



FINANCIAL PLANNING STANDARDS BOARD



5 YEARS | 23 TERRITORIES | 126,000 CFP PROFESSIONALS

# Stakeholder Report

# FPSB at a Glance

Financial Planning Standards Board benefits the clients and potential clients of financial planners by establishing, upholding and promoting worldwide professional standards in financial planning.

FPSB's commitment to excellence is represented by the marks of professional distinction – CFP, CERTIFIED FINANCIAL PLANNER and .



## CFP Professionals by Territory (2009)

CERTIFIED FINANCIAL PLANNER professionals meet rigorous competency, ethics and practice standards based on an international framework for professionalism and initial and ongoing certification requirements developed by FPSB. CFP certification standards for each FPSB territory have been adapted to meet local market needs.

Territory	CFP Professionals	Territory	CFP Professionals
United States	60,634	India	907
Canada	17,243	Singapore	721
Japan	16,434	Chinese Taipei	677
China	6,139	Indonesia	462
Australia	5,588	New Zealand	416
Hong Kong	3,884	Brazil	377
South Africa	3,596	Switzerland	265
Republic of Korea	2,550	Austria	212
Malaysia	2,415	Thailand	66
France	1,383	Ireland	0
Germany	1,138	The Netherlands	0
United Kingdom	909		

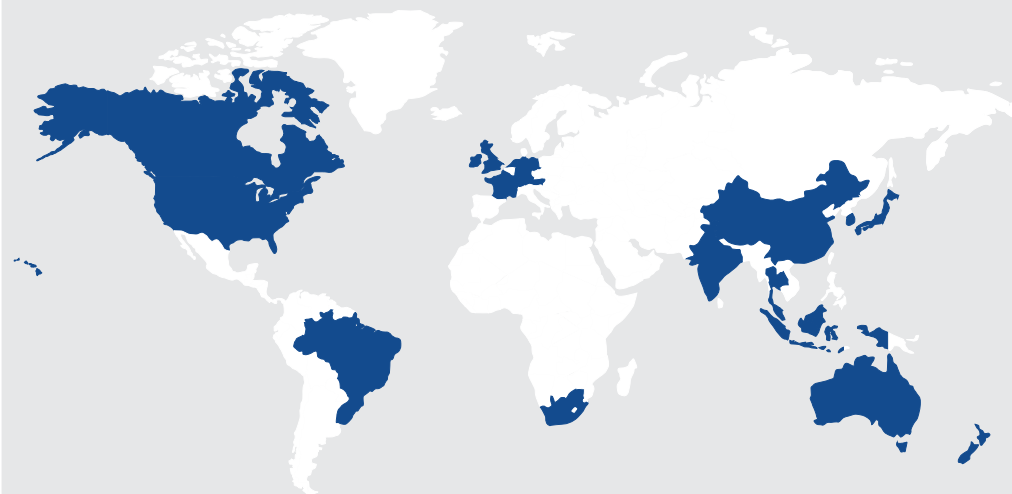


## Global Growth of CFP Professionals



## CFP Certification Worldwide

FPSB Members are nonprofit organizations from 23 territories around the world committed to developing, promoting and enforcing world-class standards for financial planning professionalism. The blue areas indicate the presence of a CFP certification program.



## To our Stakeholders

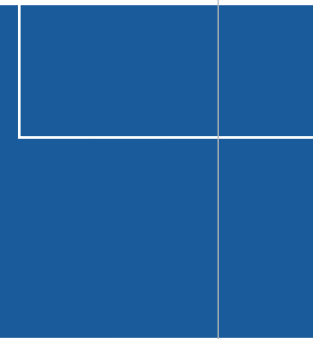
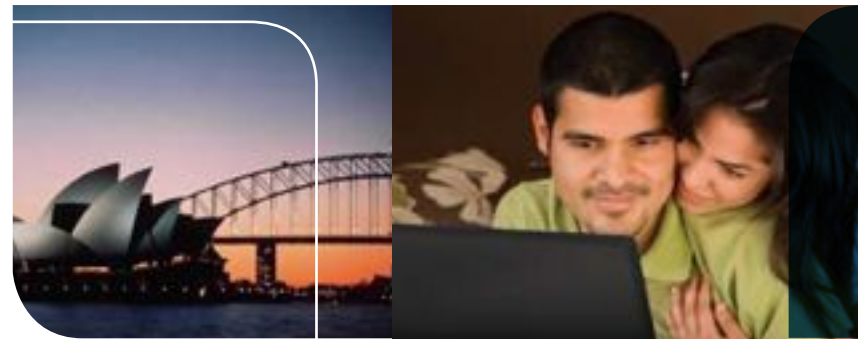
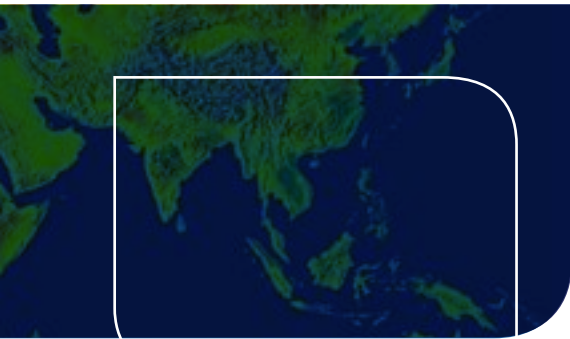
FPSB's vision is to establish financial planning as a global profession, and the CFP Marks as the global symbol of excellence in financial planning.

### **Challenge and Opportunity**

The economic upheaval caused by the global financial crisis tested millions of individuals and families around the world, just as it challenged the financial services institutions and regulatory and professional bodies upon which consumers relied. But each challenge also offers opportunity, and the global crisis helped highlight the value of the financial planning process and the benefit of working with a qualified, competent and ethical financial planning professional.

Since its creation in 2004, Financial Planning Standards Board has worked to benefit the clients and potential clients of financial planners by establishing, upholding and promoting worldwide professional standards in financial planning. At a time when consumers may be uncertain about their financial futures, yet fearful about engaging a financial planner, FPSB's development and enforcement of competency, ethics and practice standards enables the public to distinguish those who are qualified and committed to working in their clients' interests when offering financial planning. And research shows that those who have a financial plan, or those who work with a financial planner, are more satisfied with their financial situation and decisions.


As governments, regulators, consumer advocates, and the financial services community focus on oversight models and the need for standards, and households focus on less risky approaches



to financial management, FPSB is committed to promoting the benefit and value of financial planning, delivered by professionals who meet rigorous standards and whose recommendations are based on the goals, needs and objectives of their clients. And we stand ready to engage with governments and regulatory authorities to support regulations and oversight models that will strengthen and foster the emergence of financial planning as a global profession that embraces its obligations to society.

Our efforts over the past five years position us well to drive the emergence of financial planning as a distinct professional practice around the world, and to partner with stakeholders who share our vision and commitment to benefiting consumers seeking the advice of financial planning professionals.

### Standards of Excellence

In 2004, FPSB purchased the CFP, CERTIFIED FINANCIAL PLANNER and  marks and certification program outside the U.S. from Certified Financial Planner Board of Standards. Adding to the nearly 40-year history of the CFP certification program, FPSB has focused during the past five years on developing global competency, ethics and practice standards for the financial planning profession.

Through our network of 23 nonprofit professional and standards-setting bodies that administer the CFP certification program and over 126,000 financial planning professionals around the world, FPSB is intimately connected to the practice of financial planning in 23 territories on six continents.

Our ability to develop internationally recognized financial planning standards and certification programs is based on our experience in emerging and developed markets, in countries ranging from populations of 4.3 million to 1.3 billion, and in environments that embrace a variety of distribution and compensation models for delivering financial products and advice.

Our standards-setting process relies on hundreds of volunteers from around the world who join FPSB working groups and advisory panels to draft standards and guidance documents, which are then reviewed and approved by FPSB Member organizations and other stakeholders. In this way, FPSB ensures our standards are both world class and relevant in each of the 23 jurisdictions in which they are being delivered.



But setting standards is only one part of what we do. To benefit the clients and potential clients of financial planners, FPSB has a rigorous assessment and enforcement program to ensure that FPSB's Member organizations are adhering to FPSB's standards and global best practices when delivering the CFP certification program in a territory.

Where shortcomings or gaps are identified in member programs, FPSB develops a remediation plan with the member organization and delivers training and resources to assist with compliance with FPSB's global standards.

FPSB's commitment to standards and to establishing CFP certification as the symbol of excellence in financial planning was validated in 2009. A valuation completed by an external consulting firm of FPSB's trademark portfolio, which took into account the current state and future growth potential of FPSB's program, showed a 48 percent increase in value in the portfolio since it was purchased from CFP Board in 2004.

#### **A Vibrant Global Community**

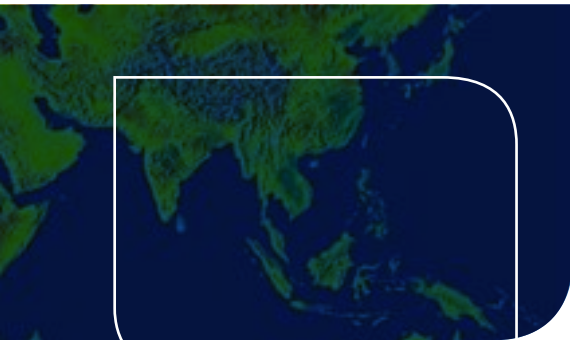
During the last five years, an average annual growth rate of seven percent brought the number of people authorized to use the CFP Marks around the world from 89,690 to 126,016.

And the global community of nonprofit organizations that are members of FPSB and authorized to offer CERTIFIED FINANCIAL PLANNER certification increased by more than 35 percent, from 17 founding members in 2004 to 23 member bodies at year-end 2009. These bodies collectively form the FPSB Council, an advisory and ratification body that supports the FPSB Board of Directors.

Territories where FPSB has an organizational member include Australia, Austria, Brazil, Canada, Chinese Taipei, France, Germany, Hong Kong, India, Indonesia, Ireland, Japan, Malaysia, New Zealand, the Netherlands, the People's Republic of China, the Republic of Korea, Singapore, South Africa, Switzerland, Thailand, the United Kingdom and the United States. And interest in CFP certification and FPSB membership remains strong throughout the globe.

#### **Vision for the Future**

FPSB's vision is to gain global recognition for financial planning as a distinct profession, one that embraces its responsibilities to the clients it serves and to society at large. While FPSB has spent the past five years developing the framework, standards and certification program to support financial planning's emergence as the newest profession globally, we know that we have more to do to have financial planning recognized like established professions such as law, medicine and accounting.



And we know that we cannot achieve our vision or objectives alone.

Starting in 2010, FPSB and its member organizations will initiate dialogue among FPSB's various stakeholders at a global, regional and local level, bringing together the voices of consumers, regulators, educators, employers and financial planning professionals to discuss the strategies needed to achieve our vision.

At FPSB's World Financial Planning Summit in 2010, we'll invite our stakeholders to challenge FPSB to develop standards, programs and activities that will shape the future of the financial planning profession for the benefit of individuals and families everywhere.

In the years ahead, we will continue to face challenges and opportunities, but we are committed to making FPSB's vision a reality. And we are committed to pursuing our vision with determination and integrity, and with the needs and interests of the consumer front and center in our decision making.

As a global community, FPSB and its member organizations need to ensure that when consumers seek financial planning, they can readily identify competent, trustworthy financial planners who behave as professionals and who always put clients' interests first. The future of our profession depends on it.

Stephen O'Connor, CFP<sup>®</sup>CERT<sup>™</sup>  
2009 Chairperson, FPSB Board of Directors

Corinna Dieters  
2009 Chairperson, FPSB Council

Noel Maye  
Chief Executive Officer



# FPSB: The First Five Years

2009 marked the five-year anniversary of FPSB. Trace FPSB's progress from its launch through the first five years.

During its first five years, FPSB anticipated that a robust set of global standards and certification frameworks were needed for the financial planning profession, as well as a stable and transparent global organization that could foster and support the emerging profession worldwide.

## 2004

### December

- FPSB launches with 17 member organizations
- CFP Marks outside U.S. transferred to FPSB
- 89,690 CFP professionals worldwide

## 2005

### August

- Financial Planning Standards Council of China joins FPSB as an Associate Member

### December

- FPSB has 17 Affiliate and 1 Associate Members
- 96,549 CFP professionals worldwide

## Accomplishments 2005

- Global community of organizations administering CFP certification program endorses FPSB's vision, objectives and mission to benefit the clients and potential clients of financial planning professionals worldwide.
- FPSB registers CFP, CERTIFIED FINANCIAL PLANNER and  trademarks worldwide to ensure that consumers can readily identify qualified, competent and ethical financial planners.



2006

### March

- CFP Board congratulates FPSB on progress developing global standards for CFP Marks

### April

- FPSCC becomes an Affiliate Member, authorized to administer CFP certification
- FPSB Indonesia joins as an Associate Member

### November

- FPSB Indonesia becomes an Affiliate Member, authorized to administer CFP certification

### December

- FPSB has 19 Affiliate Members
- 104,952 CFP professionals worldwide



2007

### June

- Register Masters in Financial Planning joins as an Associate Member

### September

- FPSB Education Advisory Panel discusses global financial planning curriculum

## 2006

- FPSB's Board of Directors creates a Certification Committee to review the existing certification scheme for the CFP certification program and develop uniform global standards for financial planning.
- FPSB establishes a cross-border marks use policy to enable CFP professionals to meet standards for certification in multiple territories, and to ensure that consumers receive advice from CFP professionals who are familiar with territory-specific laws and regulations.
- FPSB establishes an assessment program to ensure member organizations are in compliance with FPSB's standards.
- FPSB launches [www.fpsb.org](http://www.fpsb.org) website, with information to help consumers understand financial planning and how to select and work with a financial planner.

## 2007

- FPSB adopts a global Financial Planner Competency Profile, which describes the range of abilities, professional skills and body of knowledge needed to competently deliver financial planning to clients.

2007<sub>cont.</sub>

### November

- FPSB Ireland and Thai Financial Planners Association join as Associate Members
- CFP Board, owner of the CFP Marks in the U.S., joins FPSB

2008

### October

- FPSB Ireland and Thai Financial Planners Association become Affiliate Members
- FPSB approves global education, assessment, ethics and practice standards for the financial planning profession

## 2007

- FPSB and its members adopt a global branding program, along with standardized messages and promotional materials, to help consumers understand the value of financial planning and how to select and work with a financial planner.

## 2008

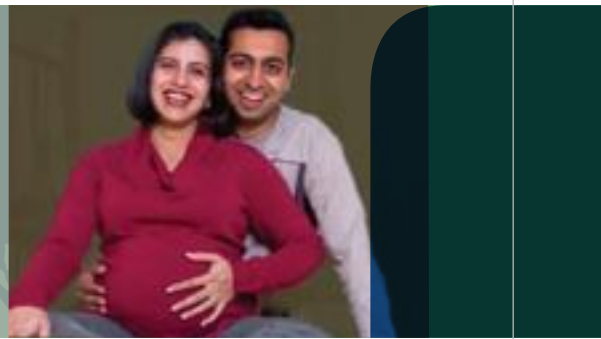
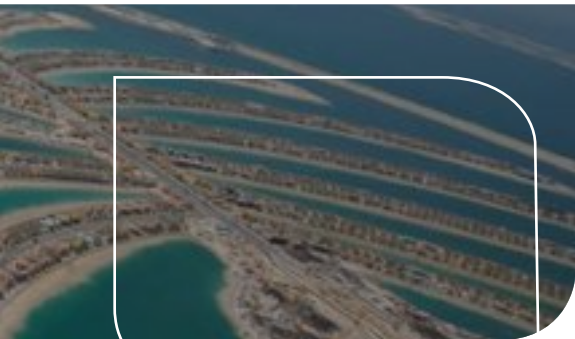
- FPSB approves a Financial Planner Code of Ethics and Professional Responsibility, which outlines a financial planner's responsibilities to the public, clients, colleagues and employers, including placing the client's interests first.
- FPSB adopts Financial Planning Practice Standards, which establish the level of professional practice

expected of a financial planner during financial planning engagements.

- FPSB develops Model Rules of Conduct for CFP Professionals, which serve as a certifying body's enforcement mechanism for the Financial Planner Code of Ethics and Financial Planning Practice Standards.

- FPSB develops a Financial Planning Curriculum Framework, which encourages educators to be directed by the practice of financial planning when structuring education modules and courses.

- FPSB builds a Financial Planner Assessment Framework, which guides certifying bodies on how to adequately assess the



### December

- FPSB has 22 Affiliate and 1 Associate Members
- 118,506 CFP professionals worldwide, majority doing business outside the U.S.

### January

- FPSB signs Letter of Intent with European Financial Planning Association to discuss regional alliance

### April

- FPSB Nederland becomes an Affiliate Member

### June

- FPSB trademark portfolio increases in value by 43 percent over five years

### December

- FPSB celebrates five-year anniversary
- FPSB has 23 Affiliate Members
- 126,016 CFP professionals worldwide

## 2009

competency and fitness of candidates for financial planner certification.

- FPSB approves a three-year strategic plan outlining key objectives in the areas of Leadership, Standards, Recognition and Awareness, and Engagement, and aligning member organization activities globally.

- FPSB approves a Financial Planner Experience Standard, which guides certifying bodies on how to adequately assess the work experience of candidates for financial planner certification.

- FPSB adopts a Financial Planner Continuing Professional Development Standard, which

guides certifying bodies on how to establish ongoing competency requirements for individuals who hold financial planner certification.

- FPSB releases a global position paper, *The State of Financial Planning in the "Post-Trust" Era*. The paper compares financial planning to established professions,

and identifies what's needed for financial planning to be recognized as a distinct, global profession.

# Balance Sheet

31 December 2009



## ASSETS

	US\$
<b>Current assets</b>	
Cash and cash equivalents	718,513
Restricted cash	578,022
Pledges receivable	10,000
Prepaid expenses	32,173
<b>Total current assets</b>	<b>1,338,708</b>
Equipment, net	18,905
Trademarks*	532,291
<b>Total assets</b>	<b>1,889,904</b>

\*In 2009, FPSB's trademark portfolio was valued at US\$790,000, a 48 percent increase in value since it was purchased from CFP Board in 2004.

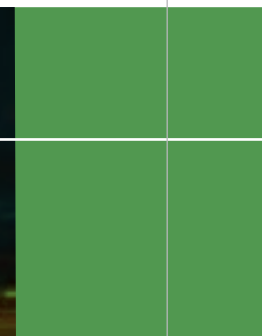
Audited financials are available upon request.

## LIABILITIES AND NET ASSETS

	US\$
<b>Current liabilities</b>	
Accounts payable and accrued liabilities	22,365
Deferred revenue	633,542
Current portion of long-term liability	100,141
<b>Total current liabilities</b>	<b>756,048</b>
<b>Net assets</b>	
Designated	250,172
Undesignated	873,684
Temporarily restricted	10,000
<b>Total net assets</b>	<b>1,133,856</b>
<b>Total liabilities and net assets</b>	<b>1,889,904</b>

# Operating Summary

31 December 2009



	US\$
<b>Revenue</b>	
Membership dues	1,976,338
Member organization assessments	28,400
Contributions	4,524
Corporate grants	124,164
Other revenue	6,734
<b>Total revenue</b>	<b>2,140,160</b>
Net assets released from restrictions	16,944
<b>Total unrestricted revenues</b>	<b>2,157,104</b>
<b>Expenses</b>	
Program services	1,390,682
Management and general	532,696
<b>Total expenses</b>	<b>1,923,378</b>
<b>Change in unrestricted net assets</b>	<b>233,726</b>

“I’m grateful to Elaine Bedel, CFP®, and Tim Kochis, CFP®, for their personal guarantees of the loan to purchase the CFP Marks. Without their support and optimism, FPSB could not have been established or achieved so much in its first five years.”

— Noel Maye, FPSB CEO

# FPSB Founding Contributors

These organizations demonstrated tremendous generosity by contributing substantial funds to support FPSB's initial creation and start-up operations which helped establish the CFP certification program globally.

FPSB expresses its deep gratitude to these organizations for their commitment to our mission and vision, and is pleased to recognize them as Founding Contributors of FPSB.

## Platinum Level (US\$100,000)

- ✔ Financial Planning Standards Board Korea
- ✔ Financial Planning Association of Australia Ltd.
- ✔ Financial Planning Standards Council (Canada)
- ✔ Financial Planning Standards Board China Ltd. (Shanghai)
- ✔ Japan Association for Financial Planners

## Gold Level (US\$50,000)

- ✔ Financial Planning Association of Malaysia
- ✔ Financial Planning Association of Taiwan
- ✔ Financial Planning Institute of Southern Africa
- ✔ Financial Planning Standards Board India
- ✔ Institute of Financial Planning Ltd. (United Kingdom)
- ✔ Institute of Financial Planners of Hong Kong Ltd.
- ✔ Instituto Brasileiro de Certificação de Profissionais Financeiros (Brazil)

## Silver Level (up to US\$25,000)

- ✔ Association Francaise des Conseils en Gestion de Patrimoine Certifiés (France)
- ✔ Institute of Financial Advisers (New Zealand)
- ✔ Financial Planning Standards Board Indonesia
- ✔ Financial Planning Association of Singapore
- ✔ Österreichischer Verband Financial Planners (Austria)



## FPSB Board of Directors

“...We want a truly international foundation for the CFP Marks, and to establish a process to develop, enforce and promote standards for professional financial planners that is governed by, advised by, and staffed by the best and brightest in financial planning internationally.”

— Maureen Tsu, CFP®, Chairperson, 2004 FPSB Board of Directors, at the London launch of FPSB

### 2009 FPSB Board of Directors

Stephen O’Connor, CFP<sup>CERT</sup>™, 2009 Chairperson  
Corinna Dieters, 2009 Chairperson-elect  
Prem Govender, CFP®  
James Kraft, CFP®  
Juliana Lam, CFP<sup>CM</sup>  
Noel Maye, CAE  
Karen Schaeffer, CFP®  
Peter Volpé, CFP®  
Jane Wheeler, CFP<sup>CM</sup>  
Naoyuki Yoshino, Ph.D.



Back row L to R: James Kraft, Karen Schaeffer, Jane Wheeler, Prem Govender, Peter Volpé. Front row L to R: Juliana Lam, Stephen O’Connor, Corinna Dieters, Noel Maye. Not pictured: Naoyuki Yoshino.

### Former Members of the FPSB Board of Directors

John Carpenter, 2003 Chairperson  
Maureen Tsu, CFP®, 2004 Chairperson  
Tim Kochis, CFP®, 2005 Chairperson  
Elaine Bedel, CFP®, 2006 Chairperson  
Margaret Koniuck, 2007 Chairperson  
Selwyn Feldman, CFP®, 2008 Chairperson  
William Anthes  
Joanne Bickel, CFP®  
Patrick Dufour, CFP®  
Louis Garday  
Ray Griffin, CFP®  
Shailesh Haribhakti, CFP<sup>CM</sup>  
Ian Heraud, CFP®  
John Hewison, CFP®  
Don Johnston  
Nicolas Koechlin, CFP®  
K P Liu, CFP®  
Ian Middleton, CFP®  
Suzue Sato



**FINANCIAL PLANNING STANDARDS BOARD**

e. [info@fpsb.org](mailto:info@fpsb.org)

w. [www.fpsb.org](http://www.fpsb.org)



Financial Planning Standards Board Ltd. owns the CFP, CERTIFIED FINANCIAL PLANNER and CFP Logo marks outside the U.S., and permits qualified individuals to use these marks to indicate they have met FPSB's initial and ongoing certification requirements.