

**HONG KONG INSTITUTE OF INVESTORS LIMITED**  
(香港投資者學會有限公司)

**DIRECTORS' REPORT**  
**AND**  
**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31ST MARCH, 2010**



22900691581  
AC  
31/01/2011

0674830

**HONG KONG INSTITUTE OF INVESTORS LIMITED**  
**DIRECTORS' REPORT**

The directors have pleasure in submitting their annual report together with the audited financial statements for the year ended 31st March, 2010.

**Principal activities**

The company's principal activities to promote and encourage high standard of professional investment techniques on the part of those interested in Hong Kong financial market.

**Result and dividend**

The result of the company for the year ended 31st March, 2010 and the state of the company's affairs as at that date are set out in the financial statements on pages 3 to 14.

No dividend is recommended by the directors.

**Charitable donations**

Charitable donations of HK\$1,001 (2009: HK\$Nil) were made by the company during the year.

**Property, plant and equipment**

Movements in property, plant and equipment are set out in note 12 to the financial statements.

**Directors**

The directors during the financial year and up to the date of this report were:

TAM Siu Hing  
LAM Mui Wan

The above directors in office will continue to hold office for the coming year.

**Directors' interests in contracts**

Details of related party transactions are set out in note 11 to the financial statements.

Other than as disclosed above, no contract of significance, to which the company was a party and in which a director of the company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

**Arrangements to acquire shares or debentures**

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

**Auditors**

S. W. Sze & Co., Certified Public Accountants (Practising) retire and, being eligible, offer themselves for re-appointment.

For and on behalf of the Board



Chairman  
Hong Kong

Dated : 28th December, 2010

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF**  
**HONG KONG INSTITUTE OF INVESTORS LIMITED**  
(incorporated in Hong Kong with liability limited by guarantee)

We have audited the financial statements of Hong Kong Institute of Investors Limited set out on pages 3 to 14, which comprise the statement of financial position as at 31st March, 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

**Directors' responsibility for the financial statements**

The directors are responsible for the preparation and the true and fair presentation of these financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditor's responsibility**

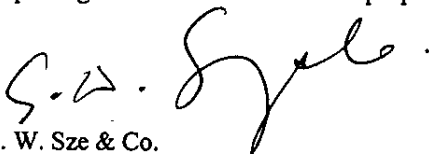
Our responsibility is to express an opinion on these financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with section 141 of the Hong Kong Companies Ordinance, and for no other purposes. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 31st March, 2010 and of its surplus and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

  
S. W. Sze & Co.  
Certified Public Accountants (Practising)  
Rm 602, Chung Wai Commercial Building,  
447-449 Lockhart Road, Causeway Bay, Hong Kong

Date : 28th December, 2010

**HONG KONG INSTITUTE OF INVESTORS LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31ST MARCH, 2010**

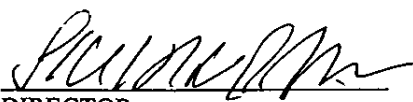
	Note	2010 HK\$	2009 HK\$
Turnover	6	784,362.00	399,862.20
Direct costs		(678,444.00)	(336,636.80)
		105,918.00	63,225.40
Other income	9	5.88	74.64
Administrative expenses		(92,509.73)	(99,936.03)
Surplus/(deficit) before tax	7	13,414.15	(36,635.99)
Income tax expense	10	0.00	0.00
Surplus/(deficit) and total comprehensive income/(loss) for the year		13,414.15	(36,635.99)

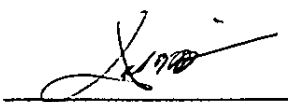
The annexed notes form an integral part of the financial statements.

**HONG KONG INSTITUTE OF INVESTORS LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31ST MARCH, 2010**

	Note	2010 HK\$	2009 HK\$
<b>Non-current assets</b>			
Property, plant and equipment	12	0.00	0.00
<b>Current assets</b>			
Trade and other receivables		61,110.00	21,380.00
Prepayment		3,183.00	7,488.34
Cash and bank balances		70,924.84	70,407.99
		135,217.84	99,276.33
<b>Less: Current liabilities</b>			
Receipt in advance		13,640.00	7,080.00
Due to director	11	113,284.62	115,939.62
Trade and other payables		133,598.99	114,976.63
		260,523.61	237,996.25
<b>Net current liabilities</b>		<b>(125,305.77)</b>	<b>(138,719.92)</b>
<b>NET LIABILITIES</b>		<b>(125,305.77)</b>	<b>(138,719.92)</b>
<b>Equity</b>			
Reserves		(125,305.77)	(138,719.92)

The financial statements were approved and authorised for issue by the board of directors on 28th December, 2010.

  
 \_\_\_\_\_  
 DIRECTOR

  
 \_\_\_\_\_  
 DIRECTOR

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

**HONG KONG INSTITUTE OF INVESTORS LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31ST MARCH, 2010**

	Accumulated <u>deficit</u> HK\$
Balance at 31st March, 2008	(102,083.93)
Deficit and total comprehensive loss for the year	(36,635.99)
Balance at 31st March, 2009	<u>(138,719.92)</u>
Surplus and total comprehensive income for the year	13,414.15
Balance at 31st March, 2010	<u><u>(125,305.77)</u></u>

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

**HONG KONG INSTITUTE OF INVESTORS LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31ST MARCH, 2010**

	<u>2010</u>	<u>2009</u>
	HK\$	HK\$
<b>Cash flows from operating activities</b>		
Surplus/(deficit) before tax	13,414.15	(36,635.99)
Adjustments for:		
Depreciation	0.00	1,257.50
Interest income	(5.88)	(74.64)
Surplus/(deficit) before working capital changes	<u>13,408.27</u>	<u>(35,453.13)</u>
(Decrease) in due to director	(2,655.00)	(2,655.00)
Decrease/(increase) in prepayment	4,305.34	(7,488.34)
Increase in trade and other receivables	(39,730.00)	(19,980.00)
Increase in receipt in advance	6,560.00	7,080.00
Increase in trade and other payables	18,622.36	50,156.63
Net cash generated from/(used in) operating activities	<u>510.97</u>	<u>(8,339.84)</u>
<b>Cash flows from investing activities</b>		
Interest received	5.88	74.64
Net cash generated from investing activities	<u>5.88</u>	<u>74.64</u>
Net increase/(decrease) in cash and cash equivalents	516.85	(8,265.20)
Cash and cash equivalents at beginning of the year	<u>70,407.99</u>	<u>78,673.19</u>
Cash and cash equivalents at end of the year	<u><u>70,924.84</u></u>	<u><u>70,407.99</u></u>
<b>Cash and cash equivalents :</b>		
Cash and bank balances	<u><u>70,924.84</u></u>	<u><u>70,407.99</u></u>

**HONG KONG INSTITUTE OF INVESTORS LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH, 2010**

**1. General information**

Hong Kong Institute of Investors Limited is a company incorporated in Hong Kong with liability limited by guarantee. The registered office is located at 40th Floor, Jardine House, 1 Connaught Place, Central, Hong Kong. The company is principally engaged in promoting and encouraging high standard of professional investment techniques on the part of those interested in Hong Kong financial market.

The financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the company.

**2. Statement of compliance**

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

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the company. Information on the changes in accounting policies resulting from initial application of these new and revised HKFRSs for the current and prior accounting periods reflected in these financial statements are provided in note 3.

The Company has not applied any new standard or interpretation that is not yet effective for the current accounting period.

**3. Changes in accounting policies**

The HKICPA has issued one new HKFRS, a number of amendments to HKFRSs and new Interpretations that are first effective for the current accounting period of the company. Of these, the following developments are relevant to the company's financial statements:

(i) HKAS 1 (revised)	Presentation of financial statements
(ii) HKAS 23 (revised 2007)	Borrowing costs
(iii) Improvements to HKFRSs (2008)	

The amendments to HKAS 23 and Improvements to HKFRSs (2008) have had no material impact on the company's financial statements as the amendments and interpretations were consistent with policies already adopted by the company. The impact of the remainder of these developments is as follows:

As a result of the adoption of HKAS 1 (revised), details of changes in equity during the period have been presented separately from all other income and expenses in a revised statement of changes in equity. All other items of income and expense are presented in the income statement, if they are recognised as part of profit or loss for the period, or otherwise in a new primary statement, the statement of comprehensive income. Corresponding amounts have been restated to conform to the new presentation. This change in presentation has no effect on reported profit or loss, total income and expense or net assets for any period presented.

**4. Significant accounting policies**

*a. Basis of preparation*

The financial statements have been prepared on the historical cost basis.



**HONG KONG INSTITUTE OF INVESTORS LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH, 2010**

**4. Significant accounting policies (cont' d)**

*a. Basis of preparation (con' t)*

The preparation of the financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The directors have confirmed that they will provide such financial assistance as is necessary to maintain the company as a going concern. On the strength of this assurance, the financial statements have been prepared on a going concern basis.

*b. Property, plant and equipment*

Property, plant and equipment are stated in the statement of financial position at cost less accumulated depreciation and impairment losses, if any.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, on a straight-line basis over their estimated useful lives at the rate of 25% per annum.

The residual value and the useful life of an asset are reviewed at least at each financial year-end.

The company assesses at each reporting date whether there is any indication that any items of property, plant and equipment may be impaired and that an impairment loss recognised in prior periods for an item may have decreased. If any such indication exists, the company estimates the recoverable amount of the item. An impairment loss, being the amount by which the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount, or a reversal of impairment loss is recognised immediately in profit or loss.

Gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised and is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

*c. Related parties*

For the purposes of these financial statements, parties are considered to be related to the company if the company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the company and the party are subject to common control or common significant influence. Related parties may be individuals (being members of key management personnel, significant shareholders and/ or their close family members) or other entities and include entities which are under the significant influence of related parties of the company where those parties are individuals, and post-employment benefit plans which are for the benefit of employees of the company or of any entity that is a related party of the company.

**HONG KONG INSTITUTE OF INVESTORS LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH, 2010**

**4. Significant accounting policies (cont' d)**

*d. Trade and other receivables*

Trade and other receivables are initially measured at fair value and, after initial recognition, at amortised cost less impairment for bad and doubtful debts, if any, except for the following receivables:

Interest-free loans made to related parties without any fixed repayment terms or the effect of discounting being immaterial, that are measured at cost less impairment for bad and doubtful debt, if any; and  
Short-term receivables with no stated interest rate and the effect of discounting being immaterial, that are measured at their original invoice amount less impairment for bad and doubtful debt, if any.

At the end of each reporting period, the company assesses whether there is any objective evidence that a receivable or group of receivables is impaired. Impairment losses on trade and other receivables are recognised in profit or loss when there is objective evidence that an impairment loss has been incurred and are measured as the difference between the receivable's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at its original effective interest rate, i.e. the effective interest rate computed at initial recognition.

*e. Cash and cash equivalents*

Cash comprises cash on hand and at bank and demand deposits with bank. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition less bank overdrafts which are repayable on demand and form an integral part of the company's cash management.

*f. Trade and other payables*

Trade and other payables are initially measured at fair value and, after initial recognition, at amortised cost, except for short-term payables with no stated interest rate and the effect of discounting being immaterial, that are measured at their original invoice amount.

*g. Income tax*

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised directly in other comprehensive income or directly in equity, in which case the relevant amounts of tax recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits. Apart from differences which arise on initial recognition of assets and liabilities, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

**HONG KONG INSTITUTE OF INVESTORS LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH, 2010**

**4. Significant accounting policies (cont' d)**

*h. Revenue recognition*

Revenue is measured at the fair value of the consideration received or receivable taking into account the amount of any trade discounts and volume rebates allowed by the company. Provided that it is probable that the economic benefits associated with the revenue transaction will flow to the company and the revenue and the costs, if any, in respect of the transaction can be measured reliably, revenue is recognised as follows:

- i)* Membership income is recognised on a cash receipt basis.
- ii)* Courses income is recognised when the courses held.
- iii)* Revenue from sales of services is recognised when the services are rendered.

**5. Capital management**

Capital comprises of reserves stated on the statement of financial position. The company's objective when managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide benefits for its members.

The company manages capital by regularly monitoring its current and expected liquidity requirements rather than using debt/equity ratio analyses.

The company is not subject to either internally or externally imposed capital requirements

**6. Turnover**

Turnover represents:

	<u>2010</u>	<u>2009</u>
	HK\$	HK\$
Membership fee income	25,480.00	37,650.00
Courses & services income	758,882.00	362,212.20
	<u>784,362.00</u>	<u>399,862.20</u>

**7. Surplus/(deficit) before tax**

Surplus/(deficit) before tax is arrived at after charging:

	<u>2010</u>	<u>2009</u>
	HK\$	HK\$
Auditors' remuneration		
- For audit	5,000.00	5,000.00
- For other services	7,000.00	7,000.00
Depreciation	0.00	1,257.50
Key management personnel's remuneration	0.00	0.00
	<u>0.00</u>	<u>0.00</u>

**HONG KONG INSTITUTE OF INVESTORS LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH, 2010**

**8. Directors' remuneration**

Directors' remuneration disclosed pursuant to section 161 of the Hong Kong Companies Ordinance is as follows:

	<u>2010</u>	<u>2009</u>
	HK\$	HK\$
Directors' fees	0.00	0.00
Other emoluments	0.00	0.00
	<u>0.00</u>	<u>0.00</u>

**9. Other income**

	<u>2010</u>	<u>2009</u>
	HK\$	HK\$
Interest income	5.88	74.64
	<u>5.88</u>	<u>74.64</u>

**10. Income tax in the statement of comprehensive income**

*a. Taxation in the statement of comprehensive income represents:*

	<u>2010</u>	<u>2009</u>
	HK\$	HK\$
<i>Current tax – Hong Kong profits tax</i>		
Provision for the year is calculated at 16.5% (2009: 16.5%) of the estimated assessable profits for the year	0.00	0.00
<i>Deferred tax</i>		
Origination and reversal of temporary differences	0.00	0.00
	<u>0.00</u>	<u>0.00</u>

*b. Reconciliation between tax expense and accounting surplus/(deficit) at applicable tax rates:*

	<u>2010</u>	<u>2009</u>
	HK\$	HK\$
Surplus/(deficit) before tax	13,414.15	(36,635.99)
Tax at the applicable tax rate of 16.5% (2009: 16.5%)	2,213.00	(6,044.00)
Tax effect of non-taxable revenue	(1.00)	(12.00)
Tax effect of (utilized tax loss)/unused tax losses not recognised	(2,065.00)	6,033.00
Tax effect of unrecognised tax assets/liabilities on property, plant and equipment	(147.00)	23.00
Income tax expense	<u>0.00</u>	<u>0.00</u>

*c. Deferred tax assets not recognised*

The Company has not recognised deferred tax assets in respect of tax losses of HK\$21,246 (2009: HK\$23,312). The tax losses do not expire under current tax legislation.

**HONG KONG INSTITUTE OF INVESTORS LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH, 2010**

**11. Related party transactions**

In addition to the transactions and balances disclosed elsewhere in these financial statements, the company had the following material related party transactions during the year:

	<u>2010</u>	<u>2009</u>
	HK\$	HK\$
Amount due to director	(113,284.62)	(115,939.62)
Marketing and promotion fee income received from a related company	61,110.00	0.00
Courses organization, management and administration fee paid to a related company	(666,924.00)	(322,910.00)

All the transactions with related party were negotiated at arm-length basis and in accordance with common commercial terms in the same manner as other external customers and suppliers. Spouse of director Tam Siu Hing has controlling interest in the company.

The amount due to director are unsecured, interest free and have no fixed terms of repayment.

**12. Property, plant and equipment**

	<u>Leasehold improvement</u> HK\$	<u>Furniture &amp; fixtures</u> HK\$	<u>Computer equipment</u> HK\$	<u>Total</u> HK\$
Cost :				
At 1st April, 2008 and at 31st March, 2009	<u>45,859.00</u>	<u>39,570.00</u>	<u>63,440.00</u>	<u>148,869.00</u>
Accumulated depreciation:				
At 1st April, 2008	45,859.00	38,312.50	63,440.00	147,611.50
Charge for the year	<u>0.00</u>	<u>1,257.50</u>	<u>0.00</u>	<u>1,257.50</u>
At 31st March, 2009	<u>45,859.00</u>	<u>39,570.00</u>	<u>63,440.00</u>	<u>148,869.00</u>
Net book value:				
At 31st March, 2009	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Cost :				
At 1st April, 2009	45,859.00	39,570.00	63,440.00	148,869.00
Disposal	<u>(45,859.00)</u>	<u>(39,570.00)</u>	<u>(63,440.00)</u>	<u>(148,869.00)</u>
At 31st March, 2010	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Accumulated depreciation:				
At 1st April, 2009	45,859.00	39,570.00	63,400.00	148,829.00
Written back on disposal	<u>(45,859.00)</u>	<u>(39,570.00)</u>	<u>(63,400.00)</u>	<u>(148,829.00)</u>
At 31st March, 2010	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Net book value:				
At 31st March, 2010	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

**HONG KONG INSTITUTE OF INVESTORS LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH, 2010**

**13. Financial risk management and fair values**

The company is exposed to credit risk, liquidity risk and market risk arising in the normal course of its business and financial instruments. The company's risk management objectives, policies and processes mainly focus on minimizing the potential adverse effects of these risks on its financial performance and position by closely monitoring the individual exposure.

*a. Credit risk*

The company is exposed to credit risk on financial assets, mainly attributable to trade and other receivables. The company has designed its credit policies with an objective to minimize its exposure to credit risk. The company's trade and other receivables are very short term in nature and the associated risk is minimal. Membership fee income, programme and subscription income are collected in advance.

At 31st March, 2010, the company has no concentration of risk and the maximum exposure to credit risk is represented by the carrying amount of each financial asset.

*b. Liquidity risk*

The Company is exposed to liquidity risk on financial liabilities. It manages its funds conservatively by maintaining a comfortable level of cash and cash equivalents in order to meet continuous operational need.

The following table details the remaining contractual maturities at the end of reporting period of the company's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the company can be required to pay.

	Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand
<u>2010</u>	HK\$	HK\$	HK\$
Due to director	113,284.62	113,284.62	113,284.62
Trade and other payables	133,598.99	133,598.99	133,598.99
	<u>246,883.61</u>	<u>246,883.61</u>	<u>246,883.61</u>
<u>2009</u>	HK\$	HK\$	HK\$
Due to director	115,939.62	115,939.62	115,939.62
Trade and other payables	114,976.63	114,976.63	114,976.63
	<u>230,916.25</u>	<u>230,916.25</u>	<u>230,916.25</u>

*c. Market risk*

(i) Interest rate risk

The company has no significant exposure to interest rate risk as the company does not have fixed deposits nor floating rate borrowings with banks. Therefore no sensitivity analysis is prepared.

(ii) Currency risk

The company has no significant exposure to foreign currency risk as substantially all of the company's transactions are denominated in Hong Kong dollars. Therefore no sensitivity analysis is prepared.

**HONG KONG INSTITUTE OF INVESTORS LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH, 2010**

**13. Financial risk management and fair values (con' t)**

*d.* Fair value of financial instruments carried at other than fair value

The carrying amounts of the company's other financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31st March, 2010 and 2009.

**14. Possible impact of amendments, new standards and interpretations issued but not yet effective for the annual accounting year ended 31st March, 2010**

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 31st March, 2010 and which have not been adopted in these financial statements.

The company is in the process of making an assessment of what the impact of these amendments, new standards and new interpretations is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the company's results of operations and financial position.

**15. Approval of financial statements**

These financial statements were authorised for issue by the company's Board of Directors on 28th December, 2010.

**HONG KONG INSTITUTE OF INVESTORS LIMITED**  
**SUMMARY OF OPERATING EXPENSES**  
**FOR THE YEAR ENDED 31ST MARCH, 2010**

	HK\$
Administrative expenses	
Accounting fee	7,000.00
Audit fee	5,000.00
Bank charge	540.00
Bank interest	32.40
Business registration fee	450.00
Donation	1,001.00
Entertainment	4,773.70
Helpers messing & welfare	27,010.50
Legal & professional fee	6,700.00
Local travelling	5,052.90
Membership fee	8,330.05
Postage and courier	1,449.70
Printing and stationery	10,596.48
Sundry expenses	5,920.00
Telephone	6,253.00
Web hosting fee	2,400.00
	<hr/>
	92,509.73
	<hr/> <hr/>