



CFA Society
Hong Kong



FOR 30 YEARS AND BEYOND



Annual Report 2022
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Message from the President



Dear members,

This year marks the 30th anniversary of CFA Society Hong Kong (the Society). As a member of the Society since 1993, and one of its volunteers since 1995, I am proud to have witnessed the Society grow from 20 founding members, to more than 6,000 over the past three decades. The Society's growth has been driven by its mission, which has been shared by our members and volunteers from day one, and remains unchanged today.

The Society provides a forum in which our members, CFA Institute, investment practitioners and regulators can network and exchange industry insights and best practices.

As a long established professional body representing financial analysts in Hong Kong, the Society strives to keep members abreast of relevant issues that impact the investment industry, both locally and globally, through our continuing education events and advocacy efforts. Our joint submission with CFA Institute Asia-Pacific Research Exchange (ARX) in response to the Consultation Paper on Special Purpose Acquisition Companies, and the investor education webinars we cohosted with the Investor and Financial Education Council (IFEC) are good examples of this work.

As a professional body for the investment management industry, the Society keeps members abreast of the relevant issues impacting the investment industry both in Hong Kong and globally. We help build market integrity through outreach to key stakeholders, including government, professional

bodies, and regulators. Advocacy will continue to be our key focus area. Topics relating to Environmental, Social and Governance (ESG) investing have continued to be a prime focus of our members and stakeholders during the past year. Incorporating ESG considerations in the investment process can lead to positive outcomes for all stakeholders: the company, shareholders, and the planet. The Society has hosted a series of ESG webinars with CFA Institute ARX and Sustainable Fitch since late 2021, during which engaging speakers from around the world shared insights on key ESG topics and their impact on investments. Hong Kong ranked third worldwide and was the leader in the Asia Pacific region for the cumulative number of registrants for the CFA Institute Certificate in ESG Investing as of the end of June 2022.

The Society is led by the President and Vice-President, along with seven directors. In March 2022, three Non-Executive Directors were appointed to the Board to improve both gender and ethnic diversity.

Like all our peers, the Society has had to change our operating model in response to the challenges created by the COVID-19 pandemic, but serving members has continued to be our key priority. After suspending face-to-face events for almost two years, Awards Night was held on 26 November 2021 when in-person networking was resumed in line with the Government's regulations, to recognize candidates who completed the CFA Program in 2020 and 2021.

To stay abreast with changing communication channels and technological innovation, the Society has launched a members' mobile application.

It enables members to stay up to date with our events and member benefits. The Society also presented Non-Fungible Token (NFT) awards to the Champion team of the Hong Kong Final of the CFA Institute Research Challenge and the winners of the Most Outstanding Volunteers 2021.

In addition, the Society has partnered with various leaders in their respective sectors, such as The Chinese University of Hong Kong, Fitch Learning and Wiley, to support the educational needs of investment professionals in Hong Kong.

The Society has been named the Most Outstanding Society 2022 by CFA Institute. We would not be able to achieve this success without the contributions of our dedicated volunteers, the support of our staff and fellow members over the years.

Building on this solid foundation, I am confident that the Society will continue to excel, and go from strength to strength, as it continues to strive to achieve its goal to be Hong Kong's leading investment professional body. Let us join hands as we embark on the journey to making the next thirty years even more rewarding!

**Richard Mak, CFA
President**

The Society's Governance

The Society was named the winner for the 2022 Most Outstanding Society: Over 1,000 Members in June 2022. This award is particularly meaningful, as 2022 marks the 30th anniversary of the Society. It also proves that our strategic framework for governance and sustainability is on the right track.

In order to maintain strong governance standards, we review our internal processes regularly. The Society has stepped up its efforts to deliver a transparent and concise action plan by appointing three Non-Executive Directors (NEDs) in March 2022. Appointment of NEDs is a good corporate governance practice as the NEDs should be able to provide independent oversight and constructive challenge to the Board/executive directors

As at the end of the financial year, the Advisory Board consisted of seven Advisors, and the Board of Directors consisted of nine Executive Directors and three NEDs. The Society is governed by its Board of Directors, monitored by its NEDs, and advised by the Advisory Board, providing a broad range of perspectives on issues relating to the Society, and protecting the interests of members. The Managing Director, assisted by the office staff, is responsible for executing the decisions of the Board of Directors, and overseeing the Society's day-to-day operation. Decisions are made based on the Society's priorities and strategic initiatives. The Board is supported in its activities by 14 committees and one special interest group, which oversee three key areas, namely services to members and candidates, services to the industry and the public, and the Society's Governance. [A full list of our committees' members](#) can be found on the Society's website.

The Society's major decisions are made by the Board on a collective basis, based on a proper disclosure of circumstantial factors and a cost-benefit analysis. Committees are required to follow the operational guidelines established by the Board. The Society will continue to value insights from stakeholders, which enhances its business ecosystem.

Our Vision

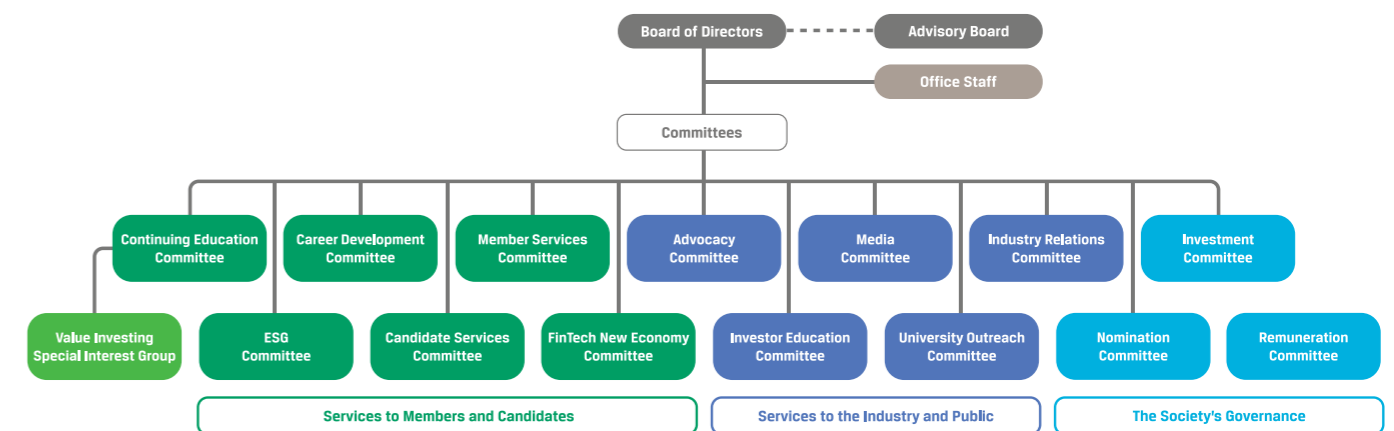
To be Hong Kong's leading investment professional body.

Our Mission

To raise the standard of practice and uphold ethics in the financial services industry.
 To promote CFA® charter as the pre-eminent investment qualification.
 To provide a forum and be the leading voice for investment professionals.



The Society's Board of Directors, Non-Executive Directors and Managing Director (from left to right) Ning Lin, Janet Li, Eric Chiang, Richard Mak, Felicia Wong, David Ching, Alvin Ho, Alfred Lau, Ashley Khoo



Governance structure of the Society

30th Anniversary



To mark the Society's 30th anniversary in 2022, we have launched a series of celebratory program and events for members and the investment community, promoting the highest standards of ethics, education, and professional excellence in the investment industry. We would like to thank everyone for being part of the Society's success over the years, and we feel honored to have received so many heartfelt congratulations messages from industry leaders, valued partners and stakeholders.

To commemorate the 30th anniversary of the Society, three trams with liveries showcasing our accomplishments during the past 30 years ran through Hong Kong's central business district. The Society's accomplishments were also displayed in 25 bus shelters across Hong Kong Island. In addition, three 30-second promotional messages were broadcast on the Metro Finance Radio in June 2022 to reach industry practitioners with key strategic messages, such as raising ethical standard, providing continuing education and nurturing next generations.

CFA Society Hong Kong 30th Anniversary

"CFA Society Hong Kong is dedicated to setting the gold standards for Hong Kong's investment industry. We continuously promote high standards of ethics, integrity, and professional excellence to achieve and maintain professional qualities of independence and objectivity in their professional activities."

Mr. William Leung, CFA,
Treasurer, CFA Society Hong Kong

CFA Society Hong Kong 30th Anniversary

"CFA Society Hong Kong is committed to championing a world-class investment profession. We provide continuing education programs to keep members abreast of the latest market and industry development. We also actively conduct advocacy work to help raising the industry standards and delivering member value."

Ms. Felicia Wong, CFA,
Director, CFA Society Hong Kong

CFA Society Hong Kong 30th Anniversary

"CFA Society Hong Kong has been actively nurturing generations of trusted professionals. The CFA Institute Research Challenge Hong Kong Final offers university students the unique opportunity to learn from leading industry experts and compete with peers from the world's top finance programs."

Prof. Raymond Tsang, CFA,
Director, CFA Society Hong Kong

Three promotional messages were broadcast on Metro Finance Radio to reach industry practitioners and deliver key strategic messages. The messages had subsequently reposted on our LinkedIn page.

Board of Directors



Richard Mak, CFA
President

Richard Mak has been the Head of Product and Business Management – Asia of Pictet Wealth Management since January 2020. He is responsible for the product development and business risk management of the Asia Investment Platform. He joined Pictet in 2011 to lead the Asia Advisory Team providing investment advice to high net-worth investors. Prior to joining Pictet, he was Head of Advisory - Asia at BNP Paribas Wealth Management. He has more than 30 years' experience in the finance industry, including 17 years in equity investment, and he has been advising private clients on global investments since 2003.

Mak was a President Council Representative of the Asia Pacific Region of CFA Institute between 2004 and 2008. He has been a CFA charterholder since 1993. He holds a Bachelor of Social Sciences from The University of Hong Kong.



David Ching, CFA
Director

David Ching is currently a hedge fund manager at Polymer Capital. He was previously the Head of China Strategy and Head of China Basic Materials / EV and Battery Research at Macquarie. He was voted Best Analyst in the Institutional Investor All-Asia Research Poll, and Best Stock Picker by Starmine. He has more than a decade of experience in equity markets, having led top-ranked teams at Morgan Stanley and Bank of America Merrill Lynch. Prior to equities, he held various corporate finance and strategy-related roles at Jardine Matheson.

Ching is a first-class honors graduate, with a full scholarship, from the University of Oxford, where he majored in Engineering, Economics and Management. He is a CFA charterholder and a Chartered Institute of Management Accountants-qualified accountant. Ching is also the President of the Oxford and Cambridge Society of Hong Kong.



Ashley Khoo, CFA
Director

Ashley Khoo, CFA, CPA, is an asset management and investment banking professional with comprehensive buy-side and sell-side experience, inclusive of portfolio management, fundamental/quantitative/pre-deal research covering Asian and China markets, multi-asset class investment, and Big 4 financial advisory.

She spearheaded launch of the ESG Committee, FinTech and New Economy Committee, and Asset Owner Series. She is an Honorary Adviser of the Accounting and Financial Reporting Council, and a Standing Committee Member of The University of Hong Kong Convocation. She served as the President of the CFA Society Hong Kong from 2016 to 2018, and CFA Institute's Presidents Council Governance Committee Member from 2019 to 2020.

Khoo holds a Master of Economics from The University of Hong Kong and a Bachelor of Science from Indiana University Bloomington, with a double major in Accounting and Computer Information System.



Alvin Ho, CFA
Vice President and
Society Secretary

Alvin Ho is an experienced investment principal with a track record in private equity. He currently splits his time between managing a portfolio of private investments and institutional investing on one end, and handholding start-ups and grown-ups seeking new iterations on the other. In addition, he serves as a board member for listed companies and NGOs and is a member of investment committees for funds and platforms. Previously the legal or executive representative for the local currency funds incorporated in Beijing and Chengdu, Alvin was the Head of China for a regional private equity growth fund.

Ho holds various post-graduate degrees from Tsinghua University and London Business School and is on course to complete a Ph.D. with the Shanghai University of Finance and Economics. He has authored two books in Chinese on the economics of sports.



William Leung, CFA
Treasurer

William Leung is a Partner and Member of the Investment Committee at Overlook Investments, having joined the firm in 2017. Prior to Overlook, he established Fundatech Capital, a boutique investment firm that invested primarily in Asia. Before that, he was with Acru Asset Management for 10 years, where he was responsible for co-managing the Acru China Absolute Return Fund, an award-winning value-driven Greater China hedge fund. He has also served as an Investment Analyst with Baring Asset Management covering Greater China equities, and commodities and related industries in Asia.

Leung holds a Master of Science in Financial Engineering from Columbia University and a Bachelor of Commerce in Finance with honors from the University of British Columbia. He is also a Chartered Market Technician.



Alfred Lau, CFA
Director

Alfred Lau has been the Investor Relations Manager at MTR Corporation since 2018. Prior to joining MTR Corporation, he was the Executive Director, Head of Property and Gaming Research, at BOCOM International Research.

Lau has more than 15 years' experience in the financial industry, with 12 years in sell-side equity research. In addition to being a CFA charterholder, he is a Financial Risk Manager and CESGA charterholder. He graduated from The University of Hong Kong with a Bachelor of Economics and Finance.



Raymond Tsang, CFA
Director

Prof. Raymond Tsang is currently an Associate Professor of Practice at The Chinese University of Hong Kong and a Founding Fellow of the university's Engineering FinTech Applied Research Academy. Alongside teaching in the areas of financial engineering and financial technology, he also performs liaison work connecting members of the finance industry and academia. Before joining the academic world, he was a rate derivatives trader at Bank of Tokyo-Mitsubishi UFJ, BNY Mellon, Susquehanna International Group and Bank of Canada, covering markets in Canada, the United States and Asia Pacific.

Tsang holds a Bachelor of Commerce in Finance and Management Information Systems from McGill University, and a Master of Science in Financial Mathematics from the University of Chicago. Tsang is also a Financial Risk Manager.



**Adam Wong, CFA
Director**

Adam Wong is currently an Executive Director at a global bank. He was previously an ultra-high-net-worth banker and Co-Chair of the Asia Advisory Council of JP Morgan Private Bank, and Co-Founder of the JPM running team in Hong Kong.

Wong chairs the Society's Continuing Education Committee. He was also the Co-Chair of the Member Services Committee and helped establish the Society's running team, as well as our Mentorship Program. He graduated from The University of Hong Kong with First Class Honors, majoring in Economics and Finance. He is a Financial Risk Manager, as well as an AWS Certified Cloud Practitioner.



**Felicia Wong, CFA
Director**

Felicia Wong is currently Vice President of the Internal Audit Division at a leading US investment bank, with primary coverage of institutional securities sales and trading business. She has more than 10 years' experience in the financial industry, including at Goldman Sachs (Asia) LLC, providing audit coverage in institutional securities and risk management from 2012 to 2015, and Bank of Montreal in Toronto, where she was an audit manager and quantitative specialist. She later transitioned to capital market treasury, where she provided risk oversight on liquidity and funding.

Wong is also a Financial Risk Manager and holds a Master of Mathematical Finance from the University of Toronto and a Bachelor of Applied Science from the University of Waterloo.

Managing Director



**Eric Chiang, FCPA
Managing Director**

Eric Chiang is the Managing Director of the Society, responsible for implementing the strategy set by the Board and formulating the corresponding action plans, as well as managing the Society's office staff. He previously worked at another leading professional body in Hong Kong, where he managed technical projects on advocacy, regulatory matters, and the tax faculty. He started his career with a Big Four accounting firm, and has held management roles with multinational companies in Hong Kong and China.

Chiang is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Accountants of England and Wales. He has a Master of Science in Global Business from The Chinese University of Hong Kong.

Non-Executive Directors



Three Non-Executive Directors providing independent oversight to the Society
Ning Lin (left), Janet Li (middle), Erwin Sanft (right)



**Ning Lin, CFA
Non-Executive Director**

Ning Lin is currently Managing Director of China International Capital Corporation (CICC) Hong Kong Asset Management Limited. He has more than two decades' experience with top investment banks in the US, Europe and Asia, covering buy-side and sell-side, proprietary investment and asset management. He started his career at Lehman Brothers in 1999, and also worked at Nomura International as a fixed income trader after the merger in 2008. From 2010 to 2016, he worked at UBS as Managing Director and Head of Fixed Income Trading in APAC. He also served as the Executive Officer representing UBS AG under the Hong Kong Monetary Authority. He was a Partner and CEO of 9M Stone Capital Limited before joining CICC in 2017. He holds a Master's degree in business.

Lin was named "CEO of the Year, Hong Kong" by Asia Asset Management in January 2022.



**Janet Li, CFA
Non-Executive Director**

Janet Li is a Partner and the Wealth Business Leader, Asia, at Mercer. She oversees and is responsible for Mercer's Wealth (Investment and Retirement) Business in Asia. In this role, she leads and drives strategic growth for the business, as well as its operations and implementation. She has extensive experience working with institutional clients and financial intermediaries. Her experience also spans across a wide range of retirement and investment services, and a diverse range of asset classes. She currently serves as a Human Capital Committee Member of the Financial Services Development Council, an Honorary Advisor and Compensation and Nomination Committee Member of the Financial Reporting Council, and a Hang Seng Index Advisory Committee Member. She is an Adjunct Associate Professor of the Faculty of Business and Economics at The University of Hong Kong.

Li graduated with a Bachelor of Economics and Finance from The University of Hong Kong and she is a CFA charterholder.



**Erwin Sanft, CFA
Non-Executive Director**

Erwin Sanft is a Founding Partner of Pasaca Capital. He has a quarter of a century's experience in equity research. Sanft was Head of China Research at BNP Paribas, CLSA and Standard Chartered Bank, and Head of China Strategy at Macquarie Bank. He also worked as a senior portfolio manager at E Fund Management, China's largest mutual fund manager. He has managed research teams in Hong Kong, Shanghai and Beijing, and authored many groundbreaking reports on China equities. He moved to China in 1992, studying at Nanjing University, before working at the New Zealand Consulate-General in Shanghai. Sanft has been a CFA charterholder since 2003.

Sanft has a Bachelor of Economics and Finance from the University of Auckland, New Zealand, and graduated from the International Student Program in Chinese and Economics at Nanjing University, China.

Advisory Board

Kevin Chan, CFA

Kevin Chan has more than 30 years' experience in investment management and corporate finance, working for financial institutions in Canada and Hong Kong. He currently makes private equity and venture capital investments for a family office in Hong Kong.

Chan was a director of CFA Hong Kong from 1992 to 2002, and was the President of CFA Hong Kong from 2000 to 2002. He also served on the Advisory Committee on Human Resources Development for the Financial Services Industry of the Financial Services and Treasury Bureau of the Hong Kong SAR government from 2000 to 2002, and the Global Council of the Association for Investment Management and Research from 1999 to 2004. He also served as a director of the University of Toronto (Hong Kong) Foundation.

Terence Chan, CFA

Terence Chan is the Chairman of Bay Area Capital Partners Limited, a Securities and Futures Commission-licensed asset management firm that focuses on private equity investment in the areas of real estate and infrastructure assets, property and construction technology, clean energy, fintech, ESG enhancement and smart city applications. Working in the regions capital markets for 30 years, he has also been an Adjunct Associate Professor in the Department of Real Estate and Construction of The University of Hong Kong, during which his main areas of research were cross-border real estate investment, asset securitization, technology application and sustainable development.

Chan not only holds a Doctor of Economics and a Master of Science in Real Estate, but he is also a fellow member of CPA Australia and the Royal Institution of Chartered Surveyors, as well as holding the CFA professional designation. His work for professional bodies includes being Deputy President of the Hong Kong Independent Non-Executive Director Association, Chairman of the Belt & Road Working Group of the Hong Kong Green Finance Association, a member of the Committee on Real Estate Investment Trusts of the Securities and Futures Commission, and a member of the Mainland Opportunity Committee of the Financial Service Development Council.

Jimmy Jim, CFA

Jimmy Jim is the Head of the Global Markets Department at ICBC (Asia). He has almost 30 years' experience in the banking and financial industry and has held senior positions with many leading international banks. He has worked across Hong Kong, Tokyo and Australia in trading and the sale of precious metals, financial and debt capital market products, asset / liability management and portfolio management.

Jim was the President of CFA Society Hong Kong between 2010 and 2013. He is a CPA (Australia) and holds a Doctor of Business Administration from The Hong Kong Polytechnic University, and a Master of Applied Finance from Macquarie University.

George Long, CFA

George Long is the Founder, Chairman and Chief Investment Officer of LIM Advisors Limited. Before establishing LIM in 1995, he set up and ran the Asian division of Barclays Global Investors and served on the Executive Committee for Barclays Group Asia and the Global Investment Committee in London. He was previously Managing Director and Chief Investor Officer of Gartmore Asia and the Head of the Korean office of Indosuez W.I. Carr Securities (now Credit Agricole). He started his career in New York with Manufacturers Hanover Trust (now part of JP Morgan Chase), attending the management training and credit analyst program and then working as a credit analyst and international banker in New York and Asia.

Long is a former governor of CFA Institute and in 1992 established what would become CFA Society Hong Kong, serving as its president for eight years. He also set up the Hong Kong / China Chapter of the Alternative Investment Management Association in 2002 and served as its chairman for five years. He was also previously on the Asian Advisory Board of the International Swaps and Derivatives Association. He holds a Master of Business Administration in Finance and a Master in Asian Studies from the University of Washington in Seattle.

Karl Lung, CFA

Karl Lung has 30 years' experience in the investment industry and currently works as an independent consultant on investment-related issues. Previous positions include Portfolio Manager with ABN AMRO Asset Management (Asia) Limited, with responsibility for Hong Kong equity investments, and Investment Analyst at brokerage houses such as W.I. Carr (Far East) Limited, Schroders Securities (Hong Kong) Limited, Nomura Research International Company Limited, and Sun Hung Kai Properties Limited.

Lung was the President of CFA Hong Kong between 2005 and 2010, and also served as Director of CFA Hong Kong from 1993 till 2018. He has been a member of the Advisory Committee on Human Resources Development in the Financial Services Sector of the Financial Services and Treasury Bureau, and a member of the Public Shareholders Group, Takeovers and Mergers Panel and Takeovers Appeal Committee of the Securities and Futures Commission. Lung holds a Master of Business Administration from the University of Toronto.

James Soutar, CFA

James Soutar is the Director at Formula Growth Asia Limited. He was previously Executive Director of FrontPoint Management (HK) Limited and Portfolio Manager of the FrontPoint Asia Pacific Fund. He is also a co-founder of Phoenix Research Limited and was the Managing Director of Lombard Odier (Asia) Limited.

Soutar was a member of the Hong Kong Exchanges' Listing Committee from May 2007 to June 2013. He is currently a member of the Hong Kong Exchanges' Listing Review Committee. He was also Chairman of the Advocacy Committee of CFA Society Hong Kong and served on its board from January 1998 to January 2009. He graduated from Tufts University, Boston.

Frederick Tsang, CFA

Frederick Tsang, a CFA charterholder, has more than 30 years' experience in the Hong Kong financial industry and was formerly the Chief Risk Officer of China Everbright Limited. He was previously Head of Equity Research at the Hong Kong branch of brokerage firms including Deutsche Morgan Grenfell, Nomura and Banque Nationale de Paris (BNP).

Tsang has been a member of the Process Review Panel for the Securities and Futures Commission since 2016, and the Financial Reporting Council since 2021, and was previously a member of the Advisory Committee of the Securities and Futures Commission and the Securities and Futures Appeals Tribunal. He also served as a board member and President of CFA Society Hong Kong from 2013 to 2015. He has a Bachelor of Economics with Finance and Accounting from Wilfrid Laurier University and a Master's degree from the University of Alberta.

Role of the Management Team

| Committees and Special Interest Groups | Name of Chair / Vice-chair / Lead |
|---|---|
| Advocacy | Richard Mak, CFA |
| Candidate Services | David Ching, CFA |
| Career Development | Alfred Lau, CFA William Leung, CFA |
| Continuing Education | Adam Wong, CFA Lorenz Cheung*, CFA (Vice Chair) Edwin Fan*, CFA (Vice Chair) |
| FinTech & New Economy | Ashley Khoo, CFA Prab Bajwa*, CFA Rex Wong*, CFA |
| Industry Relations | Alvin Ho, CFA Ashley Khoo, CFA |
| Investment | William Leung, CFA |
| Investor Education | Ashley Khoo, CFA Alfred Lau, CFA |
| Media | Alvin Ho, CFA Alfred Lau, CFA (Vice Chair) Raymond Tsang, CFA (Vice Chair) |
| Member Services | Felicia Wong, CFA Nicholas Jackson*, CFA |
| Nomination | Ashley Khoo, CFA |
| Remuneration | Richard Mak, CFA |
| University Outreach (including Research Challenge & University Relations) | Alvin Ho, CFA (Chair and Research Challenge Sub-group Lead) William Leung, CFA (Student Mentorship Sub-group Lead) Raymond Tsang, CFA (University Relations Sub-group Lead) |
| Value Investing | Alfred Lau, CFA |

*Committee Chair / Vice Chairs who are not members of the Board of Directors

Board Meeting Attendance FY2022

| Board of Directors | Attended / Called in |
|--|----------------------|
| Richard Mak, CFA | 7/7 |
| Alvin Ho, CFA | 7/7 |
| Charles Chui, CFA (Retired on 13 January 2022) | 3/4 |
| William Leung, CFA | 7/7 |
| David Ching, CFA (Appointed on 7 March 2022) | 2/2 |
| Ashley Khoo, CFA | 6/7 |
| Alfred Lau, CFA | 7/7 |
| Janet Li, CFA (Appointed on 3 March 2022) | 2/2 |
| Ning Lin, CFA (Appointed on 3 March 2022) | 2/2 |
| Erwin Sanft, CFA (Appointed on 3 March 2022) | 2/2 |
| Raymond Tsang, CFA | 6/7 |
| Felicia Wong, CFA | 7/7 |
| Adam Wong, CFA | 6/7 |

Remarks: There were a total of seven meetings.

30th Anniversary Gala Dinner



As a result of Hong Kong's COVID-19 cases being on an upward trend, the Society's annual cocktail event scheduled for January 2022 had to be cancelled, and the 30th Anniversary Gala Dinner originally scheduled for June 2022 had to be postponed until 12 August 2022. The latter provided an excellent opportunity to gather and network with representatives from the government, regulators, professional bodies and investment industry practitioners. The Society thanks everyone who attended the event and has supported us throughout the years.

The Society has amplified its role in elevating the standing of investment professionals through offering continuing professional development, and expanding the CFA community by making professionals proud to be our Society members. It has also helped nurturing a pipeline of world-class investment professionals through connecting with students of financial disciplines, and increased trust in the profession via strong advocacy, and acting as a custodian of professional ethics, helping to reinforce Hong Kong's position as an international financial hub in the next 30 years and beyond.

[Highlights of the 30th anniversary](#) can be found on the Society's website.



The Honourable Paul CHAN Mo-po, GBM, GBS, MH, JP
Financial Secretary of the Government of the Hong Kong Special Administrative Region



Mr. Laurence Li, SC, JP
Chairman
Financial Services Development Council



IT Investment

To strengthen the delivery of member services, digital transformation was already well under way at the Society before 2021, but the pandemic accelerated the process.

As part of the Society's rebranding campaign, a website revamp was undertaken during 2021 and 2022, with the aim of improving site performance and user experience, as well as creating a cohesive brand identity. Two-factor authentication has been introduced for our website to ensure data security of our members' accounts. Search Engine Optimization was also implemented to enhance the Society's brand building and engage with prospective candidates and members more effectively.



To foster interaction between the Society and members, and to enhance our member services, customer relationship management (CRM) and a mobile application were developed to automate event logistics. The mobile application puts the Society's updates, networking opportunities and other events at our members' fingertips. It enables members to stay connected with the Society via the built-in calendar function, as well as receiving notifications on important dates.

Thanks to the CRM and the mobile application, the Society was able to organize and deliver more frequent virtual events during the pandemic. With robotic process automation in place, the Society could focus its resources on the content of events, sourcing suitable speakers and interacting with members to understand their needs to ensure events were fit for purpose. The increase in the number of registrations for our webinars, among both members and non-members, showed that our efforts to streamline events registration and logistics by investing in digital transformation have been effective and fruitful.



The Society's upgraded IT system helped us to maintain a high level of service delivery despite the challenge posted by the COVID-19 pandemic in Hong Kong over the past two years. The implementation of digital solutions allowed the Society to operate more efficiently, and better serve our members with improved security at an affordable cost.

Membership and CFA Charterholders

Despite the challenges in 2021, the Society worked hard to serve its members and advance the investment community through extensive advocacy efforts and continuing education programs. The Society is committed to providing a forum for our members, CFA Institute, investment practitioners and regulators to collaborate, while elevating the profession's standing and building public trust in it.

Our membership numbers has shown signs of peaking (6,575 as of 30 June 2022 versus 6,661 a year ago). The Society is committed to strengthen the members' value propositions through the strategic initiatives that aim at positioning our members as the most trusted and respected investment professional globally.

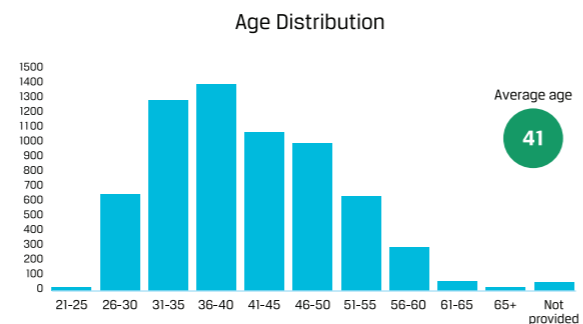
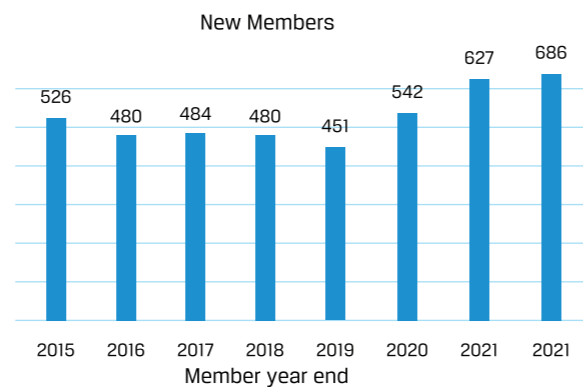
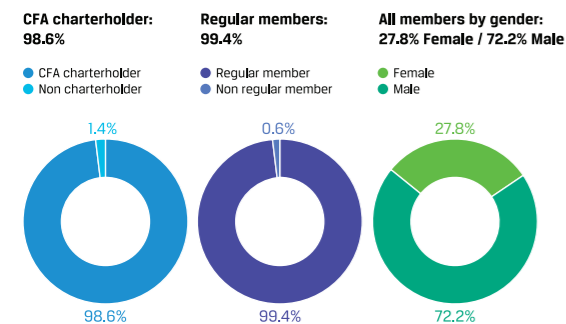
4TH LARGEST MEMBER SOCIETY GLOBALLY
TOP MEMBER SOCIETY IN ASIA PACIFIC



Current Membership

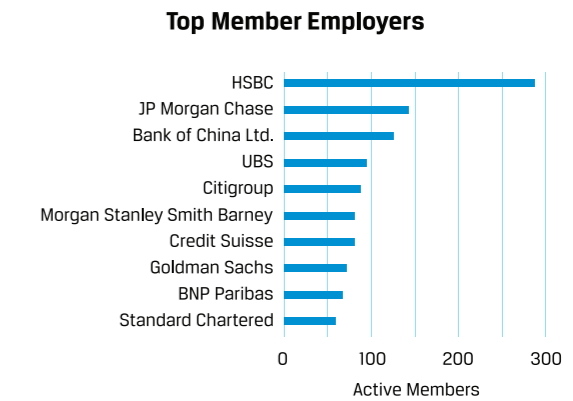
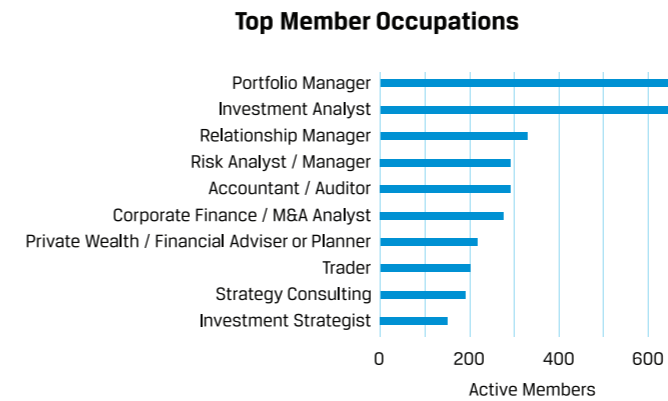


Remarks: All the figures are of the total number of members based as of the end of June every year.

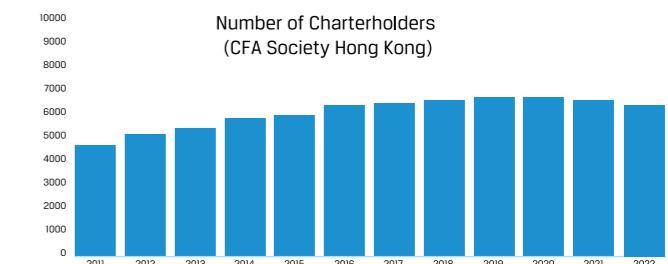
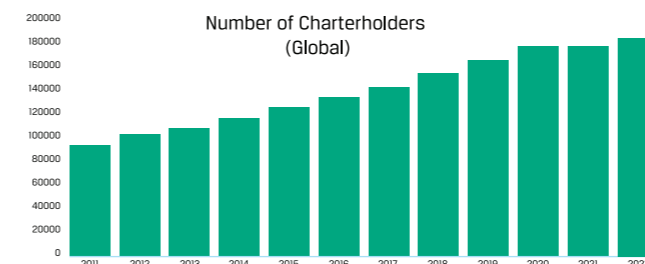


40 Hours of CPT Programs through...

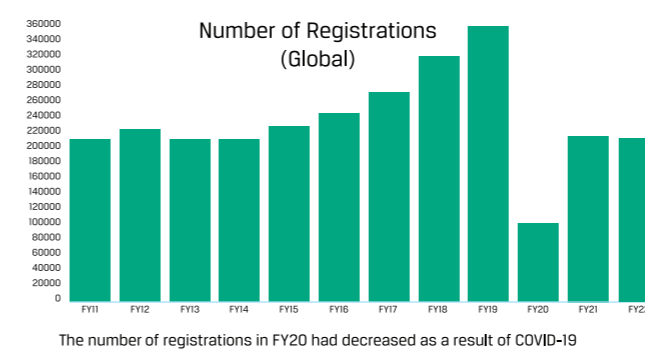
31 Events



CFA Charterholders



CFA Program



The number of registrations in FY20 had decreased as a result of COVID-19



The number of registrations in FY20 had decreased as a result of COVID-19

The Society will continue to deliver on our vision of being the leading investment professional organization in Hong Kong, enhancing value for member and contributing to Hong Kong's success as a world-class global financial hub.

*All data as at 30 June 2022.

*All data as at 30 June 2022.

Key Initiatives

Advocacy

Safe-guarding market integrity and advancing professionalism of the investment industry are the Society's key strategic aims. Our advocacy efforts focus on four key initiatives:

- Policy advocacy and regulator engagement;
- Thought leadership and industry engagement;
- Ethics and practitioner engagement; and
- Investor education and public engagement.



Board Members who have helped drive the Society's Advocacy initiatives
Richard Mak (left), Alfred Lau (right)



The Society has been proactively working with our stakeholders, local regulators, professional bodies and government bureaus to raise industry standards and share views on behalf of our members. The Society issued submissions to a number of consultation papers from Hong Kong Exchanges and Clearing Limited (HKEX), the Hong Kong Monetary Authority, and the Financial Reporting Council in FY2021-22. The Society developed our stances with the support of our members' industry experience, international best practices, research findings and expert opinions.

To maximize our impact and influence, the Society utilizes social media to amplify its views and voice on topical issues of financial industries. The Society's Board members also presented our views on key advocacy topics through interviews with major newspapers in Hong Kong, covering areas such as Career Opportunities for CFA Candidates, Corporate Sustainable Development with an ESG Focus, and the CFA Institute Certificate in ESG Investing.

During the year, the Society took part in joint projects with various institutions on topics that impact the investment profession. To keep our members abreast of recent regulatory updates and market developments, we conducted webinars on topical issues. For example, speakers from the Securities and Futures Commission (SFC) shared their insights on the latest trends in corporate fraud and corporate misconduct, and a speaker from CFA Institute discussed on ethical dilemmas that investment industry professionals may face. The Society also contributed to the research initiative on capital formation by the Financial Services Development Council (FSDC) and other market participants.



To raise awareness of the general public on important investment topics, the Society organized investor education events with the IFEC, including Psychological Traps in Investment on 7 October 2021 and a Climate Change and ESG Investment Webinar on 17 March 2022.

Moving forward, advocacy will stay as a key focus of the Society to strengthen and uphold professional standards and ethics for the investment industry.

Continuing Education

To succeed in a highly competitive and ever-changing marketplace that values professionalism and integrity, investment professionals have to advance their knowledge, skills and abilities to stay abreast of new industry standards, best practices, and evolving market trends. Thanks to technological advancements, the Society was able to organize a record number of events, with highest ever numbers of registrants, during the COVID-19 pandemic. Joint webinars with overseas speakers were made easy in the virtual world, enabling the Society to invite overseas subject-matter experts to broaden the horizons of members.



Board Members who have helped drive the Society's Continuing Education initiatives
Alvin Ho (left), Felicia Wong (right)



The Society is recognized by the SFC as one of the institutions for providing Continuous Professional Training ("CPT"). In FY2022, 31 CPT events, totaling 40 hours, were offered.

The Society has organized webinars on a wider range of topics for members. These sessions covered business models, continuing innovation, and evolving opportunities in the region, such as "An update on the GBA initiative" on 8 December 2021, and "The proposed preferential profits tax regime for Hong Kong family offices" on 26 May 2022.

Overseas subject matter experts were invited to speak on various topics. "Cybersecurity and ESG – how can we stay safe, enhance protection and governance" were held on 28 February 2022, and "Time(ing) is Everything – Combining Fundamental and Technical Analysis" on 27 April 2022.



Last but not least, the Society has cohosted webinars with renowned professional bodies and industry leaders. "Where does the Hong Kong retirement system stand?" was jointly organized with Mercer to share key findings from the Mercer CFA Institute Pension Index 2021 on 10 December 2021. A roundtable was also conducted by a tax partner from KPMG and our Society's spokesperson on the implications of the Hong Kong retirement system research findings.



The Society will continue to facilitate the exchange of information and opinions within the local investment community and beyond through continuing education initiatives.

ESG, Fintech and New Economy



Throughout the COVID-19 pandemic, Hong Kong's increasing focus on new economy and FinTech has kept the investment and financial markets resilient. In addition, Hong Kong is being positioned as an ESG hub, leveraging on global regulatory developments around green finance and sustainability. Financial regulators in Hong Kong have been introducing important regulatory initiatives to tackle climate and environmental risks faced by the investors. Recent developments will help raise the bar for ESG and sustainability standards in Hong Kong.

The Society has been a strong advocate of ESG investing. The CFA Institute Certificate in ESG Investing ("Certificate") has been available in Hong Kong since late 2021. Hong Kong ranked in the top three globally and first in the Asia Pacific region for the cumulative number of registrants for the Certificate, as of the end of June 2022. The Society has partnered with Fitch Learning to offer preferential pricing for preparation courses for the Certificate to our members, CFA charterholders and non-members.

Board Members who have helped drive the Society's ESG and FinTech and New Economy initiatives
Raymond Tsang (left), Richard Mak (right)



FinTech is enabling new opportunities for the investment and finance industries. A number of our continuing education events featured technology-focused topics, such as "The Rise of AI in RegTech" on 24 August 2021. The Society was also invited by Nasdaq to share insights on APAC Crypto Development and Trends at one of its TradeTalks, which was broadcasted live from MarketSite in Times Square, New York, the historic Philadelphia Trading Floor and Global Industry Conferences and Events.

Driving forces behind the Society's ESG, FinTech and New Economy Initiatives
Ashley Khoo (left), Richard Mak (right)

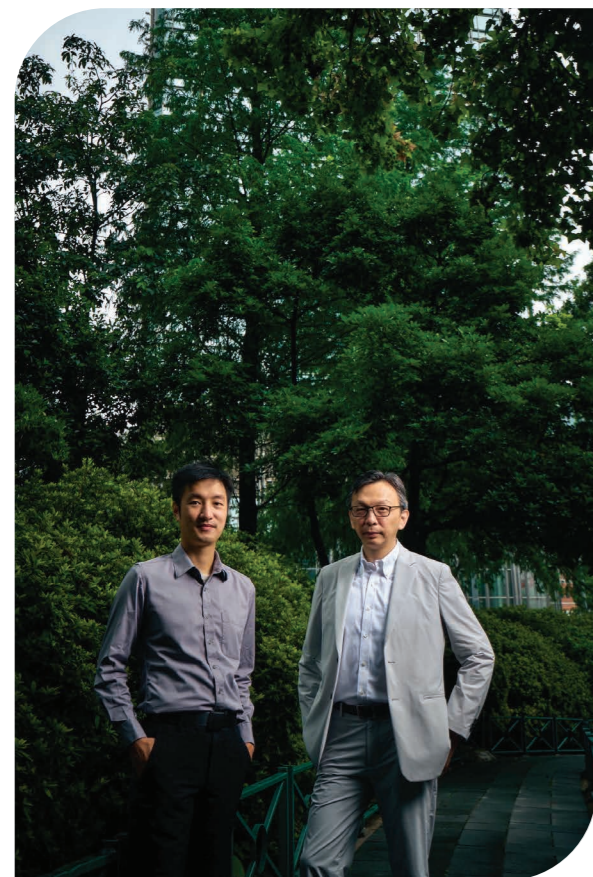


Migrating from raising awareness to ESG Implementation, "Taking Your Portfolio's Temperature - Measuring Climate Impact & Paris Alignment" was held on 29 July 2021. The Society jointly organized a series of webinars on ESG topics with Sustainable Fitch and CFA Institute ARX between late 2021 and early 2022. The series covered "Biodiversity and Emerging Market Debt; A rising area of focus for investors", "ESG Themes for 2022", "ESG Investing Trends in China / APAC", and "Financial Institutions and Climate Risk". The Society has engaged speakers from around the world to share insights on key ESG topics and their impact on investment. The webinars were also open to members of other societies, academics and university students in the region.



To help our members stay ahead of new trends in the investment community, the Society actively engages with industry practitioners and stakeholders to promote and support the adoption of sustainable practices.

Market Outreach



Board Members who have helped drive the Society's Market Outreach initiatives
Alfred Lau (left), Alvin Ho (right)

Outreach Work with Partners and the Public

The Society works closely with government bureaus, industry regulators and other professional organizations to promote and enhance the financial literacy of retail investors, and to equip them with the knowledge and skills they need to make informed investment decisions for their wealth. We have been working closely with the IFEC and the FSDC to deliver events and programs to fulfil these goals.

The Society has increased usage of social media platforms, such as LinkedIn and WeChat, to connect with our members and the investment community. We have also revamped our website and email blast. The digital marketing campaign increased website traffic, improved user experience and visitor engagement, and resulted in high numbers of attendees at our events.



In time for the Society's 30th anniversary in 2022, the Society has been named the winner of the Most Outstanding Society 2022 in the over 1,000 members category (the Award). The Award recognizes the Society's exceptional performance in all areas, as well as our commitment to supporting the mission of CFA Institute. The Society is dedicated to nurture the next generation of investment professionals, and to serve our members and promoting the highest standards of ethics, education and professional excellence. The CFA Institute Society Awards Program was established in 2006 to identify and reward the efforts of societies in delivering the mission of CFA Institute, and providing value to the investment professionals they represent.

"My sincere congratulations to CFA Society Hong Kong for being named the 2022 Most Outstanding Society: Over 1,000 Members winner. The dedication, enthusiasm, and innovation shown by CFA Society Hong Kong is what makes our global society network one of our greatest strengths. It is an honor to partner with such incredible leaders and volunteers," said Margaret Franklin, CFA, President and CEO, CFA Institute.

CFA Control Room

CFA Control Room is the Society's major public awareness campaign. In collaboration with our media partners, it features interviews with seasoned practitioners, covering the latest finance and investment trends and issues. In 2021, CFA charterholders and finance professionals were invited to share their expertise through the 10-episode program which was broadcasted by Metro Radio. Articles from each episode were subsequently published in the Hong Kong Economic Journal. The Society will continue to deliver valuable and insightful content to the public.

Read about our interviews with renowned speakers [on the Society's website](#).

Special thanks to all guest anchors and speakers of CFA Control Room:



Alvin Ho, CFA
Vice President and Society Secretary
CFA Society Hong Kong



Alfred Lau, CFA
Director
CFA Society Hong Kong



Prof. Raymond Tsang, CFA
Director
CFA Society Hong Kong



Alaric Chu
Executive Program Director
Metro Broadcast (Finance)



Janet Li, CFA
Wealth Business Leader, Asia
Mercer



Dicky Ho
Partner
ORI Capital



Benedict Ho
Managing Partner and Co-Founder
MaiCapital Limited



Macro Lim
Managing Partner
MaiCapital Limited



Dr. Rita Zhang, CFA
Founder
Wishland Capital



Prof. Kevin Tsui
Associate Professor
Clemson University
and Visiting Scholar
The Chinese University of Hong Kong



Lokie Tam
Business Manager, IP
Animoca Brands



Dr. Zhao Li
Director of Healthcare Research
BOCOM International



Katrina Lee, CFA
Portfolio Manager
Cult Wines



Kevin Liu, CFA
Managing Director, Strategist
Research Department, CICC

Member and Candidate Services

The investment management industry is constantly changing, and our members and candidates must evolve to keep pace. The goal of the Society is to help members and candidates understanding the future of the profession such that they can maximize their own success.

The Society provides members with opportunities to engage with issues affecting the profession, connect with local and global investment professionals and access top-tier educational resources throughout their careers, as well as actively promoting the value of the CFA designation and the Society's brand.



Board Members who have helped drive the Society's Member and Candidate Services initiatives
Felicia Wong (left), David Ching (right)

From Candidates to CFA Charterholders

To support candidates and engage potential members early on in their careers, the Society provides an extensive array of services designed to support the candidates, such as:

- Information sessions on the CFA exams
- Study group gatherings
- Post exam gatherings for Level III candidates
- Feedback surveys for study group candidates / leaders
- Turn your hard work into a CFA® charterholders together with CFA Institute



The Awards Night is our annual hallmark event to recognize candidates on their successful completion of the CFA Program. This year's event covered those who completed the program in December 2020 and May 2021. We were honored to have Ms. Angelina Kwan CPA, CA, CEO of Stratford Finance Limited, as the keynote speaker for the Awards Night 2021 on 26 November 2021.

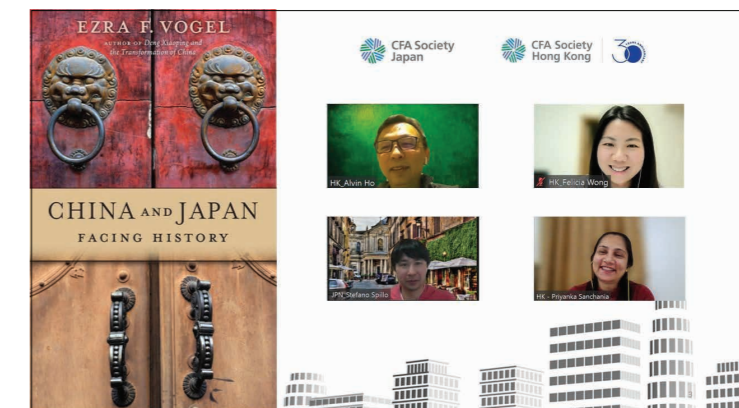


Member Services / Career Development

Our experienced members are keen to share their knowledge and experience with younger members who are eager to learn. The Society organizes career events for experienced professionals to share their knowledge in their fields of expertise. The Society also organized an members-only seminar series, "Engagement Program Series", which was well received by members. In Nov-Dec 2021, the theme of the series was "Analyst Forecasting Power", while the one held in June 2022 was on "How to Write Award-winning Research Reports". Speakers included renowned professors from the academia and outstanding practitioners in the industry. With the webinar format, the events allowed us to gather speakers and participants from across various continents. In the most recent series, we were pleased to hear from the CFA Institute speakers that it was the first time they explained to the Society members about their publications and how to excel in writing a good piece of research.



To keep our members abreast of the latest market and industry developments, we have partnered with different leaders in their respective sectors, such as The Chinese University of Hong Kong, Fitch Learning and Wiley, to empower investment professionals. Membership discounts have also been negotiated with various vendors to enhance member benefits.



Networking and recreational activities are organized to facilitate member interactions, promote a team spirit and cultivate a sense of belonging to the Society among members. The "Twisk Nature Trail Clearing Activities with Mouth-Watering Curry Afternoon Tea" was co-organized with Trailsweeper on 16 October 2021 to nurture a culture of caring for society within the investment community. Our first collaboration with CFA Society Japan, "Joint Book Club Gathering", took place on 7 April with great support from participants in both regions.

University Outreach



Board Members who have helped drive the Society's University Outreach initiatives
David Ching (left), Raymond Tsang (right)

CFA Institute Research Challenge - Hong Kong Final 2021-22

To nurture future talents, the Society has been organizing the CFA Institute Research Challenge Hong Kong Final and student mentorship program every year to provide university students with hands-on-mentoring and intensive training in financial analysis and professional ethics. We also partner with CFA Institute on university outreach initiatives to identify, engage and nurture future investment talents.

A total of 18 university teams joined the local round of the CFA Institute Research Challenge this year. One mentor was assigned to each team, and the mentoring engagement was extended beyond the competition through the Student Mentorship Program.

The Society is grateful to our mentors, graders, judges and career panel speakers for their time and effort, and to our sponsors and supporting organizations, including Yum China Holdings, Inc., Hong Kong Exchanges and Clearing Limited (HKEX), Fitch Ratings, EY, Wiley, Metro Finance, and Refinitiv.



Student Mentorship Program

Following the Hong Kong Final of CFA Institute Research Challenge, the Student Mentorship Program was launched to create an engaged and supportive community for these future investment talents and experienced investment professionals. Through this program, the mentors offer career and life advice as well as guidance to the students to facilitate their personal and professional growth at the same time.



University Seminars

Together with CFA Institute, we have been engaging with students at universities in Hong Kong and Macau to promote the CFA program, to answer questions they may have, and to encourage early enrolment to the Program. In the past year, we met virtually with students from The Hang Seng University of Hong Kong, City University of Macau and The Hong Kong Polytechnic University, as well as holding joint university events to help students plan and prepare for their CFA journey early on in their studies.



Partnership with CUHK Business School

In September 2021, we signed Memorandum of Understandings (MoUs) with The Chinese University of Hong Kong (CUHK) in providing grant on CUHK MBA programs or award on CUHK EMBA program to our members. Under the partnership, our regular members (CFA charterholders or non-CFA charterholders), affiliate members or associate members can either enjoy a grant covering 10 percent of the tuition fee for CUHK MBA program; or will receive the Association Referral Award in the amount of HK\$80,000 for CUHK EMBA program.



Report of the Board of Directors

THE HONG KONG SOCIETY OF FINANCIAL ANALYSTS LIMITED

The directors have pleasure in submitting their annual report together with the audited financial statements for the year ended 30 Jun 2022.

PRINCIPAL PLACE OF BUSINESS

The Hong Kong Society of Financial Analysts Limited (the "Society") is incorporated in Hong Kong and has its registered office and principal place of business at 14/F, BOC Group Life Assurance Tower, 136 Des Voeux Road, Central, Hong Kong.

PRINCIPAL ACTIVITIES

The Society is an independent non-profit making organization set up with its primary goal being to promote and raise standards in the practice of financial analysis in Hong Kong through educational programs and advocacy works.

RESULTS

The financial performance and cash flows of the Society for the year ended 30 June 2022 and the financial position of the Society at that date are set out in the financial statements on page 39 to 42.

MEMBERS OF THE BOARD OF DIRECTORS

The directors who held office during the financial year and up to the date of this report are :-

| | |
|------------------------------|--|
| President | Richard Kan Chong MAK, CFA |
| Vice-president and Secretary | Alvin Man HO, CFA |
| Treasurer | Charles Hui Chun CHUI, CFA (retired on 13 January 2022) William Hung Piu LEUNG, CFA |
| Members | Ashley Pui Wun KHOO, CFA Felicia Chuen Wai WONG, CFA Adam Tsz Yin WONG, CFA Alfred LAU, CFA Raymond Hing Cheung TSANG, CFA David Tse Lok CHING, CFA (appointed on 7 March 2022) |

In accordance with articles 80 and 81 of the Society's articles of association, directors shall retire from office after the term of two years since the last election. In accordance with article 86 of the Society's articles of association, directors filled up casual vacancies of the Board shall retire from office at the next annual general meeting of the Society. The retired directors shall be eligible for re-election.

Accordingly, David Tse Lok CHING who filled up casual vacancies during the year and Alvin Man HO, Adam Tsz Yin WONG and William Hung Piu LEUNG who retired and re-elected at the annual general meeting held on 28 January 2021 shall retire from office at the forthcoming annual general meeting of the Society and, being eligible, offer themselves for re-election. Richard Kan Chong MAK, Ashley Pui Wun KHOO and Felicia Chuen Wai WONG, Alfred LAU and Raymond Hing Cheung TSANG who retired and re-elected at the annual general meeting held on 13 January 2022 shall continue in office for the ensuring year.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS

No transactions, arrangements or contracts of significance to which the Society was a party, and in which a director of the Society had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year was the Society a party to any arrangement to enable the directors of the Society to acquire benefits by means of the acquisition of shares in or debentures of any body corporate.

MANAGEMENT CONTRACTS

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

BUSINESS REVIEW

No business review is presented for the year as the Society has been able to claim an exemption under section 388(3) of the Hong Kong Companies Ordinance since it falls within the reporting exemption.

PERMITTED INDEMNITY PROVISION

A permitted indemnity provision for the benefit of the directors of the Society is currently in force and was in force throughout this year.

AUDITORS

The financial statements were audited by Chan, Li, Law CPA Limited, Certified Public Accountants (Practising), which retires and, being eligible, offers itself for re-appointment.

On behalf of the board

Richard Kan Chong MAK, CFA
President
Hong Kong

Financial Statements and Auditor's Report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HONG KONG SOCIETY OF FINANCIAL ANALYSTS LIMITED (incorporated in Hong Kong with limited liability by guarantee)

Opinion

We have audited the financial statements of The Hong Kong Society of Financial Analysts Limited (the "Society") set out on pages 39 to 42, which comprise the statement of financial position as at 30 June 2022, and the statement of profit or loss and other comprehensive income, statement of changes in members' equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Society as at 30 June 2022, and of the financial performance and cash flows of the Society for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for Opinion

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

Information Other than the Financial Statements and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises all the information included in the directors' report set out on pages 35 to 36, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of Directors for the Financial Statements

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

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

The directors are responsible for overseeing the Society's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

Chan, Li, Law CPA Limited
Certified Public Accountants (Practising)
Hong Kong, 14 Sep 2022

Kwok Wai Choi Eddie
Practising Certificate No.: P05451

THE HONG KONG SOCIETY OF FINANCIAL ANALYSTS LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022
(Expressed in Hong Kong dollars)

| | <u>2022</u> | <u>2021</u> |
|--|--------------------|------------------|
| | HK\$ | HK\$ |
| Membership fees | 5,989,915 | 5,887,689 |
| Surplus from candidate education | 368,922 | 95,864 |
| Surplus from continuing education | 18,900 | 23,619 |
| Surplus from investment research challenge | 66,519 | - |
| Surplus from social functions | 2,967 | - |
| CFA Institute Society Operational Funding subvention | 2,642,506 | 2,924,750 |
| | <u>9,089,729</u> | <u>8,931,922</u> |
| Other income and net (loss)/gain | (1,420,676) | 1,709,882 |
| Administrative expenses | (7,011,122) | (7,576,922) |
| Other operating expenses | (1,929,979) | (956,157) |
| (Deficit)/surplus from operations | <u>(1,272,048)</u> | <u>2,108,725</u> |
| Finance costs | (137,667) | (54,911) |
| (Deficit)/surplus before tax | <u>(1,409,715)</u> | <u>2,053,814</u> |
| Income tax credit/(expense) | 23,323 | (38,619) |
| (Deficit)/surplus for the year | <u>(1,386,392)</u> | <u>2,015,195</u> |
| Other comprehensive income for the year | - | - |
| Total comprehensive (expense)/income for the year | <u>(1,386,392)</u> | <u>2,015,195</u> |

THE HONG KONG SOCIETY OF FINANCIAL ANALYSTS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022
(Expressed in Hong Kong dollars)

| | <u>2022</u> | <u>2021</u> |
|---|-------------------|-------------------|
| | HK\$ | HK\$ |
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 3,827,185 | 4,402,356 |
| Financial assets at amortized cost | 7,121,650 | 7,159,150 |
| Financial assets at fair value through profit or loss | 8,269,442 | 8,284,070 |
| | <u>19,218,277</u> | <u>19,845,576</u> |
| Current assets | | |
| Accounts and other receivables | 141,892 | - |
| Deposits and prepayments | 686,783 | 709,028 |
| Fixed deposits | - | 3,600,000 |
| Cash and bank balances | 7,787,195 | 6,907,323 |
| Tax recoverable | 10,000 | - |
| | <u>8,625,870</u> | <u>11,216,351</u> |
| Current liabilities | | |
| Accounts payable and accruals | 1,946,173 | 1,396,632 |
| Receipts in advance | 13,133 | 1,167,154 |
| Lease liability | 1,405,394 | 1,107,183 |
| Tax payable | - | 119,725 |
| | <u>3,364,700</u> | <u>3,790,694</u> |
| Net current assets | <u>5,261,170</u> | <u>7,425,657</u> |
| Total assets less current liabilities | <u>24,479,447</u> | <u>27,271,233</u> |
| Non-current liabilities | | |
| Lease liability | 1,818,149 | 3,223,543 |
| Accruals | 270,000 | 270,000 |
| | <u>2,088,149</u> | <u>3,493,543</u> |
| NET ASSETS | <u>22,391,298</u> | <u>23,777,690</u> |
| MEMBERS' EQUITY | | |
| Members' general fund | <u>22,391,298</u> | <u>23,777,690</u> |

Approved and authorized for issue by the board of directors on 14 Sep 2022.

Richard Kan Chong MAK, CFA
 President

William, Leung Hung Piu, CFA
 Treasurer

THE HONG KONG SOCIETY OF FINANCIAL ANALYSTS LIMITED
STATEMENT OF CHANGES IN MEMBERS' EQUITY
FOR THE YEAR ENDED 30 JUNE 2022
(Expressed in Hong Kong dollars)

| | Members' general fund HK\$ |
|--|----------------------------------|
| Balance at 1 July 2020 | 21,762,495 |
| Total comprehensive income for the year | 2,015,195 |
| Balance at 30 June 2021 | <u>23,777,690</u> |
| Total comprehensive expense for the year | (1,386,392) |
| Balance at 30 June 2022 | <u>22,391,298</u> |

THE HONG KONG SOCIETY OF FINANCIAL ANALYSTS LIMITED
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 30 JUNE 2022
(Expressed in Hong Kong dollars)

| | 2022 HK\$ | 2021 HK\$ |
|---|--------------------|--------------------|
| Cash flow from operating activities | | |
| (Deficit)/surplus before tax | (1,409,715) | 2,053,814 |
| Adjustments for :- | | |
| Net unrealized loss/(gain) on financial assets at fair value through profit or loss | 2,166,433 | (1,119,584) |
| Investment income | (385,831) | (486,610) |
| Interest income | (12,907) | (33,054) |
| Depreciation | | |
| - owned assets | 111,883 | 45,460 |
| - property leased for own use | 1,345,882 | 1,438,158 |
| Finance costs | 137,667 | 54,911 |
| Operating surplus before changes in working capital | <u>1,953,412</u> | <u>1,953,095</u> |
| (Increase)/decrease in accounts and other receivables | (141,892) | 995,772 |
| Decrease/(increase) in deposits and prepayments | 22,245 | (120,720) |
| Increase in accounts payable and accruals | 549,541 | 1,253,305 |
| (Decrease)/increase in receipts in advance | (1,154,021) | 736,606 |
| Cash generated from operations | <u>1,229,285</u> | <u>4,818,058</u> |
| Hong Kong profits tax paid, net | (106,402) | (815,130) |
| Net cash generated from operating activities | <u>1,122,883</u> | <u>4,002,928</u> |
| Cash flows from investing activities | | |
| Acquisition of property, plant and equipment | (882,594) | (107,649) |
| Acquisition of financial assets at amortized cost | - | (1,630,964) |
| Proceeds from disposal of financial assets at amortized cost | - | 3,921,017 |
| Acquisition of financial assets at fair value through profit or loss | (2,151,805) | (1,555,476) |
| Decrease in time deposit with the original deposit term over three months | 3,600,000 | - |
| Dividend received | 423,331 | 520,603 |
| Bank interest received | 12,907 | 33,054 |
| Net cash generated from investing activities | <u>1,001,839</u> | <u>1,180,585</u> |
| Cash flows from financing activities | | |
| Capital element of lease rentals paid | (1,107,183) | (1,493,089) |
| Interest element of lease rentals paid | (137,667) | (54,911) |
| Net cash used in financing activities | <u>(1,244,850)</u> | <u>(1,548,000)</u> |
| Net increase in cash and cash equivalents | 879,872 | 3,635,513 |
| Cash and cash equivalents at the beginning of the year | 6,907,323 | 3,271,810 |
| Cash and cash equivalents at the end of the year | <u>7,787,195</u> | <u>6,907,323</u> |
| Analysis of the balances of cash and cash equivalents | | |
| Cash and bank balances | <u>7,787,195</u> | <u>6,907,323</u> |



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