



# The Hong Kong Institute of Chartered Secretaries Foundation Limited Fundraising Report 2016–2018

香港特許秘書基金有限公司籌款報告2016-2018

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without the very generous support and encouragement of our donors and sponsors, the good work of the Foundation would not have been possible

## President's message

## Advancing the concepts and practice of good corporate governance

The Hong Kong Institute of Chartered Secretaries Foundation Limited (the Foundation) was set up in January 2012 by The Hong Kong Institute of Chartered Secretaries (HKICS or the Institute), which is the leading professional body dedicated to promoting high corporate governance standards in Hong Kong and throughout Mainland China, as well as providing training and career support to its members.

The Foundation was established as a vehicle for channelling the contributions and goodwill of the many different stakeholders who believe in the values of our profession and who are keen to make a difference. Our aim is not only to advance the concepts and practice of good corporate governance in the wider governance profession, but also to benefit society as a whole.

To align with HKICS, as well as our international body, The Institute of Chartered Secretaries and Administrators (ICSA), in 2017 we changed our year-end. This, our second Fundraising Report, thus covers the 11-month period from 1 August 2016 to 30 June 2017 (2017) and the financial year from 1 July 2017 to 30 June 2018 (2018).

We are pleased to report that in 2017 the Foundation raised a total of HK\$265,764 in donations and distributed HK\$241,436 in funds, while in 2018 donations amounted to HK\$411,266, with HK\$550,563 distributed. Those funds helped to recognise the potential and reward the talent of students in company secretarial and corporate

governance–related subjects. They also helped to promote better knowledge of, and training in, company secretaryship and corporate governance amongst the wider public.

In this report, we discuss our aims and objectives, with a view to attracting new members to our community of support, and provide an overview of our achievements in the last two periods.

Without the very generous support and encouragement of our donors and sponsors, the good work of the Foundation would not have been possible. We would like to take this opportunity to sincerely thank you all.

I look forward to further developments in the work of the Foundation in the years to come, as well as the continued advancement of the values of our profession for the betterment of the society in which we live.

David YH Fu FCIS FCS(PE)

David K

President

The Hong Kong Institute of Chartered Secretaries Foundation Limited 31 December 2018

# Introduction to The Hong Kong Institute of Chartered Secretaries Foundation Limited

#### Goals of the Foundation

The main objectives of the Foundation are:

- to support education and research in company secretarial, legal, accounting and business studies generally, and particularly in the area of corporate governance, and to publish the research results for the benefit of the general public
- to organise or sponsor non-profit making training courses and educational programmes that contribute to public knowledge of corporate governance
- to provide awards and/or scholarships and subsidies to people in need to pursue studies in company secretarial and corporate governance and related subjects, and
- to publish articles and publications that promote and educate the general public about good secretaryship and corporate governance.

In the two financial periods under review – the 11-month period from 1 August 2016 to 30 June 2017 (2017), and the financial year from 1 July 2017 to 30 June 2018 (2018) – the Foundation advanced its activities to promote the importance of ethics and governance to the young generation, focusing on specific societal issues, including community engagement and education. The Foundation also pursues a flexible approach to its work, particularly in terms of seeking more collaboration with stakeholders and extending its reach in the community.

The Council of the Foundation gratefully acknowledges the generosity of The Hong Kong Institute of Chartered Secretaries (HKICS), which continued to donate the commission income it receives from American Express (Amex), arising from members' spending on American Express credit cards, to the Foundation. The amount of Amex commission income received by the Foundation was HK\$79,374 in 2017, and HK\$108,466 in 2018.

The Hong Kong Institute of Chartered Secretaries Foundation Limited is a registered charity under Section 88 of the Hong Kong Inland Revenue Ordinance (charity reference 91/11348), which enables donors to claim tax relief in Hong Kong for donations made to the Foundation.

#### Governance structure of the Foundation

The Council is the governing body of the Foundation, responsible for providing strategic direction to and exercising oversight of the Foundation's activities. Members of the Council as of 30 June 2018 were as follows:

Foundation Honorary Officers				
President	David YH Fu FCIS FCS(PE)	President of HKICS and Company Secretary of Swire Pacific Limited		
Vice-President	Gillian E Meller FCIS FCS	Vice-President of HKICS and Legal and European Business Director of MTR Corporation Limited		
Treasurer	Dr Eva YW Chan FCIS FCS(PE)	Treasurer of HKICS and Head of Investor Relations of C C Land Holdings Limited		
Secretary	Samantha PY Suen FCIS FCS(PE)	Chief Executive of HKICS		
Council Member	Dr Gao Wei FCIS FCS(PE)	Vice-President of HKICS and General Manager of Sinotrans Air Transportation Development Company Limited		
Council Member	Dr Maurice WF Ngai FCIS FCS(PE)	Past President of HKICS and CEO of SWCS Corporate Services Group (Hong Kong) Limited		
Council Member	Ivan KW Tam FCIS FCS	Past President of HKICS and Deputy Managing Director of Chevalier International Holdings Limited		

#### KEY METRICS (All figures are audited and are as of 30 June 2018)

Note: '2017' refers to the 11-month period from 1 August 2016 to 30 June 2017; '2018' refers to the financial year from 1 July 2017 to 30 June 2018.



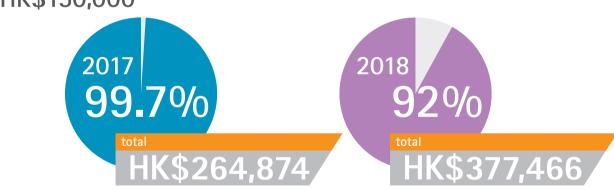




#### Revenue breakdown by donation amount:

Note: In the two periods under review, there were no donations in the second of the three categories of donation, that is, from HK\$10,001 to HK\$150,000.





#### HK\$1-HK\$10,000



## Activities highlights

### HKICS Foundation Scholarship and Subject Prize

Via the HKICS Foundation Scholarship and Subject Prize, the Foundation grants annual scholarships and subject prizes to students from 11 local higher educational institutions and universities for outstanding academic performance. The scheme gives high-achieving students, irrespective of their background or financial means, the opportunity to fulfil their potential in the governance field. It also helps to attract the brightest young people to study in the governance profession.

For the period from 1 August 2016 to 30 June 2017, a total of 33 scholarships and subject prizes were awarded, amounting to HK\$176,500, while for the financial year from 1 July 2017 to 30 June 2018, 53 scholarships and subject prizes were granted, totalling HK\$245,000. All funds for the scholarships and subject prizes were donated to the Foundation by HKICS.

In August 2017, with the generous support of Edith Shih FCIS FCS(PE), the Foundation donated HK\$240,000 to The Open University of Hong Kong (OUHK). This scholarship scheme, entitled 'HKICS Edith Shih Corporate Governance Scholarship', is dedicated to OUHK's Shanghai Postgraduate Programme in Corporate Governance. Six scholarship awards of HK\$8,000 each will be offered annually for a total of five years. The first batch of students graduated on 27 July 2018 and the six scholarship recipients received their awards from Ms Shih.



Higher educational institutions and universities benefitting from the HKICS Foundation Scholarship and Subject Prize

Caritas Institute of Higher Education (CIHE)

City University of Hong Kong (CityU)

Hang Seng Management College (now known as The Hang Seng University of Hong Kong)

Hong Kong Baptist University (HKBU)

Hong Kong Shue Yan University (HKSYU)

Lingnan University (Lingnan U)

The Chinese University of Hong Kong (CUHK)

The Hong Kong Polytechnic University (PolyU)

The Hong Kong University of Science and Technology (HKUST)

The Open University of Hong Kong (OUHK)

The University of Hong Kong (HKU)

In alphabetical order

## International Qualifying Scheme Subject Prize

The Foundation's International Qualifying Scheme (IQS) Subject Prize commends students who have excelled in the IQS examinations, which are held twice a year, in June and December.

Students who attain the grade of 'Distinction' (75–100%) in any of the eight IQS subjects are presented with a Subject Prize with a financial award of HK\$3,000 each.

During the period from 1 August 2016 to 30 June 2017, seven subject prizes were granted, amounting to HK\$21,000, while for the financial year from 1 July 2017 to 30 June 2018, 12 subject prizes, totalling HK\$36,000, were awarded.

A list of the awardees is published in the Institute's monthly *CSj* journal and on the website: www.hkics.org.hk.



## Letters from Subject Prize awardees



## Corporate Governance Paper Competition and Best Presentation Awards

The Corporate Governance Paper Competition, hosted by HKICS, aims to promote awareness of corporate governance among local undergraduates. This annual competition – open to any Hong Kong undergraduate working individually or as a team – was launched in 2006 in tandem with the HKICS's biennial corporate governance conference (CGC) of that year. The competition's theme is based on that of the CGC or, for non-CGC years, covers a corporate governance–related topic.

Academics review the entries in the first round and select the best six, after which a panel of judges reviews and identifies the top three. The competition is promoted in local media and the champion paper each year is published in *CSi*.

In 2016, a total of 32 teams from local universities enrolled in the competition, producing papers on 'Internal and External Forces for Better Corporate Governance'. The top six entries competed in the Best Presentation Awards, held on 10 September 2016.



The topic set for the 2017 competition was 'Corporate Governance and Business Sustainability', for which 36 teams enrolled. The top six teams presented their papers on 21 October 2017 to a panel of four judges.

As a sponsor of these competitions, The Foundation contributed HK\$3,000 in 2017 and HK\$27,240 in 2018.





#### Charity sale

In December 2017, the Foundation inaugurated a charity sale of ties and scarves featuring the Institute's logo. The Foundation also set up a booth at the HKICS Annual Dinner, held on 18 January 2018, at which the Institute's ties and scarves were available, along with limited edition sets of wine glass charms. A private donation enabled the purchase of the wine glass charms from Les Beatitudes (LBA 愛連心), a social enterprise set up to support underprivileged women who need to work in a flexible arrangement.

During the period, total revenue of HK\$22,800 was generated from the charity sales. All proceeds will go to the Foundation for promoting good secretaryship and corporate governance to the general public.



#### **HKICS Foundation Charity Sale**

To support The Hong Kong Institute of Chartered Secretaries Foundation Limited (the HKICS Foundation), you may simply order the Institute neckties or scarves, selling at HK\$200 each, and limited edition of wine charms, selling at HK\$300 each. All proceeds from this Charity Sale will go to support the HKICS Foundation's work in promoting good secretaryship and corporate governance to the general public.

All donations of HK\$100 or above are tax deductible with an official receipt. You may order or contact us for any questions via marketing@hkics.org.hk. Please act now!



#### Passing the Torch project

The objective of the Foundation's Passing the Torch project is to pass on knowledge and expertise in corporate governance and business ethics to the younger generation. Launched in 2014/2015 as a collaborative venture between HKICS and the Department of Accounting of The Hong Kong University of Science and Technology (HKUST), the project was extended in 2016/2017 to Hong Kong Baptist University (HKBU), in collaboration with HKBU's Centre for Holistic Teaching and Learning, using a similar format.

Passing the Torch encompasses three elements.

 Senior HKICS Fellows share their knowledge and expertise in corporate governance and the preservation of ethical standards with undergraduates. Fellows discuss real-life cases to illustrate the importance of governance and ethics, at both individual and corporate levels.

- Selected teams of undergraduates pass on the knowledge they have gained to secondary school students, through presentations and interactive games designed by their teams, on a voluntary basis.
- 3. All participants gather for a closing ceremony, where certificates and an honorarium of HK\$1,000 are awarded to each of the participating undergraduates. The closing ceremony is also an opportunity for the undergraduates to share their experiences and what they learnt from their school visits through giving a presentation.

In 2016/2017, the Foundation contributed a total of HK\$59,436 to the programmes held with HKUST and HKBU, while in 2017/2018, the Foundation's total donation amounted to HK\$76,323 (including HK\$30,000 in sponsorship from the Companies Registry).

The Foundation extends its heartfelt thanks to the Companies Registry for their generous sponsorship of the Passing the Torch project, as well as to the HKICS Secretariat staff for their coordination and organisational efforts.



#### **HKUST**

In 2016/2017, the third Passing the Torch project was completed with HKUST. Lectures on business ethics and ethical standards were attended by 140 HKUST undergraduates. Five teams, comprised of 28 undergraduates, were then selected to pass on this knowledge to students at four secondary schools and one sub-degree programme, in April 2017. The closing ceremony and awards presentation was held on 1 June 2017.



The fourth Passing the Torch project with HKUST, in 2017/2018, focused on ethics as practised in business and at a personal level, how company secretaries can ensure good governance in business and the role of regulators in ensuring compliance for listed companies. The open forum was attended by over 180 undergraduates, of whom 21 (divided into four teams) were selected to visit four secondary schools and one sub-degree programme, in March 2018.

The closing ceremony and awards presentation was held on 17 April 2018. HKICS and Foundation President David Fu FCIS FCS(PE) addressed the ceremony and awarded the honorariums, while Miss Ivy Poon, Deputy Registry Manager, Registry for Trust and Company Service Providers, Companies Registry, presented the certificates



#### HKBU

The year 2016/2017 heralded the inaugural Passing the Torch project with HKBU. About 240 undergraduates attended lectures conducted by two HKICS Fellows, after which four HKBU teams comprising 25 undergraduates were selected to conduct school visits in February 2017. The closing ceremony and awards presentation was held on 1 March 2017.

In 2017/2018, over 200 HKBU undergraduates attended an open forum on the theme of 'CSR and ethics in the challenges of technology faced by Hong Kong listed companies'.

Thirty-three teams of HKBU undergraduates then submitted assignments devising scenarios relating to business ethics to demonstrate what they learnt from the forum. Scenarios from 10 teams were selected and transformed into a mobile application, called AR Learn. Four of these 10 teams, made up of 21 undergraduates, were finally selected for the secondary school visits.

The closing ceremony and awards presentation was held on 28 March 2018. HKICS Education Committee Chairman and Foundation Honorary Treasurer, Dr Eva Chan FCIS FCS(PE), presented the participation certificates and an honorarium of HK\$1,000 to each of the participating HKBU undergraduates.





#### From participants in the Passing the Torch project 2018



We appreciate the secondary schools for providing the state-of-the-art facilities that helped make this event successful. It left us with many good memories, such as playing games with the secondary school students. We were pleased that, by going through cases, they discovered some useful principles.

Wang Fan
Hong Kong Baptist University

From a semester-long group project, five strangers from different majors formed a team to design an interactive presentation on business ethics and corporate governance. We started from scratch and proposed a card game to simulate decision-making in entrepreneurship. We made props, designed slides and discussed different real-life cases of ethics and governance. The benefits of Passing the Torch went beyond my expectations, enabling us to practise creativity, confidence, and even problem-solving and team-building skills. I also got to learn more about Professor Dennis Chan and HKICS colleagues during the project and at the closing ceremony. I am grateful and honored to have participated in this project.

Chan Wing Yan

The Hong Kong University of Science and Technology





It was a great opportunity as an international student to take part in this project. I consider this, my first time visiting a secondary school and delivering knowledge to students, a valuable experience.

Huh Jinheok
Hong Kong Baptist University



Participating in the Passing the Torch project was a valuable opportunity to learn problem-solving skills and the importance of maintaining ethical standards, at both individual and corporate levels. Despite some operational obstacles encountered during the day, our team understood that it was essential to reflect on the mistakes to improve. During the process of teaching the students the concepts of business ethics, we also more fully comprehended the ideas. In the future, we will practise what we preach and create a brighter society.

Tang Ka Ho
The Hong Kong
University of Science
and Technology

#### **KEY FIGURES**

Total value of funds distributed by the Foundation in the key activities it sponsors, for the 11-month period from 1 August 2016 to 30 June 2017 (2017), and for the financial year from 1 July 2017 to 30 June 2018 (2018).

#### **HKICS Foundation Scholarship and Subject Prize**



#### **IQS** Subject Prize



Sponsorship of the Corporate Governance Paper Competition and Best Presentation Awards

2017 HK\$3,000 HK\$27,240

#### Passing the Torch Project



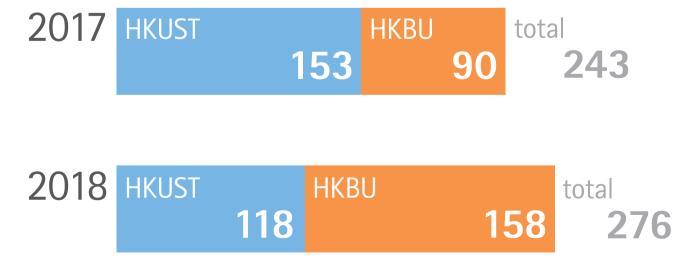
\* Including HK\$30,000 in sponsorship from the Companies Registry.

#### Number of undergraduates involved in the Passing the Torch project



Number of students from secondary schools and the Vocational Training Council involved in the Passing the Torch project

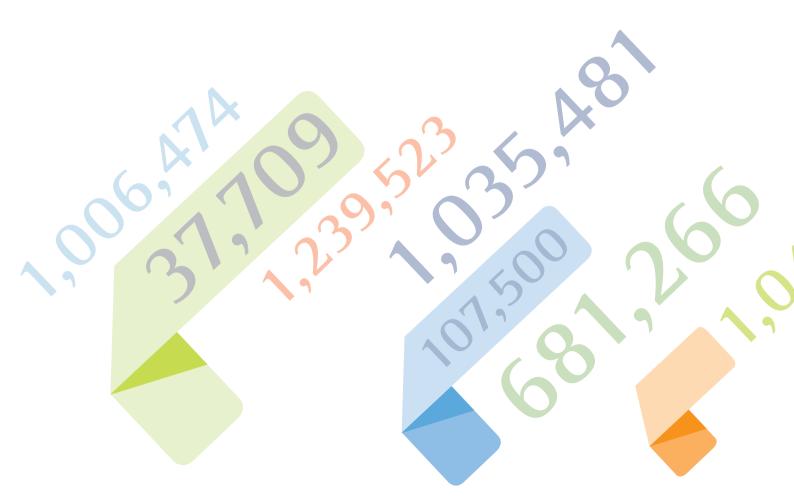
Torch passed by undergraduates from:



# **Extract of Report and Financial Statements**

For the year ended 30 June 2018

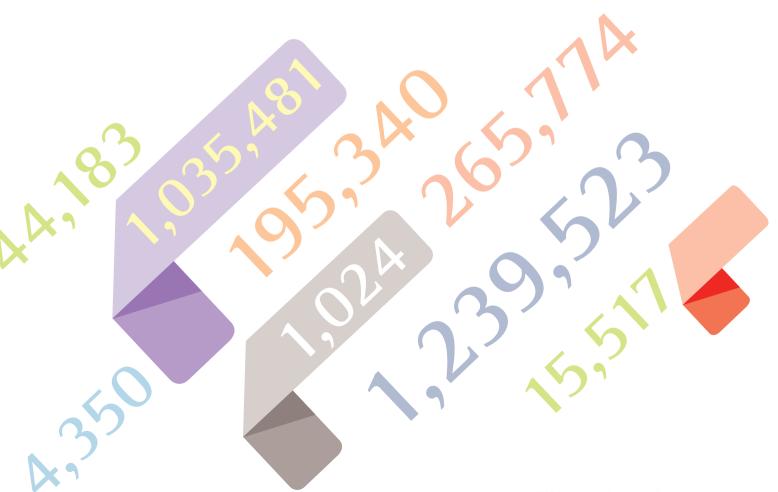
The financial information on pages 19–21 is extracted from the Report and Financial Statements of The Hong Kong Institute of Chartered Secretaries Foundation Limited for the year ended 30 June 2018 audited by BDO Limited. The complete Report and Financial Statements are available from www.hkics.org.hk.



#### STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2018

	2018 HK\$	01/08/2016 to 30/06/2017 HK\$
Revenue	681,266	265,774
Other revenue	1,024	25
Operating expenses	(644,581)	(294,806)
Surplus/(Deficit) and total comprehensive income/(loss) for the reporting period	37,709	(29,007)



#### STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2018

	2018 HK\$	2017 HK\$
CURRENT ASSETS Inventories	4,350	_
Prepayments	317	282
Bank balances	1,234,856	1,369,209
	1,239,523	1,369,491
CURRENT LIABILITIES Accrued expenses	195,340	107,500
Amount due to holding company	_	15,517
Deferred revenue	_	240,000
	195,340	363,017
NET CURRENT ASSETS	1,044,183	1,006,474
NET ASSETS	1,044,183	1,006,474
RESERVES AND FUNDS General fund	1,044,183	1,006,474

#### STATEMENT OF CHANGES IN RESERVES AND FUNDS

#### FOR THE YEAR ENDED 30 JUNE 2018

	General fund HK\$
Balance as at 1 August 2016	1,035,481
Deficit and total comprehensive loss for the period from 1 August 2016 to 30 June 2017	(29,007)
Balance as at 30 June 2017 and 1 July 2017	1,006,474
Surplus and total comprehensive income for the year ended 30 June 2018	37,709
Balance as at 30 June 2018	1,044,183

## Donor and sponsor recognition

It would not have been possible for the Foundation to have continued its work without the generous support received in the last two years. Our donors and sponsor for the period covered by this report are listed below in alphabetical order.

Dr Chan Yee Wah, Eva FCIS FCS(PE)

Chow Wai Shing, Daniel FCIS FCS

Chung Mei Ling FCIS FCS

Companies Registry (sponsor)

Fong Yuk Yu, Tracy FCIS FCS

Ho Tin Sang, Sylvian ACIS ACS

Ho Wing Hung ACIS ACS

Kan Yuk Tak, Lydia FCIS FCS

Lam Shuk Mei, May FCIS FCS

Lau Po Lai, Polly FCIS FCS

Lau Tsui Mei, Louisa FCIS FCS(PE)

Lee Kin. Arthur FCIS FCS

Lee Kwok Fai, Davy FCIS FCS(PE)

Leung Sum Yu, Anita ACIS ACS(PE)

Leung Wai Keung, Richard FCIS FCS

Lo Sze Man, Stella FCIS FCS(PE)

Poon Yuen Ling FCIS FCS(PE)

you

Shih, Edith FCIS FCS(PE)

Sie Ki, Alberta FCIS FCS

Suen Pui Yee, Samantha FCIS FCS(PE)

SWCS Corporate Services Group (Hong Kong) Limited (formerly known as SW Corporate Services Group Limited)

Tam King Tim ACIS ACS

Tam Kwok Wing, Ivan FCIS FCS

The Hong Kong Institute of Chartered Secretaries

Wong Chun Nam, Duffy FCIS FCS

Wong Yee Man, Carman FCIS FCS(PE)

Yiu Wai Yee, April FCIS FCS

Yu Wai Kiu, Rebecca FCIS FCS

## THE HONG KONG INSTITUTE OF CHARTERED SECRETARIES FOUNDATION LIMITED

## PLEDGE CARD |

I/We	would like to support
The Hong Kong Institute of Chartered Secretaries Foundation Limited wit	th a donation of:
HK\$	
Donation method (please tick as appropriate):	
Cheque (crossed cheque, made payable to 'The Hong Kong Institute of C Limited'. Postdated cheques are NOT accepted.)	Chartered Secretaries Foundation
American Express Credit Card  (I authorise the Foundation to debit the donation from my credit card.)	
Name of cardholder (in block letters ):	
Card number:	
Card expiry date: MM	YY
Signature: Date: Date:	
Donations of HK\$100 or above are tax deductible. Please complete the following information so that an official receipt can be issued and sent to your mailing a in due course.	
Contact information	your generation!
Name:	
Company:	
Mailing address:	
Contact number:	
Email address:	

Personal data collected shall not be used for any purpose other than that directly related to the fundraising activities for The Hong Kong Institute of Chartered Secretaries Foundation Limited and shall be protected against unauthorised or accidental access, processing or erasure.

## How you can help

The work of the Foundation would not be possible without the support it receives from donors. The Foundation welcomes all contributions, small or large, towards its work. If you would like to contribute, please contact our Secretary, Samantha Suen FCIS FCS(PE), at: info@csfoundation.org.hk.

#### **About the Foundation**

The Hong Kong Institute of Chartered Secretaries
Foundation Limited was established by The Hong Kong
Institute of Chartered Secretaries on 5 January 2012
as a company limited by guarantee under the Hong
Kong Companies Ordinance. The Foundation supports
educational and research programmes in corporate
governance, company secretarial, legal, accounting and
business studies fields for the benefit of the Chartered
Secretarial profession and the general public.

#### The Hong Kong Institute of Chartered Secretaries 香港特許秘書公會

(Incorporated in Hong Kong with limited liability by guarantee)

The Hong Kong Institute of Chartered Secretaries (HKICS) is an independent professional body dedicated to the promotion of its members' role in the formulation and effective implementation of good governance policies as well as the development of the profession of Chartered Secretary and Chartered Governance Professional in Hong Kong and throughout Mainland China.

HKICS was first established in 1949 as an association of Hong Kong members of The Institute of Chartered Secretaries and Administrators (ICSA) of London. It was a branch of ICSA in 1990 before gaining local status in 1994 and has also been ICSA's China/Hong Kong Division since 2005.

HKICS is a founder member of Corporate Secretaries International Association (CSIA) which was established in March 2010 in Geneva, Switzerland. In 2017, CSIA was relocated to Hong Kong in which it operates as a company limited by guarantee. CSIA aims to give a global voice for corporate secretaries and governance professionals.

HKICS has over 6,000 members and 3,200 students.

#### The Hong Kong Institute of Chartered Secretaries Foundation Limited

香港特許秘書基金有限公司

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