountants

Statement of comprehensive income

For the financial year ended 31 December 2013

	Note	2013 RM	2012 RM
Income			
Membership fees		1,301,638	1,333,190
Sponsorship income		25,500	25,500
Surplus from conference	3	5,547	50,195
Surplus from continuing education courses	4	131,051	189,986
Surplus from examination	5	364,417	292,227
Surplus from manual project		10,236	30,652
Gain on disposal of property and equipment		40,500	-
Interest income		74,563	63,659
Other income		7,127	5,946
		1,960,579	1,991,355
Less: Expenditure			
Staff costs			
- salaries and bonus		731,090	772,988
- defined contribution plan		118,960	120,449
Rental expenses		60,144	114,274
Depreciation of property and equipment		11,347	39,645
Property and equipment written off		-	41,817
Financial Planning Standard Board and Board meeting expenses		31,337	32,123
Chapter development expenses		37,077	31,016
Marketing and promotional expenses		10,533	500
Membership development expenses		5,520	20,693
Auditors' remuneration		13,000	9,900
License fee		294,761	284,114
Other expenses	7	361,014	366,430
		1,674,783	1,833,949
Surplus of income over expenditure before taxation		285,796	157,406
Taxation	8	(6,073)	(527)
Surplus of income over expenditure after taxation		279,723	156,879

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

Statement of assets and liabilities

as at 31 December 2013

	Note	2013 RM	2012 RM
Assets			
Non-current assets			
Property and equipment	9	24,950	29,113
Current assets			
Receivables, deposits and prepayments	14	150,659	158,392
Tax Recoverable		-	-
Cash and cash equivalents	10	3,269,021	2,991,945
Total assets		3,444,630	3,179,450
Current liabilities			
Deferred income	11	585,628	654,928
Advanced membership fees	12	357,870	415,625
Provision for taxation		3,000	-
Payables	13	1,000,571	895,559
		1,947,069	1,966,112
Non-current liability			
Sponsorship deposits received from charter members		63,000	58,500
Total liabilities		2,010,069	2,024,612
Net assets		1,434,561	1,154,838
Represented by:			
Surplus brought forward		1,154,838	997,959
Surplus of income over expenditure after taxation		279,723	156,879
Surplus carried forward		1,434,561	1,154,838

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

Statement of cash flows

For the financial year ended 31 December 2013

	2013	2012
	RM	RM
Cash flows from operating activities		
Surplus of income over expenditure before taxation	285,796	157,406
Adjustments for:		
Depreciation of property and equipment (Note 9)	11,347	39,645
Property and equipment written off	-	41,817
Gain on disposal of property and equipment	(40,500)	-
Interest income	(74,563)	-
Taxation (Note 8)	(6,073)	(63,659)
	176,007	175,209
Increase in payables	108,012	63,368
Decrease in receivables	7,733	84,353
Utilisation of grant	(69,300)	(14,018)
Decrease in advanced membership fees	(57,755)	(64,898)
Increase/(decrease) in sponsorship deposits received from charter members	4,500	(25,500)
Cash generated from operations	169,197	218,514
Income taxes refund	-	10,100
Net cash generated from operating activities	169,197	228,614
Cash flows from investing activities		
Proceed from disposal of property and equipments	40,500	-
Purchase of property and equipments	(7,184)	(22,607)
Net cash generated from/(used) in investment activities	33,316	(22,607)
Cash flows from financing activity		
Interest received, representing net cash inflow from financing activity	74,563	63,659
Net Increase in cash and cash equivalents	277,076	269,666
Cash and cash equivalents at beginning of financial year	2,991,945	2,722,279
Cash and cash equivalents at end of financial year (Note 10)	3,269,021	2,991,945

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

Notes to the financial statements

- 31 December 2013

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 23 May 2014.

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 MASB Approved Accounting Standards in Malaysia for Private Entities.

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 & 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.



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

2.3 Impairment of assets

The Association assesses at each reporting date whether there is objective evidence that an asset is impaired. An asset is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event(s) has an impact on the estimated future cash flows of the asset that can be reliably estimated.

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Any impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there is separately identifiable cash flow (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

The impairment loss is charged to the statement of income and expenditure. Any subsequent increase in recoverable amount is recognised in the statement of income and expenditure.

2.4 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.

2.5 Asset held under hire purchase agreement

Asset acquired under the hire purchase agreement is capitalised and depreciated in accordance with the depreciation policy set out in Note 2.2 above.

Outstanding obligation due under the hire purchase agreement after deducting finance charges is recognised as liability. The finance charges on the instalments are recognised as expense in the statement of income and expenditure over the period of the agreement.

2.6 Revenue recognition

Annual membership fees are recognised as income over the membership period when no uncertainty as to its collectibility 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^{CERT™} 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.

Notes to the financial statements (cont'd)

- 31 December 2013

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

2.7 Income taxes (cont'd)

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 that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

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 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.

Notes to the financial statements (cont'd)

- 31 December 2013



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

2.11 Foreign currency coversion and translation (cont'd)

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:

<u>Foreign currencies</u>	2013 RM	2012 RM
US Dollar	3.28	3.06

3. Surplus from conference

	2013 RM	2012 RM
Sponsorship income	5,547	50,195

4. Surplus from continuing education courses

	2013 RM	2012 RM
Continuing education course income	203,671	281,300
Seminar package expenses	(31,323)	(49,024)
Other expenses	(41,297)	(42,290)
	<u>131,051</u>	<u>189,986</u>

5. Surplus from examination

	2013 RM	2012 RM
Examination fee income	456,962	393,138
Expenses incurred in relation to examination	(92,545)	(100,911)
	<u>364,417</u>	<u>292,227</u>

Notes to the financial statements (cont'd)

- 31 December 2013

6. Allowance for Board of Governors and Committee Members

	2013	2012
	RM	RM
Board of Governors (Note 7)	2,700	5,600

7. Other expenses

	Note	2013	2012
		RM	RM
4E Journal expenses		62,099	60,404
Annual General Meeting expenses		12,690	10,454
Bank and credit card charges		20,001	21,270
Electricity and utilities		11,938	30,464
FPSB review & assessment expenses		-	8,429
General expenses		36,281	33,402
Allowance for Board of Governors and Committee Members	6	2,700	5,600
Insurance		7,060	10,131
Maintenance of premises and computers		20,356	31,927
Maintenance of website		8,100	6,900
Manual project expenses		-	-
Postage and courier		7,043	9,239
Printing and stationeries		23,213	11,819
Professional fees		15,070	8,088
Rental of photocopier		7,025	7,500
Staff training, recruitment and welfare		49,254	32,973
Telecommunication		19,030	19,358
Travelling		23,816	29,884
Unrealised foreign exchange loss		5,807	177
Withholding tax		29,531	28,411
		361,014	366,430

Notes to the financial statements (cont'd)

- 31 December 2013



8. Taxation

	2013 RM	2012 RM
Income tax:		
Current year	3,048	527
Underprovision in prior year	3,025	-
	6,073	527

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.

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

	2013 RM	2012 RM
Surplus of income over expenditure before taxation	285,796	156,879
Effect of net income not subject to tax	(194,183)	(282,881)
Expenses not deductible for tax expense	(27,450)	173,758
	64,163	47,756

9. 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 2013	49,667	15,590	53,878	321,353	148,986	589,474
Additions	1,551	-	1,934	3,700	-	7,185
Written off	-	-	(1,500)	-	(148,986)	(150,486)
	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
Written off	-	-	(1,500)	-	(148,985)	(150,485)
	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

Notes to the financial statements (cont'd)

- 31 December 2013

9. 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 2012	44,840	76,512	50,188	320,053	148,986	640,579
Additions	4,827	12,790	3,690	1,300	-	22,607
Written Off	-	(73,712)	-	-	-	(73,712)
At 31 December 2012	49,667	15,590	53,878	321,353	148,986	589,474
Accumulated depreciation						
At 1 January 2012	42,844	19,952	49,489	291,341	148,985	552,611
Charge for the financial year	1,183	14,956	351	23,155	-	39,645
Written Off	-	(31,895)	-	-	-	(31,895)
At 31 December 2012	44,027	3,013	49,840	314,496	148,985	560,361
Net book value						
At 31 December 2012	5,640	12,577	4,038	6,857	1	29,113

10. Cash and cash equivalents

	2013 RM	2012 RM
Deposits held with licensed banks	2,488,606	2,423,727
Cash and bank balances	780,415	568,218
	<u>3,269,021</u>	<u>2,991,945</u>

Included in the cash and bank balances is the grant received from CMDP (net of expenses claimed) to date amounting to RM585,628 (2012: RM654,928).

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

	2013		2012	
	WAEIR % p.a.	Average Maturity Days	WAEIR % p.a.	Average Maturity Days
Licensed banks	3.12	30	3.12	30

Notes to the financial statements (cont'd)

- 31 December 2013



11. Deferred income

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.

	2013	2012
	RM	RM
At 1 January	654,928	668,946
Utilisation of grant	(69,300)	(14,018)
At 31 December	<u>585,628</u>	<u>654,928</u>

12. Advance membership fees

	2013	2012
	RM	RM
Trade membership fees	1,199	3,299
Associate membership fees	36,870	37,125
Certified membership fees	319,801	375,200
	<u>357,870</u>	<u>415,625</u>

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

13. Payables

	2013	2012
	RM	RM
Trade payables	296,808	293,573
Other payables	410,068	336,026
Accruals	293,695	265,960
	<u>1,000,571</u>	<u>895,559</u>

Included in other accruals are allowances payable to the Board of Governors of the Association of RM10,300 (2012: RM6,200).

14. Receivables, deposits and prepayments

	2013	2012
	RM	RM
Trade Receivables	77,850	97,510
Less: provision for doubtful debts	(4,030)	(71,020)
	<hr/>	<hr/>
	73,820	26,490
Deposits and prepayments	76,839	131,902
	<hr/>	<hr/>
	150,659	158,392
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A total of RM64,030 has been written-off as bad debts during the current financial year.