



Property & Facility Management Division
Sr Daniel Hui PFMD Council Chairman

Visit to the Greater Bay Area

- Reported by Sr Charles Hung,
PFMD Vice-Chairman

The Greater Bay Area (GBA) consists of ten cities (Jiangmen, Zhaoqing, Guangzhou, Dongguan, Foshan, Zhongshan, Zhuhai, Huizhou, Shenzhen, and Hong Kong). The HKIS visited three GBA cities – Guangzhou’s Panyu District (番禺), Foshan (佛山), and Zhaoqing (肇慶) – to meet its counterparts from 29-31 July.

Panyu District is in the southern part of Guangzhou and is the heart of the city. It covers a total area of 530 sq km and boasts a population of over three million. It takes only 48 minutes for a high-speed train to travel between Panyu and Hong Kong. Panyu is a respectable talent mecca with 12 universities and colleges and high-end academies. Its business activities include finance, insurance, general equipment, automobiles, IT, acoustics, jewellery, agriculture, and food industries. Due to Hong Kong’s close links to Panyu’s CPC Committee, the HKIS hopes to open a branch office there, subject to the support of its members. This will allow them to use this connection to explore job/business opportunities in the GBA. Also, the branch can serve as a link to local governments for better communication with a view to promoting the surveying profession.

Foshan is situated on the west bank of the Pearl River Delta Economic Zone. It has the advantage of a deep water bay and provides port services for sending goods to other countries. It is close to Guangzhou and covers a total area of 1,485 sq km with an urban population of 7.2 million. It has its own distinctive heritage, such as Cantonese opera, martial arts, and folk arts, with strong manufacturing, ceramics, home electrical appliances, furniture, textiles, electronics, homeware, and fine chemical industries. The Government plans to expedite Foshan’s integration with Guangzhou in order to develop an industrial belt in advanced equipment manufacturing. A scientific and technological knowledge exchange centre



(Gung Ho Centre, 工合空間) was created in Foshan’s Nanhai District to allow young people to develop their own businesses. At this centre, young people pay a few hundred dollars to become members and use the centre as a platform to conduct research in collaboration with local industries. In addition, Hong Kongers can apply for travel subsidies such as high-speed train fares, etc., to work here.



Zhaoqing is situated in the midwestern part of Guangdong Province. It covers 12,891 sq km with a total population of 4.2 million. It has rich mineral resources such as iron, gold, copper, Chinese medicinal herbs, etc. Its manufacturing industries include new energy cars, photovoltaic and carbon fibres, electronic components, industrial robotics, energy-saving equipment, handicrafts, agricultural products, etc. Zhaoqing is also famous for tourism, as it has attractions, such as Seven Star Crags and Dinghu Mountain, which Hong Kongers like to visit. Zhaoqing is also a good place for Hong Kong’s elderly to retire. With the help of the Chinese Overseas

Property Co, Ltd, the HKIS managed to visit some comprehensive residential developments in Zhaoqing's new district, which has a high-speed train station that connects to Hong Kong. Flat prices here ranged from \$8000-\$12,000/sq m, which compared favourably to those in Foshan (\$16,000-20,000/sq m) and Guangzhou (\$35,000-\$40,000/sq m).

Conclusively speaking, members were very happy to have met the senior officials of the property-related authorities and their counterparts in the same field to introduce their professional skills with a view to promoting the surveying profession in the GBA. They were pleased to know that the property management business was open to those members who want to take advantage of these golden job/business opportunities and exchange their expertise – especially on artificial intelligence and energy-saving technologies in property management. The visit was very fruitful and the HKIS hopes to visit other GBA cities in the near future.

CPD Event: Accounting & Finance for Surveyors in Hong Kong on 12 July 2019

– Presented by Sr Patrick Leung,
CPD Convenor, PFMD

It was the PFMD's honour to invite Sr Benny KB Kwok, who is both a surveyor and practicing accountant in Hong Kong, to share his valuable accounting and financial knowledge on 12 July. Sr Kwok highlighted some relevant statutory requirements such as the Building Management Ordinance (CAP 344) – Section 27: Accounts of Corporations, Schedule 5: Annual Budget, Schedule 6: Accounts, and Schedule 7: Mandatory Terms in Deeds of Mutual Covenant with simple case illustrations at the beginning of the talk to arouse the interest of participants.

Sr Kwok also gave an overview of key

accounting and finance sections such as:

- Financial statements
- Financial reporting framework
- Accounting ratios
- How to interpret an audit report
- Business valuations via three major approaches:
 - Income
 - Market
 - Cost
- Different budget types:
 - Incremental
 - Zero-based
 - Fixed
 - Flexed
- Five key components related to internal control:
 - Control environment
 - Risk assessment process
 - Information systems
 - Control activities
 - Control monitoring
- Difference between capital and revenue expenditures

Even though Sr Kwok had only 1.5 hours to talk, he managed to summarise all key concepts with examples to help participants understand why and how the concepts were relevant to surveyors. In addition, he shared why property management companies or incorporated owners did not have to pay profit taxes due to Section 24 of the Inland Revenue Ordinance (CAP 112), which states that when a person operates a club or similar institution that receives from its members not less than half of its gross receipts on its revenue account (including entrance fees and subscriptions), such a person shall not be considered a business proprietor.

We sincerely thank Sr Kwok for his time and PFMD Vice Chairman Sr Kays Wong for inviting Sr Kwok- to share his experiences with members.

