

**SCMP/IFPHK Financial Planner Awards 2010**  
**University Student Category**  
**First Round Written Plan - Judges Comment Report**

---

Below are the summaries of comments from the judges for the first round submitted written plans.

**1. Executive Summary**

Executive summary should NOT be more than one page. It should only highlight the key aspects of client's current financial position and recommendation. Candidates should indentify the key content for the main body and leave the calculations or supplementary information in the appendices.

**2. Format of the written plan**

A good financial plan should consist of chats, diagrams or tables to demonstrate the data. Candidates are also recommended to add page number and table of content for easier reference. The content of the plan are expected to be fruitful rather than excessive of writings to fill up pages. Candidates do NOT need to put down the explanation and meaning of different financial terms in their plans. A good presentation format will definitely add value to the plan. Typo and grammar mistakes should be minimized.

In order to provide a thorough financial plan, candidates are required to follow the guideline provided and should try to answer all questions. Marks will be deducted if no answer is found to a topic.

**3. Client Data**

Candidates should read the client data listed in the financial plan carefully to make sure the information or data provided is consistent. Candidates should also double check the numbers and calculations included in the plan. It is important to ensure the calculation of the client financial matters is correct with valid reasons and support. Otherwise, suggestions may not be feasible and marks will be deducted.

Candidates are advised to visit other website, such as the Inland Revenue, to obtain accurate tax calculations and information. If the calculations are too comprehensive, it is suggested to put them in the appendix.

Candidates should evaluate client's current situation and prioritize the financial goals as a result to discuss the feasibility of meeting them.

#### **4. Six core Financial Planning areas**

As a professional financial planner, candidates should be familiar with the six core of financial planning, including cash flow management, insurance planning, investment planning, retirement planning, estate planning and tax planning. Each of the area is equally important. Candidates are required apply the financial planning concepts to the client's situation where applicable and appropriate.

#### **5. Risk analysis**

Risk is occurring in various financial situations. Since the risk tolerance level for each client will be different according to their background and needs, candidates should first evaluate how the client can endure its risk in order to provide suitable recommendations.

Risk analysis will help the judge to understand why candidates are recommending such high or low risk products to the client.

#### **6. Assumptions**

Reasonable assumptions should be made and explained in your plan. Unrealistic assumptions can make your advice unachievable. If an irrational assumption is made, candidate should elaborate on it and provide the rationale behind.

#### **7. Recommendations and Suitability of Advice**

When writing a financial plan, recommendations are critical to the clients. Clients will expect the financial planner to provide valid, concrete and comprehensive suggestions according to their needs and risk tolerance level. Usually there will be more than one alternative for the client. The financial planner will also need to explain clearly on why such recommendations are suitable to the clients. Thus, candidates are required to provide supplementary information to support its advice and recommendations. It is also suggested to highlight the pros and cons of your recommendations.

#### **8. Disclosures and disclaimers**

As a financial planner, candidates should disclose the exact details to the client according to what the case study had provided but not copying from other sample cases. Client will need to know the information about the financial planner such as name, contact details, professional qualifications, licences holding, services charges, or conflict of interest, etc. A financial planner should also disclaim his/her responsibilities and the intended use of the financial plan.