

現代教育

Modern Education Group Limited
現代教育集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號 : 1082

2011
Annual Report 年報

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Corporate Information

公司資料

EXECUTIVE DIRECTORS

Ng Kam Lun, Eric (*Chairman*)
Yiu Wai Yee, Catherine (*Chief Executive Officer*)
Ng Norman (*Chief Financial Officer*)
Lee Wai Lok, Ignatious (*Chief Operating Officer*)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Chan Mei Bo, Mabel
Yu Cheeric James (alias Yu Cheeric)
Choi Kin Cheong

COMPANY SECRETARY

Yiu Wai Yee, Catherine

AUDIT COMMITTEE

Chan Mei Bo, Mabel (*Chairman*)
Yu Cheeric James (alias Yu Cheeric)
Choi Kin Cheong

REMUNERATION COMMITTEE

Yu Cheeric James (alias Yu Cheeric) (*Chairman*)
Chan Mei Bo, Mabel
Choi Kin Cheong
Lee Wai Lok, Ignatious

AUTHORISED REPRESENTATIVES

Yiu Wai Yee, Catherine
Lee Wai Lok, Ignatious

COMPLIANCE ADVISOR

Kingsway Capital Limited

AUDITOR

Deloitte Touche Tohmatsu

執行董事

吳錦倫 (主席)
姚慧儀 (行政總裁)
吳樂憫 (首席財務官)
李偉樂 (營運總監)

獨立非執行董事

陳美寶
余致力
崔建昌

公司秘書

姚慧儀

審核委員會

陳美寶 (主席)
余致力
崔建昌

薪酬委員會

余致力 (主席)
陳美寶
崔建昌
李偉樂

授權代表

姚慧儀
李偉樂

合規顧問

滙富融資有限公司

核數師

德勤•關黃陳方會計師行

Corporate Information

公司資料

LEGAL ADVISOR

Sit, Fung, Kwong & Shum

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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PRINCIPAL BANKER

The Hongkong and Shanghai Banking Corporation Limited

CAYMAN ISLANDS REGISTERED OFFICE

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Cayman Islands

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Tricor Investor Services Limited
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28 Queen's Road East
Hong Kong

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Maples Fund Services (Cayman) Limited
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COMPANY WEBSITE

www.moderneducationgroup.com

STOCK CODE

1082

法律顧問

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總辦事處及香港主要營業地點

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主要往來銀行

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開曼群島註冊辦事處

P.O. Box 309, Ugland House
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香港股份過戶登記分處

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公司網站

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股份代號

1082

Chairman's Statement

主席報告

Dear Shareholders,

On behalf of the board of directors (the "Board") of Modern Education Group Limited (the "Company"), I am pleased to present the first audited annual results of the Company and its subsidiaries (together, the "Group") for the year ended 30 June 2011 (the "Year 2011").

The Year 2011 is a monumental year for the Group as one of the Group's long-term aspirations has been achieved and we were resoundingly listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 4 July 2011. As the first listed company in the tutoring services industry in Hong Kong, the Group recorded net proceeds of approximately HK\$130 million from the public offering with an offer price of HK\$1.30 per share.

As one of the leading education services providers in Hong Kong, the Group offers various education programmes and services, including secondary tutoring services, secondary day school education, English language training and test preparation courses and primary tutoring services. As of 30 June 2011, the Group had 182 registered classrooms in Hong Kong. We successfully entered the Chinese education market in 2010 and are currently providing technical consultation, management and software licensing services to Beijing Yasi School, which has a nation-wide school network of over 15 cities in the People's Republic of China (the "PRC").

Aiming at improving our students' results in public examinations, the Group is dedicated to delivering quality study materials and advanced diagnostic analysis. Thanks also to our experienced tutors, the Group is one of the leading brands in Hong Kong's private education services sector. This is shown by the Group's recognition as a "Trusted Brand" in 2008, 2009 and 2010 by the Readers' Digest and being voted as "The best for Home 10-11" in a survey organized by the Take Me Home Community Post in 2010.

各位股東：

本人謹代表現代教育集團有限公司（「本公司」）董事會（「董事會」）欣然呈報本公司及其附屬公司（統稱「本集團」）截至2011年6月30日止年度（「2011年」）的首份經審核年度業績。

2011年對本集團而言是具里程碑意義的一年，本集團已實現其中一項遠大志向：我們於2011年7月4日成功地在香港聯合交易所有限公司（「聯交所」）主板上市。作為首間香港補習服務業的上市公司，本集團以發售價每股1.30港元公開發售並錄得所得款項淨額約130,000,000港元。

作為在香港具領導地位的教育服務供應商之一，本集團提供各類教育課程及服務，包括中學補習服務、正規日校課堂、英語培訓及應試課程及小學輔導服務。於2011年6月30日，本集團於香港擁有182間註冊課室。我們於2010年成功進軍中國教育市場，目前向北京雅思學校提供技術諮詢、管理及軟件許可服務，而北京雅思學校擁有遍及全國的學校網絡，覆蓋中華人民共和國（「中國」）逾15個城市。

為提高我們學生的公開考試成績，本集團致力提供優質學習教材及精闢分析。另外，有賴於本集團資深的導師，本集團是香港私人教育服務界的領先品牌之一。這從我們於2008年、2009年及2010年獲《讀者文摘》頒授為「信譽品牌」及於2010年獲《生活區報》舉辦投票活動選為「香港家庭最愛品牌大賞10-11」足以佐證。

Chairman's Statement

主席報告

The Year 2011 is also a special year for Hong Kong's education system. Under the new "334 system", there are six academic years in secondary school and the two public examinations have merged into one, the HKDSE. In this transitional period, we recorded a decrease in revenue compared with the previous year due to the abolishment of one of the two public examinations-the HKCEE. However, we believe this would just have a one-off effect on the Group. The number of secondary students under the "334 system" will actually be more than that under the old system. Since the examination will be of utmost importance and will result in stiff competition among the students, the demand for tutoring services, both secondary and primary, is believed to be on the rise.

Facing challenges and opportunities under the "334 system", the Group will continue to strengthen and expand existing services, especially English language training and test preparation courses, and at the same time we will diversify our income sources in terms of extending our step to adjacent or related educational services in the local market and further exploring other growth boosters in the PRC. Leveraging our professional and well-recognised reputation in Hong Kong, we have expanded into the overseas studies consultation market through a partnership with an overseas studies consultation company in Hong Kong and have commenced the provision of overseas studies consultation and related services since May 2011. Furthermore, to assist our students in coping with their further overseas studies, we are going to offer our IFY courses and bridging programs in both Hong Kong and the PRC in the very near future. As one of the industry's market leaders, we are confident of achieving maximum profits through our competitive advantages.

Realizing the growing opportunities in the PRC, we have already commenced our PRC operation with Beijing Yasi School in Beijing since 2010. To take advantage of our competitive edge of experience in providing English proficiency training in Hong Kong, the Group has planned to use approximately HK\$15 million to set up five English learning centers for kids so as to cater to local needs in the PRC. The Group will also focus on preparation courses for tests to be answered in English such as A Level, AP, IFY and NCC courses.

2011年對香港教育制度而言亦為特別的一年。在新的「三三四學制」下，中學有六個學年及兩個公開考試合二為一，即香港中學文憑考試。於此過渡期間，由於兩個公開考試之一——香港中學會考被廢除，我們錄得的收入與去年相比有所減少。然而，我們相信此只會為本集團帶來一次性影響。在「三三四學制」下，中學生人數實際上將會超過舊學制下的學生人數。由於該考試對學生至關重要並將造成激烈競爭，故本集團相信有關中學及小學補習服務的需求將呈上升趨勢。

面對「三三四學制」下的挑戰及機遇，本集團將繼續加強及擴大現有服務，尤其是英語培訓及應試課程，而與此同時，我們將擴展至本地市場的銜接或相關教育服務並在中國進一步尋找其他增長動力，從而使我們的收入來源多元化。憑藉我們的專業及在香港廣受認可的聲譽，我們已透過與香港的一間海外升學顧問公司的夥伴關係擴展至海外升學顧問市場並自2011年5月起提供海外升學顧問及相關服務。此外，為協助我們的學生應付其海外升學深造，我們將於不久將來在香港及中國開辦本集團的IFY課程以及銜接課程。作為業界的市場領導者之一，我們有信心可透過我們的競爭優勢獲取最高溢利。

為把握中國的增長機遇，我們已自2010年起與北京雅思學校開展中國業務營運。為利用我們在香港提供英語能力培訓方面的經驗優勢，本集團已計劃動用約15,000,000港元開設五間兒童英語教育中心以迎合中國當地需求。本集團亦將專注於拓展以英語解答的應試課程，例如A Level、AP、IFY及NCC課程。

Chairman's Statement

主席報告

Owing to the “one child policy” and rising consumption powers of parents, qualified English tutoring and preparation for international English examinations are in strong demand in the PRC. The Group plans to further develop in the PRC through different means, such as increasing the number of centers in the PRC, exploring collaboration opportunities with strong markets players in the kindergarten and preschool services, and collaborating with established schools and institutes in providing test preparation services for standardized English examinations such as International English Language Testing System (“IELTS”), TOEFL, SAT and those for bridging courses. We will continue to look for opportunities in the PRC market to add value to our business.

Running a business featured by healthy cash inflow from operating activities, we are convinced that a competitive and steady dividend policy will be one of our commitments to our shareholders in the future. However, we do not recommend a final dividend for the Year 2011 as the one-off effect of abolishing the HKCEE has adversely influenced the Group's results for the Year 2011.

Finally, I would like to express my heartfelt appreciation to our employees and teachers for their contributions to the Group. I would also like to express my deepest gratitude to our shareholders and investors for their support. We will continue to create value and contribute to the Group to benefit all our stakeholders.

NG Kam Lun, Eric

Chairman

Hong Kong

29 September 2011

由於「計劃生育政策」及父母的消費能力不斷提高，中國對國際英語考試方面的合資格英語補習及應試服務需求強勁。本集團計劃透過不同方式進一步發展中國業務，例如在中國增加教育中心的數目、物色與具雄厚實力的市場經營者在幼稚園及學前服務領域的合作機會，以及與具聲譽的學校及機構合作，就英語標準考試（例如國際英語測驗系統（「雅思IELTS」）、托福TOEFL及SAT）提供應試服務及該等考試的銜接課程。我們將繼續在中國市場尋求機遇以提升本集團的業務價值。

憑藉經營業務具備穩健的現金流，我們堅信具競爭力及穩定的股息政策將是日後對本集團股東的承諾之一。然而，由於廢除香港中學會考的一次性影響已對本集團2011年的業績產生不利影響，故此我們並不建議派發2011年的末期股息。

最後，本人謹此向本集團僱員及老師所作出的貢獻致以衷心感謝。本人亦謹此向股東及投資者對本集團的鼎力支持致以最誠摯謝意。我們將繼續為全體利益相關者的利益創造價值及為本集團作出貢獻。

主席

吳錦倫

香港

2011年9月29日

Management Discussion and Analysis

管理層討論及分析

The Group is one of the leading tutoring services providers in Hong Kong. We offer a wide range of education programmes and services consisting of secondary tutoring services, secondary day school education, English language training and test preparation courses, primary tutoring services and other programmes and services. We provide private education services under our “Modern Education” (現代教育), “Modern College” (現代書院), “Modern Bachelor Education” (現代小學士) and “New Era Bachelor Education Centre” (新世代學士教室) brands. In recent years, we were awarded a number of recognitions in Hong Kong, including “Trusted Brand” (信譽品牌) in 2008, 2009 and 2010 by the Readers Digest (讀者文摘) and “The Best for Home 10-11” Award (香港家庭最愛品牌大賞10-11) organised by the Take me Home Community Post (Take me Home • 生活區報) in 2010.

BUSINESS REVIEW

Secondary Tutoring Services

During the year, our secondary tutoring services continued to be the major income driver of the Group. Our secondary tutoring services are offered in the learning centres under our “Modern Education” (現代教育) brand (“ME Centres”), under which we provide supplementary education services for secondary school students from Form 1 to Form 7 (or with the 334 System, Secondary 1 to Secondary 6), with an emphasis on improving students’ internal school performance and preparing them for public examinations, namely, HKCEE and HKALE & HKASLE (or with the 334 System, HKDSE).

We aim to improve our students’ results of HKCEE and HKALE & HKASLE, and with the 334 System, HKDSE, through quality instruction by our tutors who are knowledgeable on the intricacies of these examinations and the teaching of test-taking techniques. We believe that an important part of our courses is the high quality of our study materials and the advanced diagnostic analysis that we deliver.

As at 30 June 2011, the Group had 15 ME Centres located in various districts on Hong Kong Island, in Kowloon and the New Territories, including Causeway Bay, North Point, Chai Wan, Prince Edward, Mongkok, Kowloon Bay, Tseung Kwan O, Tai Po, Tsuen Wan, Shatin, Tuen Mun, Yuen Long and Fanling.

本集團是香港的主要補習服務供應商之一。我們提供廣泛系列的教育課程及服務，包括中學補習服務、正規日校課堂、英語培訓及應試課程、小學輔導服務及其他課程和服務。我們以「現代教育」、「現代書院」、「現代小學士」及「新世代學士教室」等品牌提供私人教育服務。近年來，我們於香港獲頒多項嘉許，包括於2008年、2009年及2010年獲《讀者文摘》頒授為「信譽品牌」及於2010年獲《生活區報》舉辦活動頒授為「香港家庭最愛品牌大賞10-11」。

業務回顧

中學補習服務

年內，我們的中學補習服務繼續為本集團的主要收入動力。我們的中學補習服務在教育中心（「現代教育」教育中心）以我們的「現代教育」品牌提供，據此我們為中一至中七（或在三三四學制下，初中一至高中三）的中學學生提供輔導教育服務，注重改善學生在校內的學業成績，並為他們就公開考試，即香港中學會考、香港高級程度會考及香港高級補充程度會考（或在三三四學制下，香港中學文憑考試）作好準備。

我們旨在由學識淵博的導師提供優質教學講解考試的難題，以及教授應試技巧，旨在令學生在香港中學會考及香港高級程度會考及香港高級補充程度會考，以及在三三四學制下在香港中學文憑考試中考取更好成績。我們相信，我們課程的重要一環，是我們的優質教材和我們提供的精闢分析。

於2011年6月30日，本集團已於港島、九龍及新界不同地區（包括銅鑼灣、北角、柴灣、太子、旺角、九龍灣、將軍澳、大埔、荃灣、沙田、屯門、元朗及粉嶺）有15間「現代教育」教育中心。

Management Discussion and Analysis

管理層討論及分析

During the year, we provided secondary tutoring courses to students in Form 6 to Form 7 and Secondary 1 to Secondary 5 on subjects under the formal curriculum set forth by the Education Bureau of the Government of Hong Kong (the “EDB”).

Our secondary tutoring courses can generally be divided into 5 types, namely (i) regular courses; (ii) intensive courses; (iii) summer courses; (iv) T.I.P.S. (Technique, Insight, Practice and Strategy) courses; and (v) special courses. The following tables set forth the number of course enrolments, the number of tutors and the average course fees of each category of secondary tutoring courses during the year:

年內，我們向學生提供有關香港政府教育局（「教育局」）所制定正規課程下的科目的中六至中七及初中一至高中二的中學補習課程。

我們的中學補習課程一般可分為五類，即(i)常規課程；(ii)精讀班；(iii)暑期課程；(iv)應試技巧（技巧、深入理解、實務及策略）班；及(v)專科課程。下表載述年內各類中學補習課程的課程報名人次、導師人數及平均學費：

		Year ended 30 June	
		截至6月30日止年度	
		2011	2010
Number of course enrolments (in thousands)	課程報名人次 (以千計)		
Regular courses	常規課程	346	493
Intensive courses	精讀班	47	88
Summer courses	暑期課程	32	58
T.I.P.S. courses	應試技巧班	6	19
Special courses	專科課程	73	84
Number of tutors (Note 1)	導師人數 (附註1)		
Regular courses	常規課程	62	52
Intensive courses	精讀班	34	46
Summer courses	暑期課程	56	46
T.I.P.S. courses	應試技巧班	21	24
Special courses	專科課程	48	29
Average course fees (HK\$) (Note 2)	平均學費 (港元) (附註2)		
Regular courses	常規課程	459	461
Intensive courses	精讀班	400	430
Summer courses	暑期課程	382	400
T.I.P.S. courses	應試技巧班	377	359
Special courses	專科課程	160	157

Note 1: Tutors may provide secondary tutoring services for all or certain categories of courses. Thus, the sum of the number of tutors for the provision of regular courses, intensive courses, summer courses, T.I.P.S. courses and special courses is not equal to the total number of tutors for the year.

附註1：導師可為所有或若干類別的課程提供中學補習服務。因此，年內有關提供常規課程、精讀班、暑期課程、應試技巧班及專科課程的導師人數總和，並不等於導師總人數。

Note 2: Being revenue divided by course enrolments for the year.

附註2：即收入除以年內課程報名人次。

Management Discussion and Analysis

管理層討論及分析

During the year, with the implementation of the 334 System, HKCEE candidates had already sat for the last round of HKCEE in the academic year of 2010, which led to a substantial decrease in the number of course enrolments.



年內，隨著三三四學制的實施，香港中學會考考生於2010年學年已應考最後一屆香港中學會考，導致課程報名人次大幅減少。

Secondary Day School Education

Our secondary day schools are operated under our “Modern College” (現代書院) brand. Our secondary day schools were established with an aim to rebuild our students’ confidence in learning and provide them with an opportunity to further their secondary school education in a full-day and formal academic environment. Therefore, we have minimal academic admission requirements for students who wish to attend our schools so long as they have passed an assessment of character to ensure that they are likely to demonstrate good conduct in class.

During the year, the Group had obtained the relevant licences for operating secondary day school in one more ME Centre, namely, Tseung Kwan O ME Centre. As at 30 June 2011, we had 11 schools located in our Amoy Plaza, Causeway Bay, North Point, Prince Edward, Kowloon Bay, Shatin, Tsuen Wan, Tseung Kwan O and Tuen Mun ME Centres.

During the year, we provided instruction of day school education at Secondary 5, Form 6 and 7 levels in a full-day, standard schooling format on subjects under the formal curriculum set forth by the EDB.

The following tables illustrate the number of course enrolments and average course fees for the respective school levels under our secondary day school education during the year:

正規日校課堂

我們的正規日校以我們的「現代書院」品牌營辦。我們的正規日校旨在重建學生對學習的信心而設立，並為他們提供機會在全日制及正式的學習環境下繼續正規日校課堂。因此，我們對有意報讀我們學校的學生設下最低入學規定，只要通過品格評核，確保他們於上課時操行良好即可入學。

年內，本集團已領取於另一間「現代教育」教育中心（即將軍澳「現代教育」教育中心）營辦正規日校的相關牌照。於2011年6月30日，我們於我們位於淘大商場、銅鑼灣、北角、太子、九龍灣、沙田、荃灣、將軍澳及屯門的「現代教育」教育中心擁有11間學校。

年內，我們以全日制標準學校教學模式，提供有關教育局所制定正規課程下的科目的高中二、中六及中七的日校教育指導。

下表顯示年內我們的正規日校課堂各年級的課程報名人次及平均學費：

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Year ended 30 June

截至6月30日止年度

2011

2010

Number of course enrolments (in thousands)		課程報名人次 (以千計)		
Secondary/Form 5		高中二／中五	3.9	5.7
Secondary/Form 6		高中三／中六	4.0	3.6
Form 7		中七	3.0	2.2
Average course fees (HK\$) (Note 1)		平均學費 (港元) (附註1)		
Secondary/Form 5		高中二／中五	2,801	2,526
Secondary/Form 6		高中三／中六	2,940	3,056
Form 7		中七	3,515	3,500

Note 1: Being revenue divided by course enrolments for the year.

附註1：即收入除以年內課程報名人次。

Under the 334 System, the years of secondary education decrease from 7 years to 6 years and the two public examinations, HKCEE at the Form 5 level and HKALE & HKASLE at the Form 7 level will be replaced by one public examination, namely HKDSE. The number of course enrolments of our day school students dropped in the year under review mainly because fewer students took our Secondary 5 day school programmes under the 334 System than in the last financial year when students took Form 5 day school programmes. As such, we had moderately increased our course fee to mitigate the effect resulting from the decrease in the number of course enrolments.

在三三四學制下，中學教育由七年減為六年，兩個公開考試，即於中五程度的香港中學會考及中七程度的香港高級程度會考及香港高級補充程度會考將會被一個公開考試，即香港中學文憑考試所取代。我們日校學生課程報名人次於回顧年度有所減少，主要由於在三三四學制下報讀我們高中二日校課程的學生較上一財政年度報讀我們中五日校課程的學生少。因此，我們適當提高學費以減低課程報名人次減少所帶來的影響。



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English Language Training and Test Preparation Courses

Our English language training and test preparation courses are offered under our “Modern Education” (現代教育) brand. Since 2005, we have been providing English language training as well as test preparation courses on international English language standardized tests and examinations such as IELTS and TOEFL, at our ME Centres. After obtaining approval from the Labour and Welfare Bureau in 2007, we began providing the IELTS Preparation Course and Diploma in Work Place English TOEIC Preparatory Course in Hong Kong, which are courses reimbursable by the Hong Kong Government under the Continuing Education Fund (the “CEF”). Furthermore, we are authorised to hold IELTS tests at our ME Centres.

We have a designated sales team responsible for promoting our test preparation courses on IELTS and TOEIC, which are courses reimbursable by the Hong Kong Government under the CEF scheme. We have separate registration counters at our ME Centres attending enquiries of students who wish to enroll in our test preparation courses. Our sales team will explain to prospective students the course details as well as the requirements for reimbursement set forth by the Hong Kong Government under the CEF scheme.

During the year, we recorded a total number of 6,000 course enrolments under our English language training and test preparation courses, compared to 3,800 course enrolments in last year.

英語培訓及應試課程

我們的英語培訓及應試課程以我們的「現代教育」品牌提供。自2005年以來，我們一直於我們的「現代教育」教育中心就國際英語標準測試及考試，例如雅思IELTS及托福TOEFL提供英語培訓及應試課程。於2007年取得勞工及福利局的批准後，我們開始於香港在持續進修基金（「持續進修基金」）下提供課程款項可獲香港政府發還的雅思IELTS應試課程及職業英語文憑托業TOEIC應試課程。此外，我們獲授權於我們的「現代教育」教育中心舉辦雅思IELTS考試。

我們有一支銷售隊伍，指定為負責推廣我們的雅思IELTS及托業TOEIC應試課程，該等課程根據持續進修基金計劃獲港府發還學費。我們於我們的「現代教育」教育中心設有獨立的報名櫃檯，處理有意報讀我們的應試課程的學生的查詢。我們的銷售隊伍將向準學生解釋課程詳情以及根據持續進修基金計劃獲港府發還學費的規定。

年內，我們錄得英語培訓及應試課程的課程報名人次合共約6,000名，而上一年度的課程報名人次為3,800名。



Management Discussion and Analysis

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Primary Tutoring Services, Skill Courses and Test Preparation Courses

Our primary tutoring services, skill courses and test preparation courses are mainly offered in the learning centres under our “Modern Bachelor Education” (現代小學士) brand (“MBE Centres”) or learning centres run by our franchisees (“MBE Franchised Centres”) and have commenced operations since 1 January 2011. We provide education services for primary school students from Primary 1 to Primary 6, which include supervising and tutoring on day-to-day schoolwork and helping to improve students’ performance in internal school examinations.

The operation of our primary tutoring services, skill courses and test preparation courses was done through the acquisition of 60% shareholding in a company engaging in the business of providing primary tutoring services to students in Hong Kong in December 2010.

As at 30 June 2011 and of the date of this report, most of our full-time teachers providing primary tutoring services in our MBE Centres are bachelor degree holders. In addition, our primary tutoring services, skill courses and test preparation courses are provided under a “small class” setting. We believe students at the younger age generally require greater attention from our tutors to guide them in focusing on their work. As such, we believe it is crucial to maintain a “small class” setting for our primary tutoring business in order to efficiently deliver high quality services.

Aside from tutoring on subjects under the primary school curriculum, we provide courses specially designed for enhancing primary school students’ Chinese language, English language and mathematics skills. These skills courses are diversified and normally cover aspects like the reading, writing, grammar, sentence structure and vocabulary. In addition, we offer preparation courses to students on Cambridge Young Learners’ English Tests. Further to the Cambridge Young Learners’ English Tests, we offer preparation courses on more advanced English language tests, such as Key English Test.

During the year, we entered into one more franchise agreement with a franchisee. As at 30 June 2011, we had 5 MBE Centres and 11 MBE Franchised Centres to deliver our primary tutoring services, skill courses and test preparation courses. Our MBE Centres are located in Hung Hom, Siu Sai Wan, Tseung Kwan O and Lam Tin while MBE

小學輔導服務、展藝課程及應試課程

我們的小學輔導服務、展藝課程及應試課程主要在於我們的「現代小學士」品牌的學習中心（「現代小學士」教育中心）或加盟經營者經營之教育中心（「現代小學士」加盟中心）提供，及由2011年1月1日起開始營運。我們為小一至小六的小學生提供教育服務，包括日常功課的督導及補習，並協助改進學生於校內考試的成績。

我們透過於2010年12月收購一間從事在香港向學生提供小學輔導服務業務的公司的60%股權，營運我們的小學輔導服務、展藝課程及應試課程。

於2011年6月30日及本報告日期，在我們的「現代小學士」教育中心提供小學輔導服務的大多數全職教師均持有學士學位。此外，我們的小學輔導服務、展藝課程及應試課程均以「小班教學」形式提供。我們相信年齡較輕的學生通常需要我們的導師更多照顧，指導他們專注於功課。因此，我們相信就我們的小學輔導業務維持「小班教學」的環境對有效地提供優質服務至為關鍵。

除了就小學課程的學科提供補習外，我們提供專為提升小學生對中文、英語及數學技巧而設的課程。這些課程分門別類，通常提供閱讀、寫作、文法、句子結構及詞彙等範疇。此外，我們就劍橋小學英語考試向學生提供應試服務。除劍橋小學英語考試外，我們就更高級的英語考試提供應試課程，例如劍橋主要級別試第一級。

年內，我們再與一名加盟經營者訂立加盟經營協議。於2011年6月30日，我們已有5間「現代小學士」教育中心及11間「現代小學士」加盟中心，提供我們的小學輔導服務、展藝課程及應試課程。我們的「現代小學士」教育中心位於紅磡、小西灣、

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Franchised Centres are located in Lai Chi Kok, Ma On Shan, North Point, Lei King Wan, Tai Kok Tsui, Tsing Yi, Sham Tseng, Tsuen Wan, Yuen Long and Kornhill.

For the period from the acquisition of our primary tutoring business up to the end of the year under review, we recorded a total number of 4,500 course enrolments for our primary tutoring services, skill courses and test preparation courses offered in MBE Centres and the total revenue contributed by MBE Franchised Centres to the Group reached HK\$861,000.



將軍澳及藍田，而我們的「現代小學士」加盟中心位於荔枝角、馬鞍山、北角、鯉景灣、大角咀、青衣、深井、荃灣、元朗及康山。

自收購我們的小學輔導業務至回顧年度末止期間，我們就於在「現代小學士」教育中心提供我們的小學輔導服務、展藝課程及應試課程合共錄得課程報名人次約4,500名及「現代小學士」加盟中心向本集團貢獻的收入總額達861,000港元。



PRC Operations

Our PRC operations have commenced since January 2010 and we have provided technical consultation, management and software licensing services to Beijing Yasi School and an individual, Mr. Li Haiming respectively. Beijing Yasi School is a non-public school sponsored by Beijing Jingli Siya Education Consulting Limited Company (a company not owned by the Group) providing training on the English language and test preparation courses, such as TOEFL, IELTS and TOEIC, in the PRC. Programmes and services provided by Beijing Yasi School are offered under the “BJ IELTS”(北京雅思) brand, commonly known as the “Beiya”(北雅) brand. Beijing Yasi School is currently providing English training courses in Chaoyang district in Beijing. Owing to Mr. Li Haiming’s inability to obtain the license for establishment of a school from the PRC government on or before 31 December 2010, the technical consultation and management service agreement with Mr. Li Haiming was terminated in January 2011.

中國運營

我們的中國運營自2010年1月開始及由分別向北京雅思學校及李海明先生（一名個別人士）提供技術諮詢、管理和軟件許可服務組成。北京雅思學校是一所非公立學校，由北京京力思雅教育諮詢有限公司（並非由本集團擁有的公司）舉辦，於中國提供英語培訓及例如托福TOEFL、雅思IELTS及托業TOEIC的應試課程。由北京雅思學校提供的課程及服務以「北京雅思」，即通常稱為「北雅」的品牌提供。北京雅思學校現時在北京朝陽區提供英語培訓課程。由於李海明先生未能於2010年12月31日或之前從中國政府取得營辦學校許可證，故與李海明先生的技術諮詢及管理服務協議已於2011年1月終止。

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Pursuant to the Exclusive Technical Consultation and Management Services Agreement entered between us and Beijing Yasi School, we have the exclusive right to provide technical consultation and management services to Beijing Yasi School and in return Beijing Yasi School pays a monthly service fee of RMB100,000 to us and such fee is subject to adjustment at our sole discretion based on the services provided. This agreement will remain valid and effective until 30 June 2013.

Pursuant to the Software Licence Agreement entered between us and Beijing Yasi School, we granted Beijing Yasi School a non-exclusive, non-assignable and non-transferrable right to use our licensed software, Modern-C, on its designated operating systems to process its internal data in the PRC and in return Beijing Yasi School pays a monthly license fee, equivalent to 5% of its monthly revenue (after tax), to us. This agreement will remain valid and effective until 30 June 2013.

One of our subsidiaries entered into the Cooperative Framework Agreement in respect of Beijing Yasi School with Ms. Huang Hui, Mr. Liu Hongbo and Mr. Yang Qi in September 2008 in order to transfer the entire equity interest in Beijing Yasi School to the Group. In May 2011, a notice of termination was served to Mr. Liu Hongbo and Mr. Yang Qi and the Cooperative Framework Agreement shall be deemed to be terminated upon receipt of the notice by Mr. Liu Hongbo and Mr. Yang Qi unless any of them raises any objection to the termination within three months. For more details, please refer to the Company's Prospectus dated 20 June 2011 (the "Prospectus").

根據我們與北京雅思學校訂立的獨家技術諮詢和管理服務協議，我們擁有獨家權利向北京雅思學校提供技術諮詢和管理服務，而北京雅思學校繼而每月向我們支付服務費人民幣100,000元，有關費用可由我們根據所提供的服務全權予以調整。此協議將繼續有效及具效力，直至2013年6月30日為止。

根據我們與北京雅思學校訂立的軟件許可協議，我們向北京雅思學校授出非獨家、不可出讓及不可轉讓的軟件使用權，僅可於中國於其指定運營系統使用我們的特許軟件Modern-C處理其內部數據，而北京雅思學校繼而每月向我們支付特許使用費（相當於北京雅思學校的每月收入（除稅後）的5%）。此協議將繼續有效及具效力，直至2013年6月30日為止。

我們其中一間附屬公司於2008年9月與黃慧女士、劉洪波先生及楊琦先生就北京雅思學校訂立合作框架協議，以向本集團轉讓於北京雅思學校的全部股權。於2011年5月，已向劉洪波先生及楊琦先生發出終止通知，在劉洪波先生及楊琦先生收到該通知後，合作框架協議將被視為終止，除非彼等任何一方於三個月內就終止提出任何反對。有關更多詳情，請參閱本公司日期為2011年6月20日的招股章程（「招股章程」）。



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Overseas Studies Consultation Services

During the year, we entered into a cooperation agreement with an overseas studies consultation company in Hong Kong in May 2011. Pursuant to this cooperation agreement, we have been providing overseas studies consultation and related services to students interested in further studies in overseas institutions, which include high schools, colleges or graduate colleges mainly in the U.S., the U.K., Australia and New Zealand. These kinds of services have diversified the Group's income streams and will be a potential income driver in the future.

海外升學諮詢服務

年內，我們於2011年5月在香港與一間海外升學顧問公司訂立合作協議。根據該合作協議，我們已向對在海外院校（包括主要位於美國、英國、澳洲及新西蘭的中學、學院或研究院）繼續深造感興趣的學生提供海外升學諮詢及相關服務。該等種類服務已令本集團的收入來源多元化及將推動未來潛在收入。



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FINANCIAL REVIEW

Revenue

The table below is an analysis of the Group's revenue attributable to its major service categories for the years ended 30 June 2011 and 2010:

		Year ended 30 June 截至6月30日止年度	
		2011	2010
		HK\$'000	HK\$'000
		千港元	千港元
Secondary tutoring services	中學補習服務	209,263	308,492
Secondary day school education	正規日校課堂	33,389	33,130
Primary tutoring services	小學輔導服務	5,106	–
English language training and test preparation courses	英語培訓及應試課程	17,927	10,712
Technical consultation, management and software licensing services	技術諮詢、管理及軟件許可服務	2,221	879
Overseas studies consultation services	海外升學諮詢服務	708	–
		268,614	353,213

The Group's revenue decreased by approximately 24.0% from approximately HK\$353.2 million for the year 2010 to approximately HK\$268.6 million for the year 2011. Such decrease was mainly due to the decrease in revenue from secondary tutoring services from approximately HK\$308.5 million for the year 2010 to approximately HK\$209.3 million for the year 2011, representing a decrease of approximately 32.2%, partially offset by the revenue from our primary tutoring services and overseas studies consultation services of approximately HK\$5.1 million and HK\$0.7 million respectively and the increase in the revenue from English language training and test preparation courses and technical consultation, management and software licensing services of approximately HK\$7.2 million and HK\$1.3 million respectively.

The decrease of revenue from secondary tutoring services was mainly due to the combined effect of the early contract termination with one of top five tutors of the Group in early 2010 and the drop in Form 5/Secondary 5 course enrolments from approximately 0.32 million for the year 2010 to approximately 0.12 million for the year 2011, given

財務回顧

收入

下表載列本集團於截至2011年及2010年6月30日止年度的主要服務類別的收入的分析：

		Year ended 30 June 截至6月30日止年度	
		2011	2010
		HK\$'000	HK\$'000
		千港元	千港元
Secondary tutoring services	中學補習服務	209,263	308,492
Secondary day school education	正規日校課堂	33,389	33,130
Primary tutoring services	小學輔導服務	5,106	–
English language training and test preparation courses	英語培訓及應試課程	17,927	10,712
Technical consultation, management and software licensing services	技術諮詢、管理及軟件許可服務	2,221	879
Overseas studies consultation services	海外升學諮詢服務	708	–
		268,614	353,213

本集團收入由截至2010年的約353,200,000港元減少約24.0%至2011年約268,600,000港元。減少的主要原因是來自中學補習服務的收入由2010年約308,500,000港元減至2011年約209,300,000港元，減幅約32.2%，且部分因來自我們的小學輔導服務及海外升學諮詢服務分別約5,100,000港元及700,000港元的收入，以及來自英語培訓及應試課程的收入及技術諮詢、管理及軟件許可服務的收入分別增加約7,200,000港元及1,300,000港元而被抵銷。

來自中學補習服務的收入減少的主要原因是受到以下情況的合併影響：於2010年初提早終止與本集團前五名導師中之一名導師的合約，以及2010年最後一批中五考生已報考香港中學會考，故中五／高中二課程報名人次由2010年約320,000名

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last cohort of Form 5 school candidates had already sat for HKCEE in 2010. As such, the Group's total course enrolments decreased from 0.76 million for the year 2010 to 0.53 million for the year 2011.

The increase in revenue from English language training and test preparation courses was mainly due to the increase in course enrolments from approximately 3,800 for the year 2010 to approximately 6,000 for the year 2011, when the Group dedicated more resources such as averagely assigning 2 or more tutors to such courses.

Other income and expenses

The Group's other income and expenses increased from approximately HK\$0.08 million for the year 2010 to approximately HK\$4.5 million for the year 2011. Such increase was mainly due to (i) a gain of approximately HK\$2.4 million resulting from the Group's disposal of property, plant and equipment during the year; (ii) an incidental income of approximately HK\$0.6 million derived from provision of printing and related services to a third party; and (iii) a gain of approximately HK\$0.2 million in change in fair value of derivative financial instruments.

Staff costs

The Group's staff costs decreased by approximately 6.2% from approximately HK\$58.4 million for the year 2010 to approximately HK\$54.7 million for the year 2011. Such decrease was mainly due to the net effect of (i) a decrease of approximately HK\$2.2 million in directors' emoluments for the year; (ii) a decrease of certain staff in Hong Kong as part of our parallel-ran ME Centres in Shatin and Mongkok and our ME Centre in Jordan were closed in March, April and June 2010 respectively, and the number of sales and marketing staff was reduced; and (iii) partly offset by increase in staff cost of approximately HK\$0.4 million related to the Group's PRC operations.

Tutor contractor fee

The Group's tutor contractor fee decreased by approximately 36.2% from approximately HK\$122.2 million for the year 2010 to approximately HK\$78.0 million for the year 2011. Such decrease was mainly due to (i) the drop of approximately 32.2% or HK\$99.2 million in secondary tutoring service income; (ii) approximately HK\$0.8 million of tutor contractor fee refunded for early contract termination and net off the charge; and (iii) the increase in revenue contribution by English language training and test preparation course tutors, who had lower effective contractor fee rate.

跌至2011年約120,000名。因此，本集團的課程報名人次總數由2010年約760,000名跌至2011年約530,000名。

來自英語培訓及應試課程的收入增加的主要原因是，課程報名人次由2010年約3,800名增至2011年（其時本集團投放更多資源，例如為該等課程平均指派多約兩名導師）約6,000名。

其他收入及開支

本集團的其他收入及開支由2010年約80,000港元增加至2011年約4,500,000港元。增加的主要原因是(i)本集團於年內出售物業、廠房及設備產生收益約2,400,000港元；(ii)向一名第三方提供印刷及相關服務產生偶然收入約600,000港元；及(iii)衍生金融工具公平值變動收益約200,000港元。

員工成本

本集團的員工成本由2010年約58,400,000港元減少約6.2%至2011年約54,700,000港元。減少的主要原因是以下三項構成的影響：(i)年內董事酬金減少約2,200,000港元；(ii)由於我們在沙田和旺角並行營辦的「現代教育」教育中心及我們在佐敦的「現代教育」教育中心部份分別於2010年3月、4月及6月關閉，以及削減銷售和市場推廣員工的人數，因而減少若干香港員工；及(iii)部分因為與本集團的中國運營有關的員工成本增加約400,000港元而被抵銷。

導師承包費

本集團的導師承包費由2010年約122,200,000港元減少約36.2%至2011年約78,000,000港元。減少的主要原因是(i)中學補習服務收入減少約32.2%或99,200,000港元；(ii)就提早終止合約及扣除費用而沒收導師承包費約800,000港元；及(iii)英語培訓及應試課程（彼等的實際承包費較低）帶來的收入增加。

Management Discussion and Analysis

管理層討論及分析

Operating lease payments

The Group's operating lease payments decreased by approximately 7.9% from approximately HK\$51.3 million for the year 2010 to approximately HK\$47.2 million for the year 2011. Such decrease was mainly due to the parallel running of our ME Centres in Shatin during the corresponding period in 2010 as we gradually relocated from one premises to a nearby premises and no such parallel running in the year 2011 and the closure of our ME Centre in Jordan in June 2010 upon expiration of tenancy.

Marketing expenses

The Group's marketing expenses decreased by approximately 31.4% from approximately HK\$20.6 million for the year 2010 to approximately HK\$14.1 million for the year 2011 as the Group tightened control in media advertising and billboard expenditure, in anticipation of the drop in Secondary 5 course enrolments for our secondary tutoring services and secondary day school education.

Other operating expenses

The Group's other operating expenses decreased by 17.1% from approximately HK\$38.8 million for the year 2010 to approximately HK\$32.1 million for the year 2011. Such decrease was mainly due to (i) a decrease in building management fee, air-conditioning charges and rates by approximately HK\$1.6 million which was in line with the decrease in operating lease payments; (ii) a decrease in stationery and photocopy by approximately HK\$2.6 million which was in line with the decrease in the number of course enrolments of the Group; and (iii) general tightened control in expenses such travelling, transportation and motor vehicle.

Listing expenses

Listing expenses refer to the fees paid to various professional parties in relation to the Company's listing on the Main Board of the Stock Exchange on 4 July 2011.

經營租賃付款

本集團的經營租賃付款由2010年約51,300,000港元減少約7.9%至2011年約47,200,000港元。減少的主要原因是我們逐步由一個場所搬遷至鄰近的場所，故於2010年同期我們在沙田並行營辦「現代教育」教育中心，但於2011年並無該等並行營辦，以及我們於租約屆滿後在2010年6月關閉我們在佐敦的「現代教育」教育中心。

市場推廣開支

本集團的市場推廣開支由2010年約20,600,000港元減少約31.4%至2011年約14,100,000港元，原因是本集團預期就我們的中學補習服務及正規日校課堂而言，高中二課程報名人次下跌，故收緊對媒體廣告及廣告板開支的控制。

其他經營開支

本集團的其他經營開支由2010年約38,800,000港元減少17.1%至2011年約32,100,000港元。減少的主要原因是(i)大廈管理費、冷氣費及差餉減少約1,600,000港元，乃與經營租賃付款的減幅一致；(ii)文具及影印開支減少約2,600,000港元，乃與本集團課程報名人次的減幅一致；及(iii)整體收緊對開支（例如差旅、交通及汽車）的控制。

上市開支

上市開支指就本公司於2011年7月4日於聯交所主板上市而支付予多個專業團體之費用。

Management Discussion and Analysis

管理層討論及分析

Finance costs

The Group's finance costs increased from approximately HK\$0.2 million for the year 2010 to approximately HK\$0.6 million for the year 2011. Such increase was mainly due to interest paid for short term loans drawn down in January and May 2011 to settle dividends declared and paid in 2010 and 2011.

Taxation

The Group's taxation expenses decreased by 34.0% from approximately HK\$8.5 million for the year 2010 to approximately HK\$5.6 million for the year 2011 as a result of a decrease in profit before taxation for the year under review. The Group's effective tax rate was approximately 21.4% and 17.5% for the years 2011 and 2010 respectively.

Profit attributable to owners of the Company, net profit margin and earnings per share

The Group's profit for the year attributable to owners of the Company decreased by 48.8% from approximately HK\$40.1 million for the year 2010 to approximately HK\$20.5 million for the year 2011. The Group's net profit margin decreased from 11.3% for the year 2010 to 7.6% for the year 2011. The decrease in net profit margin was mainly due to the decrease in revenue while some operating expenses such as rental expenses and staff costs were semi-fixed in nature and could not be reduced proportional to the revenue. For the year ended 30 June 2011, the earnings per share (basic) of the Company were 7.23 HK cents (2010: 15.42 HK cents). By eliminating the effect of listing expenses incurred, the earnings per share (basic) of the Company would be adjusted to 10.90 HK cents (2010: 16.69 HK cents). Details of the calculation of earnings per share are set out in note 14 to the consolidated financial statements.

Dividends

The Directors did not recommend the payment of a final dividend for the year ended 30 June 2011 (2010: N/A).

Liquidity and Financial Resources

We have built an appropriate liquidity risk management framework to manage our short, medium and long – term funding and to satisfy liquidity management requirements.

財務費用

本集團的財務費用由2010年約200,000港元增加至2011年約600,000港元。增加乃主要由於支付於2011年1月及5月提取以結付於2010年及2011年宣派及支付的股息的短期貸款利息所致。

稅項

本集團的稅項開支由2010年約8,500,000港元減少34.0%至2011年約5,600,000港元，是由於回顧年度的除稅前溢利減少。本集團於2011年及2010年的實際稅率分別約為21.4%及17.5%。

本公司擁有人應佔溢利、純利率及每股盈利

本公司擁有人應佔本年度本集團的溢利由2010年約40,100,000港元減少48.8%至2011年約20,500,000港元。本集團的純利率由2010年的11.3%減少至2011年的7.6%。純利率減少主要原因是收入減少，而租金開支及員工成本等經營開支性質上屬固定所以不能按收入下降的比例減少。截至2011年6月30日止年度，本公司的每股盈利（基本）為7.23港仙（2010年：15.42港仙）。通過消除上市開支所產生的影響，本公司的每股盈利（基本）將調整至10.90港仙（2010年：16.69港仙）。有關計算每股盈利的詳情載於綜合財務報表附註14。

股息

董事並不建議就截至2011年6月30日止年度派付末期股息（2010年：不適用）。

流動資金及財政資源

我們已建立一個合適的流動資金風險管理框架以管理我們的短期、中期及長期資金，以及達到流動資金管理要求。

Management Discussion and Analysis

管理層討論及分析

Financial resources

The Group generally finances its operations with internally generated cash flow. As at 30 June 2011, cash and cash equivalents and pledged bank deposits amounted to approximately HK\$15.5 million (2010: approximately HK\$23.0 million). During the year, net cash inflow from operating activities of the Group amounted to approximately HK\$12.8 million (2010: approximately HK\$40.4 million).

Borrowings

As at 30 June 2011, the total amount of interest-bearing bank and other borrowings was approximately HK\$49.6 million (2010: nil), all of which was denominated in Hong Kong dollars, with interest rates ranged from 2% to 7.25% per annum. Details of the Group's borrowings are set out in note 24 to the consolidated financial statements.

Gearing ratio

As at 30 June 2011, the gearing ratio of the Group was approximately 96.2% (2010: approximately 32.1%). Gearing ratio is total debts divided by the sum of total equity plus total debts. Total debts refer to total liabilities minus the sum of tax payable, deferred tax liabilities and dividend payable (if any). The increase in the gearing ratio was mainly due to short term loans drawn down in January and May 2011 to settle dividends declared and paid in 2010 and 2011.

EXPOSURE TO FOREIGN EXCHANGE RISK

The income and expenditure of the Group are mainly denominated in Hong Kong dollars and as such the impact of foreign exchange exposure of the Group was considered minimal. Hence, no hedging or other arrangements to reduce the currency risk have been implemented.

EMPLOYEE AND REMUNERATION POLICY

The number of employees of the Group as at 30 June 2011 was approximately 314. They receive competitive remuneration packages that are constantly monitored with reference to the market circumstances, with incentives such as discretionary bonuses based on the Group's and individual performance. The Group provides a comprehensive benefits package and career development opportunities.

財政資源

本集團一般以內部產生的現金流量為其業務提供資金。於2011年6月30日，現金及現金等價物以及已抵押銀行存款為約15,500,000港元（2010年：約23,000,000港元）。年內，本集團的經營活動產生之現金流入淨額為約12,800,000港元（2010年：約40,400,000港元）。

借款

於2011年6月30日，計息銀行及其他借款總額為約49,600,000港元（2010年：無），該等款項均以港元計值，年利率介乎2%至7.25%之間。有關本集團的借款詳情載於綜合財務報表附註24。

資本負債比率

於2011年6月30日，本集團的資本負債比率為約96.2%（2010年：約32.1%）。資本負債比率為總負債除以總權益加上總負債之和。總負債為債務總額減去應付稅項、遞延稅項負債及應付股息（如有）之和。資本負債比率減少的主要原因是於2011年1月及5月提取短期貸款以結付於2010年及2011年宣派及支付的股息。

外匯風險

本集團收入及開支主要以港元結算，因而本集團認為匯率風險影響極低。故此，並無實施對沖或其他安排以減低貨幣風險。

僱員及薪酬政策

本集團於2011年6月30日的僱員數目約為314人。彼等獲給予具競爭力之薪酬待遇，而該等薪酬待遇乃參考市況密切監察，並根據本集團及個人表現獲發酌情花紅等獎勵。本集團為員工提供全面之福利待遇及事業發展機會。

Management Discussion and Analysis

管理層討論及分析

Pursuant to a share option scheme adopted on 11 June 2011 (the "Share Option Scheme"), the Board may grant options to eligible employees, including the directors of the Company and any of its subsidiaries, to subscribe for shares of the Company. During the year under review, no options were granted under the Share Option Scheme.

CONTINGENT LIABILITIES

As at 30 June 2011, the Group did not have any contingent liabilities.

CAPITAL COMMITMENTS

As at 30 June 2011, there was no capital commitment not provided for in the consolidated financial statements (2010: approximately HK\$0.9 million). Capital commitments in last year mainly represented the Group's commitments in relation to acquisition of furniture, fixtures and equipment used in our learning centres.

CHARGES ON THE GROUP'S ASSETS

As at 30 June 2011, the Group had bank deposits amounting to HK\$1,037,000 pledged to banks to secure short term banking facilities granted to the Group. Save as the aforesaid, the Group did not have any other charges on the Group's assets.

SIGNIFICANT INVESTMENTS HELD

There were no significant investments held by the Company as at 30 June 2011.

MATERIAL ACQUISITION AND DISPOSAL

Details of acquisition of a subsidiary during the year are set out in note 30 to the consolidated financial statements.

根據於2011年6月11日採納之購股權計劃（「購股權計劃」），董事會可向合資格僱員（包括本公司及其任何附屬公司的董事）授出購股權以認購本公司股份。於回顧年度內，概無根據購股權計劃授出購股權。

或然負債

於2011年6月30日，本集團概無任何或然負債。

資本承擔

於2011年6月30日，於綜合財務報表中概無就尚未於綜合財務報表內計提之資本承擔（2010年：約900,000港元）。去年的資本承擔主要指本集團有關收購教育中心所用的傢俬、裝置及設備的承擔。

本集團資產抵押

於2011年6月30日，本集團之銀行存款1,037,000港元已抵押予銀行，以取得授予本集團之短期銀行信貸。除上述者外，本集團概無任何其他資產抵押。

所持的重大投資

於2011年6月30日，本公司概無持有任何重大投資。

重大收購及出售

年內收購一間附屬公司的詳情載於綜合財務報表附註30。

Management Discussion and Analysis

管理層討論及分析

OUTLOOK

In Hong Kong

Post-abolishment of HKCEE

In the school year of 2011/2012, the adverse one-off effect of abolishing HKCEE has been mitigated by the parallel running of HKALE & HKASLE for Form 7 students under the old academic system and HKDSE for Secondary 6 students under the 334 System. In addition, the increasing competition and pressure caused to students when they are facing only one public examination under the 334 System has led to a rising demand for our secondary tutoring services. Under the 334 System, Liberal Studies is a compulsory subject in the HKDSE. Our tutoring courses of Liberal Studies have been well recognised among students and are growing into one of the potential income drivers of the Group.

Further expansion of our existing businesses in Hong Kong

We intend to further expand our existing businesses in Hong Kong through internal growth by leveraging our strong brand, economies of scale, high teaching quality, diverse products and experienced management team. After the listing of the Company's shares on the Main Board of the Stock Exchange on 4 July 2011, we plan to use approximately HK\$15 million to open 3 to 5 new ME Centres in Hong Kong between the years ending 30 June 2013 and 30 June 2015. Furthermore, we plan to use approximately HK\$6 million to open 6 to 10 additional MBE Centres in Hong Kong during the years ending 30 June 2012 and 30 June 2014. By doing so, we will expand the geographical network of our secondary day school and our tutoring services business in general. As of the date of this report, we have opened one more MBE Centre in Aberdeen and restructured one MBE Franchised Centre in Lai Chi Kok as MBE Centre.

We will continue to diversify our courses and services to cater for the needs of our students in response to the changes in the Hong Kong education system while expanding our selection of standardized test preparation courses. We plan to increase our revenues in our existing markets by offering more classes and subjects at various levels, attracting new and existing students to enroll in our courses.

前景

於香港

於取消香港中學會考後

於2011/2012學年，取消香港中學會考的一次性不利影響已因同時舉辦於舊學制下為中七學生而設的香港高級程度會考及香港高級補充程度會考以及於三三四學制下為高中三學生而設的香港中學文憑考試而獲減輕。此外，於三三四學制下，當僅面對一項公開考試時對學生造成的劇烈競爭及壓力導致學生對我們的中學補習服務的需求上升。於三三四學制下，通識教育為香港中學文憑考試的必修科，我們的通識教育補習課程廣受學生認同，並已逐步提高本集團的潛在收入。

進一步擴充我們於香港的現有業務

我們擬憑藉我們的強大品牌、經濟規模、優質教學、多元化產品及富有經驗的管理團隊，透過內部增長進一步拓展我們在香港的現有業務。在本公司股份於2011年7月4日在聯交所主板上市後，我們計劃在截至2013年6月30日止年度及截至2015年6月30日止年度間，動用約15,000,000港元在香港開設3至5間新「現代教育」教育中心。此外，我們計劃在截至2012年6月30日及2014年6月30日止年度內，動用約6,000,000港元，在香港額外開設6至10間「現代小學士」教育中心。我們將藉此擴大我們的正規日校的地區網絡及整體擴充我們的補習服務業務。於本報告日期，我們已在香港仔增設一間「現代小學士」教育中心及於荔枝角重組一間「現代小學士」加盟中心作為「現代小學士」教育中心。

我們將繼續使我們提供的課程及服務多元化，因應香港教育制度的轉變照顧我們學生的需要，同時擴大我們可供選擇的標準應試課程。我們計劃透過於不同級別提供更多班次及學科，吸引新學生及現有學生報讀我們的課程，增加從我們現有市場所得的收入。

Management Discussion and Analysis

管理層討論及分析

Vertical expansion into adjacent education services markets

We intend to expand our business vertically by broadening our range of services to adjacent education services markets with high potential for growth in Hong Kong, for example, the kindergarten or pre-school education business. Leveraging on our existing well recognised education brands, we believe we are in an advantageous position as compared to our competitors to further expand our business into the kindergarten or pre-school education sector. As such, we plan to use approximately HK\$34 million of our listing proceeds on strategic merger and acquisition of existing players in the kindergarten or pre-school education field and/or other related services, which have strong local network, experience, technology, knowhow and connections, within the coming two to three financial years.

Overseas studies consultation services market

We intend to expand into the overseas studies consultation market through establishing a joint-venture with certain overseas studies consultation companies in Hong Kong. We aim to assist our students in the application and admissions process to overseas education institutions, which include high schools, colleges or graduate colleges mainly in the U.S., the U.K., Australia and New Zealand. We also plan to provide consultation services on visa applications, cultural adjustment and housing searches. We entered into a cooperation agreement with an overseas studies consultation company in Hong Kong in May 2011 and have commenced the provision of overseas studies consultation and related services since then. We intend to use approximately HK\$6 million of the listing proceeds to operate our overseas studies consultation services and expect most of which will be used for administrative and marketing expenses.

Provision of bridging courses

Based on our years of experience in providing secondary tutoring services, secondary day school education and the English language training and test preparation courses, we plan to offer accredited bridging courses to students in Hong Kong who intend to pursue higher education in the U.K. and Australia. To achieve the same, we plan to collaborate with a company accredited by the relevant examination authorities to supply for the examination syllabus and curriculum while we will provide tutors to deliver the bridging courses in line with the set syllabus and curriculum. We expect to begin provision in the bridging courses in September 2011. We intend to use approximately HK\$4 million of our listing proceeds in the provision of services in relation to the bridging courses or test preparation courses in Hong Kong and/or the PRC within the upcoming one to three financial years.

垂直式擴展至相近的教育服務市場

我們計劃透過擴大我們於香港的服務範圍到相近的高增長潛力的教育服務市場，例如幼稚園或學前教育業務、垂直擴充我們的業務。憑藉我們現有的知名品牌，我們相信我們較我們的對手處於優先地位，進一步擴充我們的業務到幼稚園或學前教育界別。因此，我們計劃於未來兩個至三個財政年度，動用我們的上市所得款項約34,000,000港元，策略性地併購具強大地網、經驗豐富、技術先進、知識豐富、關係廣泛的現有幼稚園或學前教育界及／或其他服務的經營者。

海外升學諮詢服務市場

我們計劃透過與香港若干海外升學諮詢公司成立合營企業擴充到海外升學諮詢市場。我們旨在協助學生辦理海外教育機構的申請及入學手續，這些機構包括主要位於美國、英國、澳洲及新西蘭的中學、學院或研究院。我們亦計劃提供簽證申請、適應文化差異及物色住房諮詢服務。我們於2011年5月於香港與一間海外升學顧問公司訂立合作協議，並自此已開始提供海外升學顧問及相關服務。我們擬動用上市所得款項約6,000,000港元，經營我們的海外升學顧問及相關服務，並預期該款項絕大部分將用作行政及市場推廣開支。

提供銜接課程

以我們多年來提供中學補習服務、正規日校課堂及英語培訓及應試課程的經驗，我們計劃向香港擬往英國及澳洲接受高等教育的學生提供認可的銜接課程。為實現這目標，我們計劃與獲相關考試機關認可的公司合作，獲提供考試大綱及課程，而我們則按已規定的大綱及課程提供導師教授銜接課程。我們預期於2011年9月開始提供銜接課程。我們擬動用我們的上市所得款項約4,000,000港元，於即將來臨的一至三個財政年度內，在香港及／或中國提供有關銜接課程或應試課程。

Management Discussion and Analysis

管理層討論及分析

In the PRC

Extending geographic network into adjacent markets with high-growth potential

We intend to expand our geographic network into adjacent markets with high-growth potential in the PRC to reach a wider and more diverse customer and student base of the Group. Since 2010, we have already commenced our PRC operation in Beijing and Guangzhou. In order to align our services with local needs, we plan to use approximately HK\$15 million in setting up 5 learning centres for children in the PRC between the years ending 30 June 2012 and 30 June 2015 in high-growth potential coastal cities as well as cities along the high speed train lines.

Within the various services segments in the PRC, we are keen to explore collaboration opportunities with strong markets players in the kindergarten & preschool education services segment with relevant experience and local expertise.

Further developing our presence in the PRC through the provision of consultation and management services

Apart from providing technical consultation and management and software licensing services to Beijing Yasi School, we plan to continue to expand our presence in the PRC through the same kind of services. We intend to collaborate with PRC well established schools and institutes in providing test preparatory services for the English Languages standardized examinations, such as IELTS, TOEFL and SAT, and tutoring services on major subjects under foreign public examinations, such as Cambridge International Advanced and Advanced Subsidiary Levels administered by University of Cambridge International Examinations, in high growth markets in the PRC.

We will also leverage our existing Hong Kong business and expertise, particularly in English language training, to extract synergies from our growing operations and brand building process and network established by our cooperation agreements with local test preparatory services providers to expand our English language training services into other cities with high growth in the PRC.

於中國

伸延地區營辦網絡至具高增長潛力的毗連市場

我們擬於中國擴大我們的地區網絡至具高增長潛力的毗連市場，接觸更廣大及多元化的本集團客戶及學生群。自2010年以來，我們已於北京及廣州開展我們的中國營運。為讓我們的服務符合當地需要，我們計劃於截至2012年6月30日止年度至截至2015年6月30日止年度，動用約15,000,000港元在中國具高增長力的沿海城市以及沿高鐵線城市設立5間兒童教育中心。

在中國的多個服務分部中，我們積極物色與在幼稚園及學前教育服務分部方面具有相關經驗及當地專長的強大市場經營者的合作機會。

透過提供諮詢及管理服務進一步於中國開發我們的市場佔有率

除向北京雅思學校提供技術諮詢及管理及軟件許可服務外，我們計劃繼續透過同類服務擴大我們於中國的市場佔有率。我們擬於中國高增長市場與具良好聲譽的中國學校及機構，就英語標準課程（例如雅思IELTS、托福TOEFL及SAT）提供應試服務，以及就海外公開考試（例如劍橋大學國際考試委員會管理的劍橋國際高級程度考試或國際高級補充程度考試）提供主要學科的補習服務。

我們亦將借助我們現有香港業務及專長（尤其是在英語培訓方面），從我們不斷增長的營運中獲得協同效應，並借助品牌塑造程序及透過我們與當地應試服務供應商訂立的合作協議建立的網絡，將我們的英語培訓服務擴展至中國其他具高增長力的城市。

Directors and Senior Management

董事及高級管理層

DIRECTORS

Our Board is responsible and has general powers for the management and conduct of our business. The table below shows certain information in respect of members of the Board of our Company:

董事

本公司董事會負責管理及經營本集團業務並擁有管理及經營本集團的一般權力。下表列示本公司董事會各成員的若干資料：

Name 姓名	Age 年齡	Position 職位	Date of Joining the Board 加入董事會日期
Ng Kam Lun, Eric 吳錦倫	50	Chairman of the Board, Executive Director 董事會主席、執行董事	11 June 2011 2011年6月11日
Yiu Wai Yee, Catherine 姚慧儀	43	Executive Director, Chief Executive Officer, Company Secretary 執行董事、行政總裁、公司秘書	1 February 2011 2011年2月1日
Ng Norman 吳樂憫	47	Executive Director, Chief Financial Officer 執行董事、首席財務官	11 June 2011 2011年6月11日
Lee Wai Lok, Ignatious 李偉樂	41	Executive Director, Chief Operating Officer 執行董事、營運總監	11 June 2011 2011年6月11日
Chan Mei Bo, Mabel 陳美寶	39	Independent Non-Executive Director 獨立非執行董事	4 July 2011 2011年7月4日
Yu Cheeric James (alias Yu Cheeric) 余致力	36	Independent Non-Executive Director 獨立非執行董事	4 July 2011 2011年7月4日
Choi Kin Cheong 崔建昌	36	Independent Non-Executive Director 獨立非執行董事	4 July 2011 2011年7月4日

Directors and Senior Management

董事及高級管理層

Executive Directors

Mr. Ng Kam Lun, Eric, aged 50, is an Executive Director, key founder and the chairman of the Group. Apart from formulating overall corporate strategies, he leads the business development and sales and marketing teams. Mr. Ng obtained a degree of bachelor of arts from The University of Alberta in Canada in 1986. Mr. Ng is a permitted teacher under the Education Ordinance and has over 14 years of experience in the teaching of the English language. He is also an author or co-ordinator of English course books and practice books published by certain publishers. In recent years, he has been involved in the development of tutorial and training businesses of our Group in Beijing and Guangzhou. He is now the deputy chairman of the Hong Kong Federation of Private Educators. Mr. Ng is the brother of Mr. Ng Norman.

Ms. Yiu Wai Yee, Catherine, aged 43, is an Executive Director, the chief executive officer and company secretary of the Group. Ms. Yiu has been with us since 1997 and has over 13 years of experience in the education industry. In addition to the financial and legal aspects, Ms. Yiu is involved in our overall management and development. Before joining us in 1997, Ms. Yiu joined an international accounting firm in September 1992 and was later promoted to the position of assistant manager in September 1995. Ms. Yiu subsequently joined an investment bank in March 1997 as an internal auditor and resigned in July of the same year. Ms. Yiu is a fellow of the Hong Kong Institute of Certified Public Accountants and a member of The Institute of Chartered Accountants of Ontario. She was admitted to the University of Toronto and was named as a faculty scholar during her study and graduated with distinction in the bachelor of commerce degree in 1992. Ms. Yiu is also the general secretary to the board of the Hong Kong Federation of Private Educators. Ms. Yiu is the spouse of Mr. Li Yue Chiu, Frederick.

執行董事

吳錦倫先生，50歲，為本集團的執行董事、主要創辦人兼主席。除了制訂整體公司策略外，彼亦帶領業務發展及銷售及市場推廣團隊。吳先生於1986年從加拿大阿爾伯塔大學取得文學學士學位。吳先生為教育條例下的准用教員，並於英語教學有超過14年經驗。彼亦為若干出版商出版的英語課本和習作書的作者或統籌人。近年來，他曾參與本集團於北京和廣州的補習及培訓業務的發展工作。彼現為香港私立教育機構聯會副主席。吳先生為吳樂憫先生的胞兄。

姚慧儀女士，43歲，為本集團的執行董事、行政總裁兼公司秘書。姚女士自1997年起加入本集團，在教育行業擁有超過13年經驗。除財務及法律事務外，姚女士亦參與本集團的整體管理及發展。在1997年加入本集團之前，姚女士於1992年9月加入一家國際會計事務所，而其後於1995年9月晉升至助理經理職位。姚女士其後於1997年3月加入一家投資銀行擔任內部核數師，及於同年7月辭職。姚女士為香港會計師公會資深會員及加拿大安大略省特許會計師公會會員。彼入讀多倫多大學，而就學期間獲頒授為學系學人，並於1992年以優異成績畢業，獲得商業學士學位。姚女士亦為香港私立教育機構聯會的董事會總秘書。姚女士為李汝釗先生的配偶。

Directors and Senior Management

董事及高級管理層

Mr. Ng Norman, aged 47, is an Executive Director and the chief financial officer of the Group. Mr. Ng is a course director of our Continuing Education Fund courses. He teaches as an English tutor at a number of our learning centres. Mr. Ng has been with us since 2004 and has over 6 years of experience in teaching the English language. Prior to joining us, Mr. Ng worked at a bank in various positions from July 1986 to December 2002. Mr. Ng graduated with honours with the bachelor of business administration degree at the Chinese University of Hong Kong in 1986 and becomes a certified public accountant of the Delaware State Board of Accountancy in the United States in June 2002. He is a permitted teacher under the Education Ordinance. He also holds a Certificate in Teaching English as a Foreign Language issued by ICAL Quality Teacher Training. Besides, he is an author of an IELTS book published by Beijing Language and Culture University Press. Mr. Ng is the brother of Mr. Ng Kam Lun, Eric.

Mr. Lee Wai Lok, Ignatious, aged 41, is an Executive Director and the chief operating officer, who is in charge of the overall management of our operations. Mr. Lee has been with us since our inception in 1997 and has devoted himself to the education industry for the past 19 years teaching mathematics and related subjects. He is a permitted teacher under the Education Ordinance. Mr. Lee is an author of a series of mathematics reference books and the consultant editor (mathematics) of another mathematics reference book. He had been a columnist in the education section of a Hong Kong newspaper since September 2007, commenting on the mathematics teaching methodology and current education issues. His experience spans such diverse areas as private education, mathematics teaching, chain store management, marketing strategy and computer aided management systems. Mr. Lee graduated from the University of Hong Kong, with a bachelor of science degree with honours in applied mathematics in 1992. Mr. Lee is the son of Ms. Chu Wai Ling, a substantial shareholder of the Company.

吳樂憫先生，47歲，為本集團的執行董事兼首席財務官。吳先生為本集團持續進修基金課程的課程總監。彼在本集團多間教育中心擔任英語導師。吳先生自2004年起加入本集團，並於英語教學擁有逾6年經驗。在加入本集團之前，吳先生曾於1986年7月至2002年12月在一家銀行擔任不同職位。吳先生於1986年畢業於香港中文大學，獲頒發工商管理榮譽學士學位，並於2002年6月成為美國特拉華州會計委員會的執業會計師。彼為教育條例下的准用教員。彼亦持有ICAL Quality Teacher Training頒發的英語外語教學資格證書。此外，彼為北京語言大學出版社出版的雅思IELTS書籍的作者。吳先生為吳錦倫先生的胞弟。

李偉樂先生，41歲，為執行董事兼營運總監，負責本集團運營的整體管理。李先生自本集團於1997年成立起加入，過去19年以教授數學及相關科目對教育行業作出貢獻。彼為教育條例下的准用教員。李先生為一系列數學參考書籍的作者，以及其他數學參考書籍的顧問編輯（數學）。彼自2007年9月以來為一份香港報紙教育版的專欄作家，對數學教導方法及當前教育事宜發表意見。彼具有多個範疇的經驗，包括私人教育、數學教導、連鎖店管理、市場推廣策略及電腦輔助管理系統。李先生於1992年畢業於香港大學，獲頒發應用數學榮譽學士學位。李先生為本公司主要股東朱惠玲女士的兒子。

Directors and Senior Management

董事及高級管理層

Independent Non-Executive Directors

Ms. Chan Mei Bo, Mabel, aged 39, is an Independent Non-Executive Director. Ms. Chan is the sole proprietor of Mabel Chan & Co., Certified Public Accountants (Practicing). She has over 18 years' experience in professional accounting field in Hong Kong and in the PRC. She holds a master degree of business administration from the Hong Kong University of Science and Technology in 2000 and a degree of Bachelor of Arts (Hons) in accountancy from City Polytechnic of Hong Kong (now known as City University of Hong Kong) in 1993. Ms. Chan is a Certified Public Accountant (Practicing), a fellow member of The Association of Chartered Certified Accountants, an associate member of The Hong Kong Institute of Certified Public Accountants, and an associate member of The Institute of Chartered Accountants in England and Wales. Ms. Chan is a certified tax adviser of The Taxation Institute of Hong Kong in 2010. She is the immediate past president and council member of The Society of Chinese Accountants and Auditors, the past president and council member of the Association of Women Accountants (Hong Kong), the council member of the Hong Kong Institute of Certified Public Accountants, an associate of The Taxation Institute of Hong Kong and a member of The Hong Kong Institute of Directors. Ms. Chan was appointed as a member of the Financial Reporting Review Panel of The Financial Reporting Council by the Secretary for Financial Services and the Treasury of Hong Kong, a member of the CreateSmart Initiative Vetting Committee appointed by the Secretary for Commerce and Economic Development of Hong Kong, a member of the Barristers Disciplinary Tribunal Panel and a member of the Public Affairs Forum of Hong Kong Secretariat Home Affairs Bureau.

Ms. Chan has gained experience in the education industry through serving as a member of the Advisory Board on Accountancy of the Lingnan University since 1 September 2010, the main responsibilities of which involve, inter alia, the planning and reviewing of (i) level, length and relevance of courses or programmes of the University concerned in relation to local needs; (ii) the prospects of local employment for graduates; (iii) the adequacy of the equipment and other resources of the academic unit(s) of the University to fulfill local needs; (iv) the development of teaching and other activities carried out jointly by the academic units of the University and the appropriate sector of the community; (v) investigation consultancy and other services given by the academic units of the University; and (vi) the assistance which the community can give to further the objectives of the University by way of practical training facilities, the provision of part-time teaching staff and equipment, the award of scholarship, student-fellowships.

獨立非執行董事

陳美寶女士，39歲，為獨立非執行董事。陳女士為陳美寶會計師事務所的獨資經營者。彼於香港及中國的專業會計領域擁有逾18年經驗。彼於2000年獲得香港科技大學工商管理碩士學位，並於1993年獲香港城市理工學院（現時稱為香港城市大學）頒授文學學士學位（榮譽），主修會計。陳女士為執業會計師、英國特許公認會計師公會的資深會員、香港會計師公會會員，及英格蘭及威爾士特許會計師協會會員。陳女士於2010年為香港稅務學會註冊稅務師。彼為香港華人會計師公會的前任會長及常務委員、香港女會計師協會的前主席及常務委員、香港會計師公會常務委員、香港稅務學會會員及香港董事學會會員。陳女士獲香港財經事務及庫務局局長委任為財務匯報局轄下的財務匯報檢討委員會的成員、香港商務及經濟發展局局長委任的創意智優計劃審核委員會的成員、大律師紀律審裁團成員，以及香港民政事務局公共事務論壇成員。

陳女士於教育界累積經驗，自2010年9月1日起擔任嶺南大學會計學顧問委員會成員，主要職責涉及（其中包括）計劃及檢討以下各項：(i)大學課程或計劃的級別、授課期及相關性對應有關本地需求；(ii)畢業生本地就業前景；(iii)大學學術部門設備及其他資源是否充足應付本地需求；(iv)開發大學學術部門及社區相應單位攜手進行的教學及其他活動；(v)大學學術部門提供的研究顧問及其他服務；及(vi)以實務培訓設施、提供兼職教學員工及設備、獎學金和助學金獎勵的方式，社區能夠進一步擴大對大學目標的支援。

Directors and Senior Management

董事及高級管理層

Ms. Chan currently serves as an independent non-executive director of a listed company on the Main Board of the Stock Exchange, namely, Kingmaker Footwear Holdings Limited (stock code: 1170) and a listed company on the Growth Enterprise Market of the Stock Exchange, namely, Code Agriculture (Holdings) Limited (stock code: 8153). Ms. Chan was also an independent non-executive director of China Properties Investment Holdings Limited, a listed company on the Main Board of the Stock Exchange (stock code: 0736) for the period from March 2007 to April 2009.

Mr. Yu Cheeric James (alias Yu Cheeric), aged 36, is an Independent Non-Executive Director. Mr. Yu has more than five years of experience in auditing, advisory business services and finance management. For the period from September 1997 to September 2001, Mr. Yu worked as an accountant in the assurance and advisory business services department of an international accounting firm. Between October 2005 and March 2007, Mr. Yu worked in the financial control department of an electricity company in Hong Kong and subsequently joined a manufacturing company, Shenzhen International Group Holdings Limited, as the company secretary between May 2007 and August 2008, both of which are companies listed on the Main Board of the Stock Exchange. Mr. Yu graduated from The California State University with a degree of bachelor of science in business administration (accountancy) in 1997. He became an associate member of the American Institute of Certified Public Accountants on 20 October 2001 and a certified public accountant of the State of Delaware on 20 September 2006.

Mr. Choi Kin Cheong, aged 36, is an Independent Non-Executive Director. Mr. Choi is currently a partner of a law firm in Hong Kong specialising in corporate advisory. Mr. Choi was admitted as a solicitor to the High Court of Hong Kong in 2002 and as a solicitor of the Supreme Court of England and Wales in 2008. Mr. Choi graduated from Queen Mary and Westfield College, University of London with a master degree in laws in 2003. He obtained a bachelor degree of laws and a postgraduate certificate in laws from The University of Hong Kong in 1999 and 2000 respectively. He also obtained a higher diploma in business studies from the City University of Hong Kong in 1996.

陳女士現時於聯交所主板上市公司信星鞋業集團有限公司(股份代號:1170)及聯交所創業板上市公司科地農業控股有限公司(股份代號:8153)擔任獨立非執行董事。2007年3月至2009年4月期間,陳女士亦為聯交所主板上市公司中國置業投資控股有限公司(股份代號:0736)的獨立非執行董事。

余致力先生, 36歲, 為獨立非執行董事。余先生於審計、業務諮詢服務及財務管理方面累積逾五年經驗。於1997年9月至2001年9月期間, 余先生曾於一家國際會計師事務所審計及企業諮詢服務部擔任會計師。於2005年10月至2007年3月期間, 余先生任職於香港一家電力公司的財務控制部, 其後於2007年5月至2008年8月加入一家製造業公司—深圳國際集團控股有限公司擔任公司秘書職務(兩者皆為在聯交所主板上市的公司)。余先生於1997年畢業於加利福尼亞州立大學, 取得工商管理學士學位(會計)。彼於2001年10月20日成為美國會計師公會資深會員, 並於2006年9月20日成為特拉華州執業會計師。

崔建昌先生, 36歲, 為獨立非執行董事。崔先生現為香港一間律師事務所的合夥人, 專責企業顧問。崔先生於2002年為香港高等法院的認可律師, 於2008年為英格蘭及威爾斯最高法院的認可律師。崔先生於2003年畢業於倫敦大學的瑪利皇后學院, 取得法律碩士學位。彼分別於1999年及2000年取得香港大學的法律學士學位及法律深造文憑。彼亦於1996年取得香港城市大學的商學高級文憑。

Directors and Senior Management

董事及高級管理層

SENIOR MANAGEMENT

高級管理層

Name 姓名	Age 年齡	Position 職位	Date of Joining the Group 加入本集團日期
Chan Kay Sang, Kason 陳紀笙	40	General manager 總經理	8 May 1997 1997年5月8日
Li Yue Chiu, Frederick 李汝釗	43	Vice-President (PRC) 副總裁(中國)	1 December 2010 2010年12月1日
Mak Tat Ming, Desmond 麥達明	41	Marketing director 市場推廣總監	18 June 2009 2009年6月18日

Mr. Chan Kay Sang, Kason, aged 40, is our general manager. Mr. Chan graduated from City Polytechnic of Hong Kong (now known as City University of Hong Kong) where he obtained a degree of bachelor of arts in business studies with honours in 1992. Mr. Chan has been with us since our inception in 1997. He has over 18 years of experience in school administration. Prior to joining us, Mr. Chan worked for a private education institution between January 1993 and May 1997. Mr. Chan is currently the school manager, supervisor and principal of our certain registered ME Centres in Hong Kong respectively. He is responsible for the local development and expansion of our Group.

Mr. Li Yue Chiu, Frederick, aged 43, is our Vice-President (PRC). Mr. Li joined us in 2010 and is currently involved in the business development of the Group in the PRC. Before joining our Group, he was employed by a manufacturing company as a general manager between August 1995 and August 2009 and was responsible for managing a garment manufacturing facility in the PRC. Since June 2006 till his joining our Group in 2010, Mr. Li was a managing director of another manufacturing company. Mr. Li is the spouse of Ms. Yiu Wai Yee, Catherine.

Mr. Mak Tat Ming, Desmond, aged 41, is our marketing director. Mr. Mak graduated from Monash University, Australia with a bachelor's degree in business in 1997. Mr. Mak has over 11 years' experience in the field of sales and marketing. Prior to joining us in June 2009, Mr. Mak worked as an assistant general manager at a telecommunication company in Hong Kong between December 2007 and February 2009. He was employed as an assistant director of business development at a broadcasting company between November 2005 and July 2007. Between April 1995 and February 2002, Mr. Mak also worked for a broadcasting company initially as a trainee and as an associate director when he left the company.

陳紀笙先生，40歲，為本集團的總經理。陳先生畢業於香港城市理工學院（現時稱為香港城市大學），於1992年取得商學文學士學位。陳先生自本集團於1997年成立起已加入。彼在學校管理方面擁有超過18年經驗。於加入本集團前，陳先生於1993年1月至1997年5月任職於一家私人教育機構。陳先生現時分別為本集團在香港註冊的多間「現代教育」教育中心的學校經理、校監及校長。彼負責本集團的本地發展及擴充。

李汝釗先生，43歲，為本集團的副總裁（中國）。李先生於2010年加入本集團，目前參與本集團於中國的業務發展。在加入本集團之前，在1995年8月至2009年8月期間受僱於一家製造業公司擔任總經理職務，並負責管理中國一家製衣廠。自2006年6月起至彼於2010年加入本集團，李先生亦為另一家製造業公司的董事總經理。李先生為姚慧儀女士的配偶。

麥達明先生，41歲，為本集團的市場推廣總監。麥先生畢業於澳洲蒙納殊大學，於1997年取得商業學士學位。麥先生在銷售及市場推廣方面擁有超過11年經驗。於2009年6月加入本集團之前，麥先生曾於2007年12月至2009年2月在香港一間電訊公司任職助理總經理。彼於2005年11月至2007年7月擔任一間廣播公司的業務發展助理總監。在1995年4月至2002年2月期間，麥先生亦於一間廣播公司初任見習生，而當彼於該公司離職時，則擔任聯席董事。

Report of the Directors

董事會報告

The Board presents the annual report and the audited consolidated financial statements of the Group for the year ended 30 June 2011.

CORPORATE REORGANIZATION AND INITIAL PUBLIC OFFERING

The Company was incorporated in the Cayman Islands on 26 January 2011 as an exempted company with limited liability under the Companies Law of the Cayman Islands.

Through a series of group reorganization procedures, the Company became the holding company of the Group. Details of group reorganization are set out in the Prospectus.

The Company's shares were listed on the Main Board of the Stock Exchange on 4 July 2011 (the "Listing Date").

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Details of the principal activities of the principal subsidiaries are set out in note 35 to the financial statements. There were no significant changes in the nature of the Group's principal activities during the year. Details of principal subsidiaries of the Group as of 30 June 2011 are set out in note 35 to the financial statements.

董事會謹此提呈本集團截至2011年6月30日止年度的年報及經審核綜合財務報表。

公司重組及首次公開發售

本公司於2011年1月26日根據開曼群島公司法在開曼群島註冊成立為獲豁免的有限公司。

本公司透過一系列集團重組程序成為本集團的控股公司。集團重組詳情載於招股章程。

本公司的股份於2011年7月4日（「上市日期」）於聯交所主板上市。

主要業務

本公司的主要業務為投資控股。主要附屬公司的主要業務詳情載於財務報表附註35。本集團主要業務性質於本年度並無重大變動。本集團主要附屬公司於2011年6月30日的詳情載於財務報表附註35。

Report of the Directors

董事會報告

RESULTS AND FINAL DIVIDENDS

The results of the Group for the year ended 30 June 2011 are set out in the consolidated statement of comprehensive income on page 75 of the annual report.

The Directors did not recommend the payment of a final dividend for the year ended 30 June 2011.

USE OF PROCEEDS FROM THE LISTING

The net proceeds from the Company's initial public offering will be utilised in the manner consistent with that stated under the section headed "Future Plans and Use of Proceeds" of the Prospectus.

ANNUAL GENERAL MEETING

The Annual General Meeting of the Company for the year ended 30 June 2011 is scheduled to be held on Monday, 21 November 2011. A notice convening the Annual General Meeting will be issued and disseminated to shareholders of the Company in due course.

CLOSURE OF REGISTER OF MEMBERS

The share register of the Company will be closed from Wednesday, 16 November 2011 to Monday, 21 November 2011 (both days inclusive), during which no transfer of shares will be effected. In order to be eligible to attend and vote at the forthcoming Annual General Meeting of the Company, all completed share transfer forms accompanying with the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Tuesday, 15 November 2011.

業績及末期股息

本集團截至2011年6月30日止年度內的業績載於本年報第75頁的綜合全面收益表。

董事不建議派付截至2011年6月30日止年度的末期股息。

上市所得款項用途

本公司首次公開發售的所得款項淨額將會按照招股章程「未來計劃及所得款項用途」一節所述的方式使用。

股東週年大會

本公司計劃於2011年11月21日（星期一）舉行截至2011年6月30日止年度的股東週年大會。召開股東週年大會的通告將於適當時候刊發及寄發予本公司股東。

暫停辦理股份過戶登記手續

本公司將由2011年11月16日（星期三）起至2011年11月21日（星期一）止（包括首尾兩日）期間暫停辦理股份過戶登記手續，期內將不會辦理股份過戶。為符合資格出席並於本公司的應屆股東週年大會投票，所有已填妥股份過戶表格連同相關股票必須不遲於2011年11月15日（星期二）下午4時30分遞交予本公司的香港股份過戶登記分處卓佳證券登記有限公司，地址為香港皇后大道東28號金鐘匯中心26樓，方為有效。

Report of the Directors

董事會報告

SUMMARY OF FINANCIAL INFORMATION

A summary of the consolidated results, assets and liabilities of the Group for the last four financial years, as extracted from the audited consolidated financial statements of the Group for the years ended 30 June 2008 and 2009, and from the audited consolidated financial statements of the Group for the years ended 30 June 2010 and 2011 on pages 75 to 148 in this annual report, is set out below:

Results

		Year ended 30 June 截至6月30日止年度			
		2011	2010	2009	2008
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Revenue	收入	268,614	353,213	360,416	309,386
Other income and expenses	其他收入及開支	4,473	79	1,672	1,111
Staff costs	員工成本	(54,717)	(58,361)	(49,544)	(44,284)
Tutor contractor fee	導師承包費	(77,995)	(122,225)	(137,266)	(120,118)
Operating lease payments	經營租賃付款	(47,198)	(51,270)	(36,936)	(30,658)
Marketing expenses	市場推廣開支	(14,124)	(20,597)	(17,266)	(15,170)
Printing costs	印刷費用	(394)	(583)	(558)	(607)
Depreciation and amortisation	折舊及攤銷	(9,454)	(9,443)	(7,166)	(5,306)
Other operating expenses	其他經營開支	(32,135)	(38,762)	(38,463)	(28,645)
Listing expenses	上市開支	(10,408)	(3,292)	-	-
Finance costs	財務費用	(556)	(224)	(253)	(372)
Profit before taxation	除稅前溢利	26,106	48,535	74,636	65,337
Taxation	稅項	(5,596)	(8,477)	(12,327)	(10,795)
Profit for the year	年度溢利	20,510	40,058	62,309	54,542
Profit for the year attributable to:	以下人士應佔年度溢利：				
Owners of the Company	本公司擁有人	20,538	40,076	57,725	49,982
Non-controlling interests	非控股權益	(28)	(18)	4,584	4,560
Total comprehensive income for the year attributable to:	以下人士應佔年度全面收入總額：				
Owners of the Company	本公司擁有人	20,690	40,088	57,725	49,982
Non-controlling interests	非控股權益	(28)	(18)	4,584	4,560

財務資料概要

本集團於過去四個財政年度的綜合業績、資產與負債的概要乃摘錄自本集團截至2008年及2009年6月30日止年度的經審核綜合財務報表以及載於本年報第75至第148頁的本集團截至2010年及2011年6月30日止年度的經審核綜合財務報表，現列載如下：

業績

Report of the Directors

董事會報告

Assets and liabilities

Total assets
Total liabilities

總資產
總負債

資產及負債

As at 30 June			
於6月30日			
2011	2010	2009	2008
HK\$'000	HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元	千港元
98,462	96,821	89,293	105,556
95,018	38,398	45,940	42,605

Note: The results and financial position of the Group for the year ended 30 June 2007 is not disclosed above as such information is not disclosed in the Prospectus.

附註：本集團截至2007年6月30日止年度的業績及財務狀況未於上文披露，因為有關資料未於招股章程披露。

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year are set out in note 16 to the consolidated financial statements.

物業、廠房及設備

本集團於年內的物業、廠房及設備的變動詳情載於綜合財務報表附註16。

BANK AND OTHER BORROWINGS

Details of bank and other borrowings of the Group during the year are set out in note 24 to the consolidated financial statements.

銀行貸款及其他借款

本集團於年內的銀行及其他貸款詳情載於綜合財務報表附註24。

SHARE CAPITAL

Details of movements in the Company's share capital during the year are set out in note 28 to the consolidated financial statements.

股本

本集團於年內的股本變動詳情載於綜合財務報表附註28。

SHARE OPTION SCHEME

The Share Option Scheme of the Company was adopted pursuant to a resolution in writing of all shareholders passed on 11 June 2011 (the "Adoption Date"). The purposes of the Share Option Scheme are to attract and retain the best available personnel and to provide additional incentives or rewards to employees, Directors, consultants, business associates and advisers of the Company for their contribution to the Company and to promote our success. The Share Option Scheme became effective on 4 July 2011 (the "Effective Date"), subject to earlier termination by the Directors and approved in advance by the shareholders in a general meeting. The Share Option Scheme shall be valid and effecting for a period commencing from the Effective Date and expiring at 5:00 p.m. on the business day preceding the tenth anniversary of the Adoption Date. The terms of the Share Option Scheme are in compliance with the provisions of Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

購股權計劃

本公司之購股權計劃乃根據全體股東於2011年6月11日（「採納日期」）通過的書面決議案所採納。購股權計劃旨在吸引及挽留最佳員工，及為本公司的僱員、董事、諮詢人、業務夥伴及顧問提供額外獎勵，以獎賞彼等對本公司成功所作的貢獻，並促進我們的成功。在受董事會提前終止及股東於股東大會上事先批准所限下，購股權計劃自2011年7月4日（「生效日期」）起期間生效及有效，直至採納日期滿十週年前營業日下午五時正屆滿。購股權條款符合香港聯合交易所有限公司證券上市規則（「上市規則」）第17章規定。

Report of the Directors

董事會報告

Eligible participants of the Share Option Scheme include the following, who is or will be on the date of option grant:

- (a) a person who is in full-time or part-time employment by any member of our Group;
- (b) a director (whether executive or non-executive) of any member of our Group;
- (c) a person as shall have been designated by the Directors as such, being a person who provides consultancy/advisory services (legal, technical, financial, corporate, managerial advice or services or otherwise) to any member of our Group;
- (d) a supplier of goods or services to any member of our Group;
- (e) a customer of any member of our Group;
- (f) a person or entity that provides research, development or other technological support to any member of our Group;
- (g) a person or entity that promotes the sales and marketing of the goods of, or provides any promotional support to, any member of our Group;
- (h) a provider of financial assistance (directly or indirectly) to any member of our Group;
- (i) an agent, a business affiliate or business partner, joint venture partner or strategic partner, who/which at the sole discretion of the Directors, has contributed to the business of any member of our Group and/or the Group as a whole;
- (j) any other person or entity, group or class of persons or entities from time to time determined by the Directors as having contributed or may contribute to the business development and/or growth of any member of our Group and/or the Group as a whole;

As at the date of this report, the total number of shares of the Company available for issue under the Share Option Scheme and any other share option scheme of the Group must not in aggregate exceed 10% of the shares in issue on the day on which trading of the shares commenced on the Stock Exchange, i.e. 40,000,000 shares, representing 10% of the issued share capital of the Company as at the Listing Date and at the date of this report.

購股權的合資格參與者包括於購股權授出日期的以下人士：

- (a) 本集團任何成員公司的全職或兼職僱員；
- (b) 本集團任何成員公司的董事（不論執行或非執行）；
- (c) 須獲董事指定的人士，即向本集團任何成員公司提供諮詢／顧問服務（法律、技術、財務、企業、管理建議或服務或其他）的人士；
- (d) 向本集團任何成員公司提供貨品或服務的供應商；
- (e) 本集團任何成員公司的客戶；
- (f) 向本集團任何成員公司提供研究、開發或其他技術支援的人士或實體；
- (g) 促銷及市場推廣本集團任何成員公司貨品，或向本集團任何成員公司提供任何宣傳支持的人士或實體；
- (h) 向本集團任何成員公司直接或間接提供財務援助的供應商；
- (i) 董事全權酌情釐定對本集團任何成員公司及／或本集團整體的業務作出貢獻的代理、業務聯屬公司或業務夥伴、合營夥伴或策略夥伴；
- (j) 董事不時釐定對本集團任何成員公司及／或本集團整體的業務發展及／或成長曾作出或可能作出貢獻的任何其他人士或實體、人士或實體組別或類別；

於本報告日期，可根據購股權計劃及本集團任何其他購股權計劃發行的本公司股份總數，不得超過股份於聯交所開始買賣當日的已發行股份合共10%，即40,000,000股股份，佔於上市日期及本報告日期的本公司已發行股本10%。

Report of the Directors

董事會報告

The maximum number of shares issuable upon exercise of the options which may be granted under the Share Option Scheme and any other share option scheme of the Group (including exercised, cancelled or outstanding options) to each participant (other than a substantial shareholder, chief executive or Director as explained below) in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their respective associates (as defined under the Listing Rules), are subject to approval in advance by the independent non-executive Directors (excluding any independent non-executive director who is the grantee of the options). In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their respective associates (as defined under the Listing Rules), in excess of 0.1% of the shares of the Company in issue with an aggregate value (based on the closing price of the Company's shares at the date of the grant) in excess of HK\$5 million, in the 12-month period up to and including the date of grant, are subject to shareholders' approval in a general meeting.

The offer of a grant of share options may be accepted in writing by a participant within 21 days from the date of offer upon payment of a nominal consideration of HK\$1 by the grantee. The exercise period for the share options granted is determined by the Directors, which period may commence from the date of acceptance of the offer for the grant of share options but shall end, in any event, not later than 10 years from the date of the conditional adoption of the Share Option Scheme by our shareholders subject to the provisions for early termination under the Share Option Scheme.

The amount payable of each share to be subscribed for under an option in the event of the option being exercised shall be determined by the Directors in their absolute discretion and shall be not less than the greater of:

- (i) the closing price of the shares on the Stock Exchange as stated in the Stock Exchange's daily quotations sheet on the date of grant of such option (which must be a Business Day);
- (ii) the average closing price of the shares on the Stock Exchange as stated in the Stock Exchange's daily quotations sheet for the five Business Days immediately preceding the date of grant of such option; and
- (iii) the nominal value of the shares.

No option has been granted under the Share Option Scheme as at the date of this report.

於任何12個月期間內，因根據購股權計劃及本集團任何其他購股權計劃可能授予各參與者（不包括主要股東、主要行政人員或董事（見下文闡釋））的購股權（包括已行使、已註銷或尚未行使的購股權）獲行使而可予發行的股份數最多不得超過本公司當時已發行股本1%。超出本限額任何進一步授出的購股權須於股東大會上獲得股東批准。

向本公司董事、主要行政人員或主要股東、或彼等各自的任何聯繫人（定義見上市規則）授出的購股權，須事先經由獨立非執行董事（不包括身為購股權承授人的任何獨立非執行董事）批准。此外，於直至授出日期（包括該日）的12個月期間內，授予本公司主要股東或獨立非執行董事、或彼等各自的任何聯繫人（定義見上市規則）超出本公司已發行股份0.1%而總值（根據於授出日期本公司股份的收市價計算）超出5,000,000港元的任何購股權，須於股東大會上獲得股東批准。

授出購股權要約可由參與者於授出日期起計21日內接納，承授人須於接納時支付1港元名義代價。已授出購股權的行使期由董事會釐定，有關期限可由授出購股權要約的接納日期開始，但無論如何須不遲於股東有條件採納購股權日期起計10年終止，並受購股權計劃項下提早終止條款所限。

倘因行使購股權而根據購股權將予認購的每股股份應付的金額須由董事全權酌情釐定，且不得少於以下三者中的較高者：

- (i) 股份於該購股權授出日期（必須為營業日）於聯交所每日報價表所列於聯交所的收市價；
- (ii) 股份於緊接該購股權授出日期前五個營業日於聯交所每日報價表所列於聯交所的平均收市價；及
- (iii) 股份的面值。

於本報告日期，概無根據購股權計劃授出購股權。

Report of the Directors

董事會報告

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Articles of Association and there is no stipulation that would oblige the Company to offer new shares on a pro rata basis to existing shareholders in respect of such rights.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year ended 30 June 2011 and up to the date of this annual report, was the Company or any of its subsidiaries, a party to any arrangement that would enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18, were granted any right to subscribe for equity or debt securities of the Company or any other body corporate, nor had exercised any such right.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Since the shares of the Company were listed on the Stock Exchange on 4 July 2011, neither the Company nor any of its subsidiaries had purchased, redeemed or sold any of the Company's listed securities during the year ended 30 June 2011.

RESERVES

Details of change in the reserves of the Group during the year ended 30 June 2011 are set out in the consolidated statement of changes in equity.

DISTRIBUTABLE RESERVES

As at 30 June 2011, the Company did not have reserves available for distribution in accordance with the Companies Law of the Cayman Islands.

MAJOR CUSTOMERS AND SUPPLIERS

Income from the Group's five largest customers in aggregate contributed to less than 30% of the Group's total income during the year.

優先購買權

本公司章程細則並無優先購買權條文，且並無就該等權利規定本公司須按比例向現有股東提呈發售新股。

董事購買股份或債權證的權利

於截至2011年6月30日止年度及截至本年報日期止任何時間內，本公司或其任何附屬公司概無訂立任何安排，以使董事可藉由收購本公司或任何其他法人團體的股份或債權證而獲得利益，而董事或任何彼等的配偶或18歲以下子女亦概無獲授予可認購本公司或任何其他法人團體的股本或債權證的權利，亦無於期內行使任何有關權利。

購買、贖回或出售本公司的上市證券

由於本公司股份於2011年7月4日在聯交所上市，故此本公司或其任何附屬公司於截至2011年6月30日止年度內概無購買、贖回或出售本公司的任何上市證券。

儲備

本集團於截至2011年6月30日止年度內的儲備變動詳情載於綜合權益變動表。

可供分派儲備

於2011年6月30日，根據開曼群島公司法，本公司並無可供分派儲備。

主要客戶及供應商

源自本集團五大客戶的收入合共佔本集團年內總收入不足30%。

Report of the Directors

董事會報告

During the year, tutor contractor fee paid/payable to the Group's top five tutors, who entered into service contracts with us, accounted for 58.56% of the Group's total tutor contractor fee for the year ended 30 June 2011 (2010: 51.45%), and tutor contractor fee paid/payable to the Group's most top tutor accounted for 15.2% of the Group's total tutor contractor fee for the year ended 30 June 2011(2010:14.9 %).

Contracts with the other five largest suppliers of the Group, excluding the independent tutors, combined by value which are not of a capital nature, contributed to less than 30% in value of such supplies purchased during the year.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of the independent non-executive Directors an annual confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules and the Directors consider each of the independent non-executive Directors to be independent.

EMOLUMENTS OF DIRECTORS

The Directors' fees and other emoluments are subject to shareholders' approval at general meetings or determined by the Board after obtaining shareholders' authorisation at general meetings with reference to the Directors' duties, responsibilities and performance as well as the Group's results.

None of the Directors waived any emoluments during the year.

DIRECTORS' SERVICE CONTRACTS

Each of our Executive Directors has entered into a service agreement with the Company for an initial term of three years commencing on 11 June 2011 and will continue thereafter until terminated by not less than six months' notice in writing served by either party on the other.

Each of our Independent Non-Executive Directors has entered into a letter of appointment with our Company. Each letter of appointment is for an initial term of three years commencing on 4 July 2011 and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other.

Those appointments are subject to directors' retirement from office and retirement by rotation under the Articles of Associations. None of Directors proposed for re-election at the forthcoming annual general meeting has entered into a service contract with the Company or any of its subsidiaries which is not determinable by the Company within one year without payment of compensation other than statutory compensation.

年內，已付／應付本集團前五名導師（該等導師已與我們訂立服務合約）的導師承包費佔本集團於截至2011年6月30日止年度的導師承包費總額的58.56%（2010年：51.45%），而已付／應付本集團首席導師的導師承包費佔本集團於截至2011年6月30日止年度的導師承包費總額的15.2%（2010年：14.9%）。

本集團與其他五大供應商（不包括獨立導師）的合約價值總額（非資本性質）佔年內所採購貨品的價值不足30%。

獨立非執行董事

本公司已收到各獨立非執行董事根據上市條例第3.13條發出的有關其獨立性的年度確認書，而董事認為各獨立非執行董事均具獨立性。

董事酬金

董事袍金及其他酬金須經股東於股東大會上批准或由董事會於股東大會上取得股東授權後參考董事的職責、責任及表現以及本集團的業績而釐定。

年內，概無董事放棄任何酬金。

董事的服務合約

本集團各執行董事已與本公司訂立服務協議，由2011年6月11日起計首任為期三年，並持續至任何一方向另一方發出不少於六個月的書面通知終止為止。

本集團各獨立非執行董事已與本公司訂立委任函。各委任函由2011年7月4日起計首任為期三年，並持續至任何一方向另一方發出不少於三個月的書面通知終止為止。

有關委任須遵守組織章程細則項下董事退任及輪席告退的規定。擬在應屆股東週年大會上重選連任的董事概無與本公司或其任何附屬公司訂立一年內本公司不作賠償（法定賠償除外）則不可終止的服務合約。

Report of the Directors

董事會報告

The Directors of the Company as at the date of this annual report are as follows:

Executive Directors:

Ng Kam Lun, Eric (*Chairman of the Board*)
Yiu Wai Yee, Catherine
(*Chief Executive Officer and Company Secretary*)
Ng Norman (*Chief Financial Officer*)
Lee Wai Lok, Ignatious (*Chief Operating Officer*)

Independent Non-Executive Directors:

Chan Mei Bo, Mabel
Yu Cheeric James (alias Yu Cheeric)
Choi Kin Cheong

Pursuant to Article 16.2 of the Company's Articles of Association, any Director appointed to fill a casual vacancy or as an addition to the Board during the year shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting.

Pursuant to Article 16.18 of the Company's Articles of Association, at each annual general meeting, one-third of the Directors for the time being shall retire from office by rotation and all the Directors who retire at the forthcoming annual general meeting, being eligible, will offer themselves for re-election at the annual general meeting.

As such, all Directors will retire from office as Directors at the forthcoming annual general meeting and will offer themselves for re-election.

DIRECTORS AND SENIOR MANAGEMENT

The biographies of each of the Directors and senior management are set out on page 25 to page 30 in this annual report.

DIRECTORS' INTERESTS IN CONTRACTS

The Company or its subsidiaries have entered into a number of transactions with entities in which certain Executive Directors have substantial shareholding. Details of those transactions are set out in the section headed "Connected Transactions" of this report.

Save as disclosed above, no contract of significance, to which the Company, its controlling companies or any of its subsidiaries was a party, and in which a Director had a material interest, directly or indirectly, subsisted during or at the end of the year ended 30 June 2011 and up to the date of this annual report.

於本年報日期，本公司的董事如下：

執行董事：

吳錦倫 (*董事會主席*)
姚慧儀
(*行政總裁兼公司秘書*)
吳樂憫 (*首席財務官*)
李偉樂 (*營運總監*)

獨立非執行董事：

陳美寶
余致力
崔建昌

根據本公司的組織章程細則第16.2條，於年內獲委任以填補董事會的臨時空缺或出任新增的董事職位的任何董事，任期將於本公司下屆股東週年大會舉行時屆滿，屆時可於該大會上重選連任。

根據本公司的組織章程細則第16.18條，於每屆股東週年大會上，三分之一在任董事須輪席告退，而於應屆股東週年大會上告退的所有董事均可符合資格於股東週年大會上重選連任。

因此，所有董事將於應屆股東週年大會上退任董事職位並將願意重選連任。

董事及高級管理層

各董事及高級管理層的履歷載於本年報第25至30頁。

董事於合約的權益

本公司或其附屬公司已與若干執行董事於其中擁有重大股權的實體訂立多項交易。該等交易詳情載於本報告「關連交易」一節。

除上文所披露者外，於截至2011年6月30日止年度內或結束時及直至本年報日期，概無本公司、其控股公司或其任何附屬公司為訂約方而董事直接或間接擁有重大權益的任何重大合約。

Report of the Directors

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTEREST AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES

Dealings in the shares of the Company commenced on the Stock Exchange on 4 July 2011, which was later than the end of the reporting period. As at the date of this annual report, so far as it is known to any Directors or chief executive of the Company, the following persons had or were deemed or taken to have interests in the shares or underlying shares of the Company which were required to be entered in the register to be maintained by the Company pursuant to Section 336 of Part XV of the Securities and Futures Ordinance (the "SFO") as follows:

主要股東於股份及相關股份的權益及淡倉

本公司股份於2011年7月4日（即於報告期末之後）於聯交所開始買賣。於本年報日期，就本公司任何董事或主要行政人員所知，以下人士於本公司股份或相關股份中擁有或視為或當作擁有根據證券及期貨條例（「證券及期貨條例」）第XV部第336條須記入本公司存置的登記冊的權益如下：

Name	Nature of interest	Number of shares held	Approximate percentage of shareholding in the Company
名稱／姓名	權益性質	所持股份數目	佔本公司股權的概約百分比
Speedy Harvest Investments Limited ("Speedy Harvest")	Beneficial owner 實益擁有人	157,405,421	39.35%
Mr. Ng Kam Lun, Eric (Note 1) 吳錦倫先生(附註1)	Interest in a controlled corporation 於受控制法團的權益	157,405,421	39.35%
Beautiful Choice Investments Limited ("Beautiful Choice")	Beneficial owner 實益擁有人	47,221,626	11.81%
Mr. Lee Wai Lok, Ignatious (Note 2) 李偉樂先生(附註2)	Interest in a controlled corporation 於受控制法團的權益	47,221,626	11.81%
Ms. Chu Wai Ling (Note 2) 朱惠玲女士(附註2)	Interest in a controlled corporation 於受控制法團的權益	47,221,626	11.81%
Classic King Development Limited ("Classic King")	Beneficial owner 實益擁有人	41,819,066	10.45%
Mr. Ng Norman (Note 3) 吳樂憫先生(附註3)	Interest in a controlled corporation 於受控制法團的權益	41,819,066	10.45%

Report of the Directors

董事會報告

Name	Nature of interest	Number of shares held	Approximate percentage of shareholding in the Company
名稱／姓名	權益性質	所持股份數目	佔本公司股權的概約百分比
Primo Result Limited ("Primo Result") 倍智有限公司(「倍智」)	Beneficial owner 實益擁有人	21,305,585	5.33%
Festival Developments Limited (Note 4) (附註4)	Interest in a controlled corporation 於受控制法團的權益	21,305,585	5.33%
SW Kingsway Capital Holdings Limited (Note 4) (附註4)	Interest in a controlled corporation 於受控制法團的權益	21,305,585	5.33%
World Developments Limited (Note 4) (附註4)	Interest in a controlled corporation 於受控制法團的權益	21,305,585	5.33%
Innovation Assets Limited (Note 4) (附註4)	Interest in a controlled corporation 於受控制法團的權益	21,305,585	5.33%
Sunwah International Limited (Note 4) (附註4)	Interest in a controlled corporation 於受控制法團的權益	21,305,585	5.33%
Sun Wah Capital Limited (Note 4) (附註4)	Interest in a controlled corporation 於受控制法團的權益	21,305,585	5.33%
Mr. Choi Koon Shum Jonathan (Note 4) 蔡冠深先生 (附註4)	Interest in a controlled corporation 於受控制法團的權益	21,305,585	5.33%
Ms. Kwan Wing Kum, Janice (Note 4) 關穎琴女士 (附註4)	Interest in a controlled corporation 於受控制法團的權益	21,305,585	5.33%

Notes:

- (1) Mr. Ng Kam Lun, Eric is deemed to be interested in the shares held by Speedy Harvest by virtue of his controlling interest in Speedy Harvest. Mr. Ng is also a director of Speedy Harvest.
- (2) Each of Mr. Lee Wai Lok, Ignatious and Ms. Chu Wai Ling is deemed to be interested in the shares held by Beautiful Choice by virtue of their respective controlling interest in Beautiful Choice. Mr. Lee is also a director of Beautiful Choice.
- (3) Mr. Ng Norman is deemed to be interested in the shares held by Classic King by virtue of his controlling interest in Classic King. Mr. Ng is also a director of Classic King.
- (4) Each of Festival Developments Limited, SW Kingsway Capital Holdings Limited, World Developments Limited, Innovation Assets Limited, Sunwah International Limited, Sun Wah Capital Limited, Choi Koon Shum Jonathan, Kwan Wing Kum, Janice is deemed to be interested in the shares held by Primo Result by virtue of their respective controlling interest in Primo Result.

附註:

- (1) 鑑於吳錦倫先生於Speedy Harvest的控股權益，彼被視為於Speedy Harvest所持股份中擁有權益。吳先生亦為Speedy Harvest的董事。
- (2) 鑑於李偉樂先生及朱惠玲女士各自於Beautiful Choice的控股權益，彼等各自被視為於Beautiful Choice所持股份中擁有權益。李先生亦為Beautiful Choice的董事。
- (3) 鑑於吳樂憫先生於Classic King的控股權益，彼被視為於Classic King所持股份中擁有權益。吳先生亦為Classic King的董事。
- (4) 鑑於Festival Developments Limited、SW Kingsway Capital Holdings Limited、World Developments Limited、Innovation Assets Limited、Sunwah International Limited、Sun Wah Capital Limited、蔡冠深、關穎琴各自於倍智的控股權益，彼等各自被視為於倍智所持股份中擁有權益。

Report of the Directors

董事會報告

Save as disclosed above, as at the date of this annual report, the Company has not been notified of any other person who had any interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

Dealings in the shares of the Company commenced on the Stock Exchange on 4 July 2011, which was later than the end of the reporting period. As at the date of this annual report, the Directors or chief executive of the Company had the following interests in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be entered in the register required to be kept by the Company pursuant to Section 352 of the SFO; or notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules, were as follows:

除上文披露者外，於本年報日期，本公司並不知悉任何其他人士於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部須向本公司及聯交所披露的任何權益或淡倉。

董事及主要行政人員於股份、相關股份及債券的權益及淡倉

本公司股份於2011年7月4日（即於報告期末之後）於聯交所開始買賣。於本年報日期，董事或本公司主要行政人員於本公司及其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債券中擁有根據證券及期貨條例第352條須記入本公司存置的登記冊的權益及淡倉；或根據上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所的權益如下：

Name of Directors	Nature of interest	Number of shares held	Approximate percentage of shareholding in the Company
董事姓名	權益性質	所持股份數目	佔本公司股權的概約百分比
Mr. Ng Kam Lun, Eric 吳錦倫先生	Interest in a controlled corporation 於受控制法團的權益	157,405,421	39.35%
Mr. Lee Wai Lok, Ignatious 李偉樂先生	Interest in a controlled corporation 於受控制法團的權益	47,221,626	11.81%
Mr. Ng Norman 吳樂憫先生	Interest in a controlled corporation 於受控制法團的權益	41,819,066	10.45%
Ms. Yiu Wai Yee, Catherine (Note 1) 姚慧儀女士 (附註1)	Interest in a controlled corporation 於受控制法團的權益	4,529,214	1.13%

Note:

附註：

(1) Ms. Yiu Wai Yee, Catherine is deemed to be interested in the shares held by Creative Master Holdings Limited, the beneficial owner, by virtue of her controlling interest in Creative Master Holdings Limited.

(1) 鑑於姚慧儀女士於Creative Master Holdings Limited的控股權益，彼被視為於實益擁有人Creative Master Holdings Limited所持股份中擁有權益。

Report of the Directors

董事會報告

Save as disclosed above, as at the date of this annual report, none of the Directors or the chief executive of the Company had an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which was required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including those interests or short positions they are taken or deemed to have under such provisions of the SFO); or entered in the register required to be kept by the Company pursuant to Section 352 of the SFO; or notified to the Company and the Stock Exchange pursuant to the Model Code.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into by the Company or subsisted during the year ended 30 June 2011.

NON-COMPETITION UNDERTAKINGS

Each of Mr. Ng Kam Lun, Eric, Speedy Harvest, Beautiful Choice, Mr. Lee Wai Lok, Ignatious, Ms. Chu Wai Ling, Classic King, Mr. Ng Norman, Ultra Strong Group Limited, Mr. Ng Kam Wing, Ms. Lau Yue Lan, Ms. Ng Choi Fong, Creative Master Holdings Limited and Ms. Yiu Wai Yee, Catherine (together, the "Non-Competing Covenantors") has confirmed to the Company of his/her/its compliance with the Non-competition Deed that he/she/it provided to the Company on 7 June 2011. The Independent Non-Executive Directors have reviewed the status of compliance and confirmed that all of these non-competition undertakings have been complied with by the Non-Competing Covenantors.

除上文所披露者外，於本年報日期，董事或本公司主要行政人員概無於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債券中擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益或淡倉（包括根據證券及期貨條例有關條文當作或視為由彼等擁有的權益或淡倉）；或根據證券及期貨條例第352條須記入本公司存置的登記冊的權益及淡倉；或根據標準守則須知會本公司及聯交所的權益或淡倉。

管理合約

於截至2011年6月30日止年度內，概無任何有關本公司整體業務或任何重大部份的管理及行政合約已訂立或存在。

不競爭承諾

吳錦倫先生、Speedy Harvest、Beautiful Choice、李偉樂先生、朱惠玲女士、Classic King、吳樂憫先生、Ultra Strong Group Limited、吳錦榮先生、劉汝蘭女士、吳彩芳女士、創智控股有限公司及姚慧儀女士（統稱「不競爭契諾承諾人」）各自已向本公司確認已遵守彼於2011年6月7日向本公司提供的不競爭契據。獨立非執行董事已審閱遵守情況並確認不競爭契諾承諾人已遵守該等不競爭契諾。

Report of the Directors

董事會報告

CONNECTED TRANSACTIONS

One-off Connected Transactions

(A) Option agreement

During the year, the Company entered into an option agreement with Ms. Huang Hui, the spouse of Mr. Ng Kam Wing and the sister-in-law of Mr. Ng Kam Lun, Eric, pursuant to which Ms. Huang Hui agreed to grant an option to the Company to acquire her equity interest in Beijing Jingli Siya Education Consulting Limited Company provided PRC law permits such acquisition. Such option was granted for nil consideration and consideration based on market value will be payable by the Company upon the exercise of the option.

(B) Non-Competition deed

During the year, the Company entered into a Non-competition Deed with each of Non-Competing Covenantors. For more details, please refer to the section headed "NON-COMPETITION UNDERTAKINGS" of this report.

關連交易

一次性關連交易

(A) 認購權協議

於本年度，本公司與黃慧女士（吳錦榮先生的配偶，吳錦倫先生的弟婦）訂立認購權協議。據此，黃慧女士同意向本公司授出認購權，以收購其於Beijing Jingli Siya Education Consulting Limited Company的股權，但須經中國法律准許進行是次收購。該認購權乃按零代價授出，而按市值計算的代價將由本公司於行使認購權時支付。

(B) 不競爭契據

於本年度，本公司已與各不競爭契諾承諾人訂立不競爭契據。有關不競爭契據的進一步詳情，請參閱本報告「不競爭承諾」一節。

Report of the Directors

董事會報告

Continuing Connected Transactions

(A) Tenancy agreements and license agreements in relation to properties and advertising spaces

Transaction details

Modern Education (Hong Kong) Limited ("Modern Education HK"), a wholly-owned subsidiary of the Company and certain connected persons of our Company have entered into the following tenancy agreements and license agreements, whereby such connected persons leased the following premises and granted licenses to the Group for the use of the following premises as our learning centres and/or advertising spaces to promote and advertise the respective learning centres located in the same buildings:

持續關連交易

(A) 有關物業及廣告位的租約及許可使用協議

交易詳情

本公司的全資附屬公司現代教育(香港)有限公司(「現代教育(香港)」)與本公司的若干關連人士訂立以下租約及許可使用協議。據此，該等關連人士向本集團出租以下場所及授出使用以下場所作為本集團的教育中心及／或推廣及宣傳位於相同樓宇的有關教育中心的廣告位的許可使用權：

Licensor/Landlord 許可使用人/業主	Licensee/Tenant(s) 獲許可使用人/租戶	Premises/Advertising spaces 場所/廣告位	Actual rental/ license fee (HK\$) 實際租金/ 特許使用費 (港元)	Proposed annual cap (HK\$) 建議年度上限(港元)		Term (Note 1) 年期(附註1)
			Year ended 30 June 截至6月30日 止年度 2011	Year ended/ending 30 June 截至6月30日止年度 2011 2012 2013		
Smarter Choice Limited 宏達行有限公司	Modern Education HK 現代教育(香港)	Shops 8-9, Level 1, Fanling Town Center, 18 Fanling Station Road, Fanling, New Territories, Hong Kong (Note 2 and 3) 香港新界粉嶺粉嶺車站路18號粉嶺 名都廣場1樓8-9號舖(附註2及3)	2,121,000	2,125,000	1,785,000	nil 無 1 June 2011 to 15 April 2012 2011年6月1日至 2012年4月15日
Strategic Fortune Limited 幸運有限公司	Modern Education HK 現代教育(香港)	4/F, Union Park Centre, No.771-775 Nathan Road, Kowloon, Hong Kong (Note 4) 香港九龍彌敦道771-775號栢宜中心4樓 (附註4)	nil 無	nil 無	972,000	972,000 1 July 2011 to 30 June 2013 2011年7月1日至 2013年6月30日
Online Global Limited 寶曉有限公司	Modern Education HK 現代教育(香港)	3/F, Cigna Tower, 482 Jaffe Road, Hong Kong (Notes 2 and 3) 香港謝斐道482號信諾環球保險中心3樓 (附註2及3)	2,606,000	2,623,000	2,404,000	nil 無 1 June 2011 to 9 May 2012 2011年6月1日至 2012年5月9日

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Licensor/Landlord 許可用人/業主	Licensee/Tenant(s) 獲許可用人/租戶	Premises/Advertising spaces 場所/廣告位	Actual rental/ license fee (HK\$) 實際租金/ 特許使用費 (港元)	Proposed annual cap (HK\$) 建議年度上限 (港元)			Term (Note 1) 年期 (附註1)
			Year ended 30 June 截至6月30日 止年度 2011	Year ended/ending 30 June 截至6月30日止年度 2011	2012	2013	
	Modern Education HK	Shops 9A and 9B, 2/F, Wai Wah Centre, 11-17 Sha Tin Centre Street, Shatin, New Territories, Hong Kong (Notes 2 and 3)	4,111,000	4,723,000	4,841,000	4,841,000	1 June 2011 to 30 June 2013
	現代教育 (香港)	香港新界沙田沙田正街11-17號偉華中心2樓9A及9B號舖 (附註2及3)					2011年6月1日至2013年6月30日
		Subtotal 小計	6,717,000	7,346,000	7,245,000	4,841,000	
Online Global Limited	Modern Education HK	Signage space designated no.3 on the side wall of Cigna Tower, 482 Jaffe Road, Hong Kong (Note 3)	46,000	46,000	42,000	nil 無	1 June 2011 to 9 May 2012
寶曠有限公司	現代教育 (香港)	香港謝斐道482號信諾環球保險中心側牆的看板3號 (附註3)					2011年6月1日至2012年5月9日
	Modern Education HK	14 advertising spaces at Shops 9A and 9B, 2/F, Wai Wah Centre, 11-17 Sha Tin Centre Street, Shatin, New Territories, Hong Kong (Note 3)	240,000	240,000	240,000	240,000	1 June 2011 to 30 June 2013
	現代教育 (香港)	香港新界沙田沙田正街11-17號偉華中心2樓9A及9B號舖的14個廣告位 (附註3)					2011年6月1日至2013年6月30日
		Subtotal 小計	286,000	286,000	282,000	240,000	
Regent Mega Limited	Modern Education HK	Shop 12 of G/F to 1/F, Shop 13 of G/F, Cheong Wah Building, 289-291 and 295-301 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong (Note 2 and 3)	3,402,000	3,413,000	2,874,000	nil 無	1 June 2011 to 30 April 2012
悅祥有限公司	現代教育 (香港)	香港新界荃灣青山公路289-291及295-301號昌華大廈地下至1樓12號舖、地下13號舖 (附註2及3)					2011年6月1日至2012年4月30日
	Modern Education HK	Shops S102-104, S104A and S133-140, 2/F, Amoy Plaza, Amoy Gardens Phase I and II, 77 Ngau Tau Kok Road, Kowloon, Hong Kong (Note 2 and 3)	2,895,000	2,896,000	3,136,000	nil 無	1 June 2011 to 6 June 2012
	現代教育 (香港)	香港九龍牛頭角道77號淘大花園第1及2期淘大商場2樓S102至104、S104A、S133至140號舖 (附註2及3)					2011年6月1日至2012年6月6日
		Subtotal 小計	6,297,000	6,309,000	6,010,000	nil 無	

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Licensor/Landlord 許可用人/業主	Licensee/Tenant(s) 獲許可用人/租戶	Premises/Advertising spaces 場所/廣告位	Actual rental/ license fee (HK\$) 實際租金/ 特許使用費 (港元)	Proposed annual cap (HK\$) 建議年度上限 (港元)			Term (Note 1) 年期 (附註1)
			Year ended 30 June 截至6月30日 止年度 2011	Year ended/ending 30 June 截至6月30日止年度		2013	
				2011	2012	2013	
Regent Mega Limited	Modern Education HK	The wall surface adjacent to Shops S102-104, S104A and S133-140, 2/F, Amoy Plaza, Amoy Gardens Phase I and II, 77 Ngau Tau Kok Road, Kowloon, Hong Kong (Note 3)	1,000	1,000	1,000	nil 無	1 June 2011 to 6 June 2012
悅祥有限公司	現代教育(香港)	香港九龍牛頭角道77號淘大花園第1及2期淘大商場2樓S102-S104、S104A及S133-140號舖鄰近的牆面(附註3)					2011年6月1日至 2012年6月6日
Modern English Limited	Modern Education HK	Shop 3A, G/F-2/F, Union Park Centre, 771-775 Nathan Road, Kowloon, Hong Kong (Notes 2 and 5)	3,803,000	3,828,000	3,828,000	3,509,000	1 June 2011 to 31 May 2013
現代英語有限公司	現代教育(香港)	香港九龍彌敦道771-775號栢宜中心地下至2樓3A號舖(附註2及5)					2011年6月1日至 2013年5月31日
	Modern Education HK	Shop 220a, Park Central, 9 Tong Tak Street, Tseung Kwan O, Sai Kung, New Territories, Hong Kong (Notes 2 and 3)	190,000	193,000	198,000	205,000	1 June 2011 to 30 June 2013
	現代教育(香港)	香港新界西貢將軍澳唐德街9號將軍澳中心220a號舖(附註2及3)					2011年6月1日至 2013年6月30日
	Modern Education HK	Shop 220b, Central Heights, 9 Tong Tak Street, Tseung Kwan O, Sai Kung, New Territories, Hong Kong (Notes 2 and 3)	2,492,000	2,492,000	2,563,000	2,651,000	1 June 2011 to 30 June 2013
	現代教育(香港)	香港新界西貢將軍澳唐德街9號將軍澳豪庭220b號舖(附註2及3)					2011年6月1日至 2013年6月30日
		Subtotal 小計	<u>6,485,000</u>	<u>6,513,000</u>	<u>6,589,000</u>	<u>6,365,000</u>	
Phoenix Investment Limited	Modern Education HK	Units 401-405A, 4/F, Citylink Plaza, 1 Shatin Station Circuit, Shatin, New Territories, Hong Kong (Notes 2 and 3)	1,815,000	1,840,000	1,910,000	1,756,000	1 June 2011 to 31 May 2013
鴻儒投資有限公司	現代教育(香港)	香港新界沙田沙田車站圍1號連城廣場4樓401-405A單位(附註2及3)					2011年6月1日至 2013年5月31日
World Wide Resources Management Limited	Modern Education HK	Shops 8A and 8B, 2/F, Wai Wah Centre, 11-17 Sha Tin Centre Street, Shatin, New Territories, Hong Kong (Notes 2 & 3)	9,760,000	9,760,000	9,765,000	9,783,000	1 June 2011 to 30 June 2013
環宇資源管理有限公司	現代教育(香港)	香港新界沙田沙田正街11-17號偉華中心2樓8A及8B號舖(附註2及3)					2011年6月1日至 2013年6月30日
		Total 合共	<u>33,482,000</u>	<u>34,180,000</u>	<u>34,559,000</u>	<u>23,957,000</u>	

Report of the Directors

董事會報告

Notes:

- (1) The licenses will expire on the expiry dates of the respective tenancy agreements or license agreement entered into between the relevant connected persons and the landlord or licensor of the premises or advertising space.
- (2) The landlord refused to novate the relevant existing tenancy or license agreement to us without providing any specific reasons.
- (3) We have notified the relevant landlord or licensor about the use, possession and occupation of the premises or the use of advertising space by us. However, despite our requests to the relevant landlord or licensor to novate the relevant existing tenancy or license agreement to us while they are still in force or provide license or consent for us to continue to use, possess and occupy the premises or continue to use the advertising space, we have not obtained such consent from the relevant landlord or licensor. The relevant connected person is therefore in breach of the relevant existing tenancy or license agreement entered into between the relevant connected persons and the landlord or licensor that may entitle the landlord or licensor to terminate the relevant existing tenancy or license agreement.
- (4) The premises were rented by Strategic Fortune Limited as the landlord to us, pursuant to a tenancy agreement dated 25 May 2011.
- (5) We have obtained consent from the relevant landlord to allow us to use, possess and occupy the premises.

The license fees payable by us to each of these connected persons in relation to the premises and/or advertising spaces shall be the same as the rental and/or license fees (including service charges and other expenses, if any) payable by Smarter Choice Limited, Strategic Fortune Limited, Online Global Limited, Regent Mega Limited, Modern English Limited, Phoenix Investment Limited and World Wide Resources Management Limited to the landlords and/or licensors under the relevant existing tenancy and/or license agreements. As such, these connected persons have, directly and indirectly, no interest in these continuing connected transactions.

附註：

- (1) 該等許可使用將於相關關連人士與場所或廣告位的業主或許可使用人訂立的相關租約或許可使用協議到期日期滿。
- (2) 業主未有提供任何具體理由，拒絕以新的租約或協議為本集團代替相關的現有租約或許可使用協議。
- (3) 本集團已通知有關業主或許可使用人有關本集團使用、擁有及佔用該等物業或使用廣告位。然而，儘管本集團要求有關業主或許可使用人以新的租賃或協議為我們代替相關的現有租約或許可使用協議，而相關的現有租約或許可使用協議仍然生效或許可或同意我們繼續使用、擁有及佔用該等物業或繼續使用廣告位，惟本集團尚未取得有關業主或許可使用人的同意。因此，相關關連人士違反相關關連人士與業主或許可使用人訂立的有關現有租約或許可使用協議，而業主或許可使用人有權終止有關的現有租約或許可使用協議。
- (4) 場所由幸運有限公司（作為業主）根據日期為2011年5月25日的租賃協議向本集團出租。
- (5) 本集團已取得相關業主的同意，允許本集團使用、擁有及佔用場所。

本集團就場所及／或廣告位應付各該等關連人士的許可費與宏達行有限公司、幸運有限公司、寶曉有限公司、悅祥有限公司、現代英語有限公司、鴻儒投資有限公司及環宇資源管理有限公司根據相關現有租約及／或許可使用協議應付相關獨立第三方業主及／或許可使用人的租金及／或許可費相同（包括服務費及其他支出（如有））。因此，該等關連人士並無於該等持續關連交易擁有直接及間接權益。

Report of the Directors

董事會報告

Connection of the parties

Mr. Ng Kam Lun, Eric, our chairman and Executive Director, is the sole shareholder of both Smarter Choice Limited and Strategic Fortune Limited. Mr. Lee Wai Lok, Ignatious and Ms. Yiu Wai Yee, Catherine, both our Executive Directors, each holds 50% shareholding in Online Global Limited while Regent Mega Limited is owned as to 60% and 40% by Mr. Lee and Ms. Yiu, respectively. Mr. Ng and Ms. Yiu hold 66.67% and 33.33% shareholding respectively in Modern English Limited. Ms. Yiu is the sole shareholder of both Phoenix Investment Limited and World Wide Resources Management Limited. As such, Smarter Choice Limited, Strategic Fortune Limited, Online Global Limited, Regent Mega Limited, Modern English Limited, Phoenix Investment Limited and World Wide Resources Management Limited are connected persons of the Company and the transactions contemplated under the above tenancy agreements and license agreements constitute continuing connected transactions of our Company under the Listing Rules. As the above tenancy agreements and the license agreements are similar in nature and entered into with the same group of connected persons, the transactions contemplated under these agreements are aggregated under Rule 14A.25 of the Listing Rules.

(B) Tutor service contract and license contract

- (i) *Contracts with Many Corporation Limited and Mr. Ng Kam Lun, Eric*

Transaction details

On 11 February 2011, Many Corporation Limited and Mr. Ng Kam Lun, Eric entered into a service contract with us, pursuant to which Many Corporation Limited agreed to procure Mr. Ng to provide tutoring services to our students for a term commencing from 1 September 2011 and expiring on 30 June 2013.

各方的關聯

本公司主席兼執行董事吳錦倫先生為宏達行有限公司及幸運有限公司的唯一股東。本公司的執行董事李偉樂先生及姚慧儀女士各自分別持有寶曉有限公司的50%股權，而悅祥有限公司分別由李先生及姚女士擁有60%及40%。吳先生及姚女士分別擁有現代英語有限公司的66.67%及33.33%股權。姚女士為鴻儒投資有限公司及環宇資源管理有限公司的唯一股東。因此，宏達行有限公司、幸運有限公司、寶曉有限公司、悅祥有限公司、現代英語有限公司、鴻儒投資有限公司及環宇資源管理有限公司為本公司的關連人士，而根據上市規則，以上租約協議及許可使用協議項下擬進行的交易構成本公司的持續關連交易。由於以上租約協議及許可使用協議性質類似及為與同一組關連人士訂立，故該等協議項下擬進行的交易已根據上市規則第14A.25條予以合併計算。

(B) 導師服務合約及特許合約

- (i) *與文悅有限公司及吳錦倫先生訂立的合約*

交易詳情

於2011年2月11日，文悅有限公司及吳錦倫先生與本公司訂立服務合約。據此，文悅有限公司同意促使吳先生向本公司的學生提供補習服務，年期由2011年9月1日起至2013年6月30日屆滿。

Report of the Directors

董事會報告

Pursuant to the service contract, Many Corporation Limited is entitled to certain fees payable by the Company calculated at, depending on the number of classes to be conducted by tutors and teaching assistants and not by Mr. Ng in person, a commission rate (comprising the commission and gratuity components) in the range of 52% and 60% of the tuition fees paid by the students to us, net of any refunds or discounts or rebates given by the Company to the students and the relevant printing expenses for each tutorial course. In the event that the lessons are entirely taught by other tutors and teaching assistants with the help of various teaching materials, 52% of the net tuition fee aforesaid would be paid by the Company to Many Corporation Limited. On the other hand, when all the lessons are taught by Mr. Ng in person, 60% of the net tuition fee aforesaid would be paid to Many Corporation Limited by the Company. In addition, the tutor contractor fee payable by the Company to Many Corporation Limited would be the product of the relevant commission rate and the net tuition fee aforesaid subject to deductions of other expenses, such as the costs of teaching assistants and certain other costs associated with the classes, including certain promotional and marketing events, reference materials and copyright license fees. Further, if Many Corporation Limited fails to complete the service contract before its expiration, save where it is provided for under the service contract, Many Corporation Limited shall repay the entire gratuity component of the net tuition fee to the Company.

On 11 February 2011, Many Corporation Limited and Mr. Ng Kam Lun, Eric entered into a license contract with us, pursuant to which Many Corporation Limited agreed to grant a sole, exclusive and non-transferable license to the Company to use and reproduce the teaching materials prepared by Mr. Ng, its sole shareholder, for the tutorial courses on English to be organised by the Company for secondary school students and to be conducted by teaching assistants with the said teaching materials for a term commencing from 1 September 2011 and expiring on 30 June 2013.

根據服務合約，文悅有限公司有權獲本公司支付若干費用（視乎以導師及教學助理而並非吳先生親自教授的班級數目而定），以及相等於學生付予我們的補習費（減本公司給予學生的任何退款或折扣或回扣，以及每堂補習班的相關印刷開支）計算的52%至60%的佣金（包括佣金及約滿酬金之部份）。倘課堂完全由其他導師及教學助理在教材輔助下進行，本公司將向文悅有限公司支付上述淨補習費的52%。另一方面，倘所有課堂均由吳先生親自教授，本公司將向文悅有限公司支付上述淨補習費的60%。此外，本公司向文悅有限公司支付的導師承包費為相關佣金比率乘以上述淨補習費的積，該導師承包費須扣減其他開支，例如教學助理的費用及有關課堂的若干其他費用，包括若干宣傳及市場推廣活動、參考材料及版權費。此外，倘文悅有限公司未能在到期前完成服務合約，除服務合約有所規定者外，文悅有限公司須向本公司償還淨補習費內約滿酬金之部份。

於2011年2月11日，文悅有限公司及吳錦倫先生與本公司訂立特許合約。據此，文悅有限公司同意向本公司授出唯一、獨家及不可轉讓特許權，使用及複製其唯一股東吳先生所編製的教材，以用於本公司為中學生而設，並由教學助理在所指的教材支持下進行的英文補習班，年期由2011年9月1日起至2013年6月30日屆滿。

Report of the Directors

董事會報告

Pursuant to the license contract, when the entirety of a tutorial course is conducted by teaching assistants without the presence of Mr. Ng in the event that Mr. Ng is no longer engaged under the service contract, Many Corporation Limited is entitled to certain fees payable by the Company calculated at a rate of 52% of the tuition fees paid by the students to us, net of any refunds or discounts or rebates given by the Company to the students and the relevant printing expenses for each tutorial course.

The Directors estimate that the annual transaction amounts under the service contract and license contract with Many Corporation Limited and Mr. Ng for the three years ending 30 June 2013 will be as set out in the following table.

根據特許合約，若補習班全堂由教學助理教授，並無吳先生到場（吳先生不再受聘於服務合約），則文悅有限公司有權獲本公司支付若干費用。該費用乃按學生支付予我們的補習費（減本公司給予學生的任何退款或折扣或回扣，以及每堂補習班的相關印刷開支）的52%計算。

董事估計於截至2013年6月30日止三個年度，與文悅有限公司及吳先生訂立的服務合約及特許合約項下的年度交易金額將載於下表。

		Proposed Annual Cap Year ended/ending 30 June 建議年度上限 截至6月30日止年度		
		2011	2012	2013
Estimated number of students (A)	估計學生人數(A)	-	23,000	25,000
Net tuition fee (B)	淨補習費(B)	-	HK\$374港元	HK\$388港元
Estimated average commission rate (C)	估計平均佣金率(C)	-	53.8%	53.8%
Estimated other expenses (D)	估計其他開支(D)	-	HK\$3,139,000港元	HK\$3,497,000港元
Tutor contractor fee (Note 1)	導師承包費(附註1)	Nil 無	HK\$1,490,000港元	HK\$1,714,000港元

Note:

1. Tutor contractor fee = A x B x C - D

There was no payment under the service contract and license contract with Many Corporation Limited and Mr. Ng for the year ended 30 June 2011.

Connection of the parties

As Mr. Ng, our Executive Director, is the sole shareholder of Many Corporation Limited, both Many Corporation Limited and Mr. Ng are connected persons of the Company and the transactions contemplated under the service contract and the license contract constitute continuing connected transactions of the Company under the Listing Rules.

附註：

1. 導師承包費 = A x B x C - D

截至2011年6月30日止年度，與文悅有限公司及吳先生訂立的服務合約及特許合約項下並無任何付款。

各方的關聯

由於本公司的執行董事吳先生是文悅有限公司的唯一股東，故文悅有限公司及吳先生是本公司的關連人士，而根據上市規則，該服務合約及特許合約項下擬進行的交易構成本公司的持續關連交易。

(ii) *Contracts with Italy Limited and Mr. Ng Norman*

Transaction details

On 1 September 2010, Italy Limited and Mr. Ng Norman entered into a service contract with us, pursuant to which Italy Limited agreed to procure Mr. Ng to provide tutoring services to our students for a term commencing from 1 September 2010 and expiring on 30 June 2013.

Pursuant to the service contract, Italy Limited is entitled to a fee payable by the Company calculated at a commission rate of HK\$2,838 per student per course (with lecture only) or HK\$4,015 per student per course (with both lecture and tutorial class). In a lecture, Mr. Ng would be teaching a larger group of students with key concepts and their application demonstrated, whereas in a tutorial class, he would focus more on question answering skills. Also, given the smaller group of students in a tutorial class, Mr. Ng Norman would be able to interact more with students in a tutorial class compared to a lecture setting. The commission rates aforesaid are calculated based on (i) the tuition fees we expect to charge from students net of any refunds or discounts; and (ii) fee per student which the Company would expect to pay for lecture and tutorial classes taught by Mr. Ng, and were determined after arm's length negotiation. Given that the duration of the lecture component of each course is 45 hours whereas the duration of each course which consists of both lecture and tutorial class components is 90 hours, the commission rate for both lecture and tutorial class is more than that applicable to the case where Mr. Ng teaches for lecture only. Each course consisting of both lecture and tutorial class is charged by the Company at HK\$12,800 for 15 lessons of lecture and 15 lessons of tutorial, with 90 hours of teaching hours in total. In addition, the tutor contractor fee payable by the Company to Italy Limited would be the product of the relevant commission rate aforesaid and the number of students taught by Mr. Ng, subject to deductions of other expenses, such as the costs of teaching assistants and certain other costs associated with his classes, including certain promotional and marketing events, reference materials and copyright license fees.

(ii) *與意大利有限公司及吳樂憫先生訂立的合約*

交易詳情

於2010年9月1日，意大利有限公司及吳樂憫先生與本公司訂立服務合約。據此，意大利有限公司同意促使吳先生向本公司的學生提供補習服務，年期由2010年9月1日起至2013年6月30日屆滿。

根據服務合約，意大利有限公司有權獲本公司支付若干費用。該費用乃按每名學生每個課程2,838港元（只計講學）或每名學生每個課程4,015港元（講課及補習班）的佣金計算。吳先生在講課時會向較大的學生組別教授主要概念和有關的示範應用方法，在補習課則集中教授答題技巧。此外，鑑於補習課學生人數較少，與講課的環境相比，吳樂憫先生可與學生進行更多互動。上述佣金乃按(i)本公司預期向學生收取的補習費（減任何退款或折扣）；及(ii)本公司預期每名學生就吳先生教授的講課及補習班支付的費用（經公平原則磋商後釐定）計算。鑑於每個課程的講課時間為45小時，而每個課程（由講課及補習班組成）的時間為90小時，其就講課及補習班的佣金率會較倘吳先生只教授講課的該情況適用者為多。本公司每個課程（由講課及補習班組成）徵收的費用為15節講課及15節補習課12,800港元，教學時間合共為90小時。此外，本公司支付予意大利有限公司的導師承包費為上述相關佣金率乘以吳先生教授的學生人數的積，該導師承包費須扣減其他開支，例如教學助理的費用及有關其課堂的若干其他費用，包括若干宣傳及市場推廣活動、參考材料及版權費。

Report of the Directors

董事會報告

The Directors estimate that the annual transaction amounts under the service contract with Italy Limited and Mr. Ng for the three years ending 30 June 2013 will be as set out in the following table.

		Proposed Annual Cap Year ended/ending 30 June 建議年度上限 截至6月30日止年度		
		2011	2012	2013
Estimated number of students (A)	估計學生人數(A)	600	600	620
Commission rate payable to Mr. Ng per student per course (B)	每名學生每個課程應付予 吳先生的佣金率(B)	HK\$2,838港元	HK\$4,015港元	HK\$4,015港元
Estimated other expenses (C)	估計其他開支(C)	HK\$807,000港元	HK\$809,000港元	HK\$809,000港元
Tutor contractor fee (Note 1)	導師承包費(附註1)	HK\$896,000港元	HK\$1,600,000港元	HK\$1,680,000港元

Note:

1. Tutor contractor fee = A x B - C

The actual transaction amount under the service contract with Italy Limited and Mr. Ng for the year ended 30 June 2011 was approximately HK\$763,000.

Connection of the parties

As Mr. Ng, our Executive Director, is the sole shareholder of Italy Limited, both Italy Limited and Mr. Ng are connected persons of the Company and the transactions contemplated under the service contract constitute continuing connected transactions of the Company under the Listing Rules.

(iii) Contracts with Sense Publishing Company Limited and Mr. Lee Wai Lok, Ignatious

Transaction details

On 1 September 2010, Sense Publishing Company Limited and Mr. Lee Wai Lok, Ignatious entered into a service contract with us, pursuant to which Sense Publishing Company Limited agreed to procure Mr. Lee to provide tutoring services to our students for a term commencing from 1 September 2010 and expiring on 30 June 2013.

董事估計於截至2013年6月30日止三個年度，與意大利有限公司及吳先生訂立的服務合約項下的年度交易金額將載於下表。

		Proposed Annual Cap Year ended/ending 30 June 建議年度上限 截至6月30日止年度		
		2011	2012	2013
Estimated number of students (A)	估計學生人數(A)	600	600	620
Commission rate payable to Mr. Ng per student per course (B)	每名學生每個課程應付予 吳先生的佣金率(B)	HK\$2,838港元	HK\$4,015港元	HK\$4,015港元
Estimated other expenses (C)	估計其他開支(C)	HK\$807,000港元	HK\$809,000港元	HK\$809,000港元
Tutor contractor fee (Note 1)	導師承包費(附註1)	HK\$896,000港元	HK\$1,600,000港元	HK\$1,680,000港元

附註：

1. 導師承包費 = A x B - C

截至2011年6月30日止年度，與意大利有限公司及吳先生訂立的服務合約項下的實際交易金額約為763,000港元。

各方的關聯

由於本公司的執行董事吳先生為意大利有限公司的唯一股東，故意大利有限公司及吳先生為本公司的關連人士，而根據上市規則，該服務合約項下擬進行的交易構成本公司的持續關連交易。

(iii) 與明覺堂出版有限公司及李偉樂先生訂立的合約

交易詳情

於2010年9月1日，明覺堂出版有限公司及李偉樂先生與本公司訂立服務合約。據此，明覺堂出版有限公司同意促使李先生向本公司的學生提供補習服務，年期由2010年9月1日起至2013年6月30日屆滿。

Report of the Directors

董事會報告

Pursuant to the service contract, Sense Publishing Company Limited is entitled to certain fees payable by the Company calculated at, depending on the number of classes to be conducted by tutors and teaching assistants and not by Mr. Lee in person, a commission rate (comprising the commission and gratuity components) in the range of 47% to 55% for the academic year 2010-2011 and from 52% to 60% for the academic years 2011-2012 as well as 2012-2013, of the tuition fees paid by the students to us, net of any refunds or discounts or rebates given by the Company to the students and the relevant printing expenses for each tutorial course. In the event that the lessons are entirely taught by member tutors and teaching assistants with the help of various teaching materials, 47% for the academic year 2010-2011 or 52% for the academic years 2011-2012 as well as 2012-2013 of the net tuition fee aforesaid would be paid by the Company to Sense Publishing Company Limited. On the other hand, when all the lessons are taught by Mr. Lee in person, 55% for the year ended 31 August 2011 or 60% for the two years ending 31 August 2013, of the net tuition fee aforesaid would be paid to Sense Publishing Company Limited by the Company. Besides, the tutor contractor fee payable by the Company to Sense Publishing Company Limited would be the product of the relevant commission rate and the net tuition fee aforesaid subject to further other deductions, such as the costs of teaching assistants and certain other costs associated with his classes, including certain promotional and marketing events, reference materials and copyright license fees. In the event that if the number of attending students in a month exceeds 3,000, an additional commission of 5% of such net tuition fee attributable to the excess in the number of students would be payable by the Company. Further, if Sense Publishing Company Limited fails to complete the service contract before its expiration, save where it is provided for under the service contract, Sense Publishing Company Limited shall repay the entire gratuity component of the net tuition fee to the company.

根據服務合約，明覺堂出版有限公司有權獲本公司支付若干費用（視乎由導師及教學助理而並非及李先生親自教授的班級數目而定），以及於2010-2011年學年及於2011-2012年以及2012-2013年學年乃相等於學生付予我們的補習費（減本公司給予學生的任何退款或折扣或回扣，以及每堂補習班的相關印刷開支）計算的47%至55%及52%至60%的佣金（包括佣金及約滿酬金之部份）。倘課堂完全由成員導師及教學助理在各項教材輔助下進行，本公司將於2010-2011年學年或2011-2012年以及2012-2013年學年分別向明覺堂出版有限公司支付上述淨補習費的47%或52%。另一方面，倘所有課堂由李先生親自教授，本公司於截至2011年8月31日止年度或截至2013年8月31日止兩個年度分別向明覺堂出版有限公司支付上述淨補習費的55%或60%。此外，本公司支付予明覺堂出版有限公司的導師承包費為相關佣金率乘以上述淨補習費的積，惟須進一步作出其他扣減，例如教學助理的費用及有關其課堂的若干其他費用，包括若干宣傳及市場推廣活動、參考材料及版權費。若某月份出席的學生人數超過3,000名，則本公司應付相等於該超額學生人數應佔的淨補習費5%的額外佣金。此外，倘明覺堂出版有限公司未能在服務合約到期完成服務合約，除服務合約有所規定者外，明覺堂出版有限公司須向本公司償還淨補習費內約滿酬金之部份。

Report of the Directors

董事會報告

On 1 September 2010, Sense Publishing Company Limited and Mr. Lee entered into a license contract with us, pursuant to which Sense Publishing Company Limited agreed to grant a sole, exclusive and non-transferable license to the Company to use and reproduce the teaching materials prepared by Mr. Lee for the tutorial courses to be organised by the Company for secondary school students and to be conducted by teaching assistants with the said teaching materials for a term commencing from 1 September 2010 and expiring on 30 June 2013.

Pursuant to the license contract, when the entirety of a tutorial course is conducted by teaching assistants without the presence of Mr. Lee in the event that Mr. Lee is no longer engaged under the service contract, Sense Publishing Company Limited is entitled to certain fees payable by the Company calculated at a rate of 49% for the year ended 31 August 2011 and a rate of 54% for the two years ending 31 August 2013 of the tuition fees paid by the students to us, net of any refunds or discounts or rebates given by the Company to the students and the relevant printing expenses for each tutorial course. If the number of attending students in a month exceeds 3,000, a commission of 5% of such net tuition fee attributable to the excess is payable by the Company.

於2010年9月1日，明覺堂出版有限公司及李先生與本公司訂立特許合約。據此，明覺堂出版有限公司同意向本公司授出唯一、獨家及不可轉讓特許權，使用及複製李先生所編製的教材，以用於本公司為中學生而設，並由教學助理在所指教材輔助下進行的補習課程，年期由2010年9月1日起至2013年6月30日屆滿。

根據特許合約，若補習課程全堂由教學助理進行，而並無李先生在場（李先生不再根據服務合約獲聘用），則明覺堂出版有限公司有權獲本公司支付若干費用。該費用於截至2011年8月31日止年度乃按補習費（減本公司給予學生的任何退款或折扣或回扣，以及每堂補習班的相關印刷開支）的49%計算，以及於截至2013年8月31日止兩個年度乃按補習費的54%計算。若某月份出席的學生人數超過3,000名，則本公司應付相等於該超額人數應佔的淨補習費5%的佣金。

Report of the Directors

董事會報告

The Directors estimate that the annual transaction amounts under the service contract and license contract with Sense Publishing Company Limited and Mr. Lee for the three years ending 30 June 2013 will be as set out in the following table.

董事估計於截至2013年6月30日止三個年度，與明覺堂出版有限公司及李先生訂立的服務合約及特許合約項下的年度交易金額將載於下表。

		Proposed Annual Cap		
		Year ended/ending 30 June		
		建議年度上限		
		截至6月30日止年度		
		2011	2012	2013
Estimated number of students (A)	估計學生人數(A)	15,194	24,000	22,000
Net tuition fee (B)	淨補習費(B)	HK\$381港元	HK\$378港元	HK\$381港元
Estimated average commission rate (C)	估計平均佣金率(C)	49.6%	54.6%	54.6%
Estimated other expenses (D)	估計其他開支(D)	<u>HK\$1,594,000港元</u>	<u>HK\$2,187,000港元</u>	<u>HK\$1,948,000港元</u>
Tutor contractor fee (Note 1)	導師承包費(附註1)	<u>HK\$1,278,000港元</u>	<u>HK\$2,760,000港元</u>	<u>HK\$2,626,000港元</u>

Note:

1. Tutor contractor fee = A x B x C - D

The actual transaction amount under the service contract and license contract with Sense Publishing Company Limited and Mr. Lee for the year ended 30 June 2011 was approximately HK\$1,206,000.

Connection of the parties

As Mr. Lee, our Executive Director, is the sole shareholder of Sense Publishing Company Limited, both Sense Publishing Company Limited and Mr. Lee are connected persons of the Company and the transactions contemplated under the service contract and license contact constitute continuing connected transactions of the Company under the Listing Rules.

附註：

1. 導師承包費=A x B x C - D

截至2011年6月30日止年度，與明覺堂出版有限公司及李先生訂立的服務合約及特許合約項下的實際交易金額約為1,206,000港元。

各方的關聯

由於我們的執行董事李先生為明覺堂出版有限公司的唯一股東，故明覺堂出版有限公司及李先生為本公司的關連人士，而根據上市規則，該服務合約及特許合約項下擬進行的交易構成本公司的持續關連交易。

Report of the Directors

董事會報告

(C) Agreements relating to Beijing Yasi School

Transaction details

On 15 June 2010, Jingli Beiya (Beijing) Education Consulting Limited Company (“Jingli Beiya”), a wholly-own subsidiary of the Company and Beijing Yasi School entered into the Exclusive Technical Consultation and Management Service Agreement pursuant to which Jingli Beiya agreed to provide, on an exclusive basis, technical consultation and management services to Beijing Yasi School for a monthly fee of RMB100,000 subject to adjustment as determined by Jingli Beiya. The term of this agreement commenced on 1 January 2010 and will expire on 30 June 2013 after a supplemental agreement was entered into on 29 March 2011.

On 15 June 2010, Jingli Beiya and Beijing Yasi School entered into the Software License Agreement pursuant to which Jingli Beiya agreed to grant to Beijing Yasi School a non-exclusive, non-assignable and non-transferrable right to use Modern C education software in China for a monthly license fee calculated at 5% of the monthly revenue (after tax) of Beijing Yasi School. The term of this agreement commenced on 1 January 2010 and will expire on 30 June 2013 after a supplemental agreement was entered into on 29 March 2011.

The Directors estimate that the annual transaction amounts for the transactions under the Exclusive Technical Consultation, Management Service Agreement and the Software License Agreement for the three years ending 30 June 2013 will not exceed the annual caps of HK\$1,881,000, HK\$1,983,000 and HK\$2,144,000, respectively.

For the year ended 30 June 2011, the actual transaction amounts for the transactions under the Exclusive Technical Consultation, Management Service Agreement and the Software License Agreement was approximately HK\$1,878,000.

(C) 有關北京雅思學校的協議

交易詳情

於2010年6月15日，本公司的全資附屬公司京力北雅（北京）教育諮詢有限公司（「京力北雅」）與北京雅思學校訂立獨家技術諮詢和管理服務協議。據此，京力北雅同意按獨家基準向北京雅思學校提供技術諮詢和管理服務，月費為人民幣100,000元（可按京力北雅的決定而調整）。此協議的年期由2010年1月1日開始及於2011年3月29日訂立補充協議後於2013年6月30日屆滿。

於2010年6月15日，京力北雅與北京雅思學校訂立軟件使用許可協議。據此，京力北雅同意向北京雅思學校授出非獨家、不可出讓及不可轉讓權利，以於中國使用Modern C教育軟件，每月許可費乃按北京雅思學校的每月收入（除稅後）5%計算。此協議的年期由2010年1月1日開始及於2011年3月29日訂立補充協議後於2013年6月30日屆滿。

董事預計獨家技術諮詢、管理服務協議及軟件許可協議項下交易於截至2013年6月30日止三個年度的年交易金額將分別不超過年度上限1,881,000港元、1,983,000港元及2,144,000港元。

截至2011年6月30日止年度，獨家技術諮詢和管理服務協議及軟件許可協議項下交易的實際交易金額約為1,878,000港元。

Report of the Directors

董事會報告

Connection of the parties

Ms. Huang Hui, a director of Jingli Beiya, and the sister-in-law of Mr. Ng Kam Lun, Eric, owns 65% equity interest in Beijing Jingli Siya Education Consulting Limited Company that holds 100% founding interest in Beijing Yasi School and accordingly Beijing Yasi School is a connected person of the Company and services provided under the Exclusive Technical Consultation and Management Service Agreement and the Software License Agreement constitute continuing connected transactions of the Company under the Listing Rules.

We have applied to the Stock Exchange, and the Stock Exchange has granted, a waiver to the Company under Rule 14A.42(3) of the Listing Rules from strict compliance with the announcement requirement under Rule 14A.47 of the Listing Rules (with regard to each of the continuing connected transactions in paragraphs (B)(i)-(iii) and (C) above) and the independent shareholders' approval requirement under Rules 14A.48 to 14A.54 of the Listing Rules (with regard to each of the continuing connected transactions in paragraph (A) above), including the proposed annual caps set out above, as and when necessary.

Annual Review

The Directors (including the Independent Non-Executive Directors) have reviewed the above continuing connected transactions and confirmed that these transactions were entered into:

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms; and
- (iii) in accordance with the agreements governing them on terms that are fair and reasonable and in the interests of the Company and the shareholders as a whole.

各方的關聯

黃慧女士（京力北雅的董事及吳錦倫先生的弟婦）擁有北京京力思雅教育諮詢有限公司的65%股權，而其則持有北京雅思學校100%發起人權益。因此北京雅思學校為本公司的關連人士，而根據上市規則，根據獨家技術諮詢、管理服務協議及軟件使用許可協議提供的服務構成本公司的持續關連交易。

本公司已向聯交所申請，而聯交所則已根據上市規則第14A.42(3)條向本公司授出豁免，在有需要時毋須嚴格遵守上市規則第14A.47條有關公佈的規定（就上述(B)(i)-(iii)及(C)段的每項持續關連交易而言），以及豁免本公司嚴格遵守上市規則第14A.48條至14A.54條有關經獨立股東批准的規定（就上述(A)段的每項持續關連交易而言），包括上述建議年度上限。

年度回顧

董事（包括獨立非執行董事）已審閱上述持續關連交易，並確認該等交易乃：

- (i) 於本集團的日常和正常業務過程中；
- (ii) 按一般商業條款；及
- (iii) 根據監管有關條款屬公平合理及符合本公司及股東的整體利益的協議而訂立。

Report of the Directors

董事會報告

Deloitte Touche Tohmatsu, the auditor of the Company, was engaged to report on the above continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” and with reference to Practice Note 740 “Auditor’s Letter on Continuing Connected Transactions under the Hong Kong Rules” issued by the Hong Kong Institute of Certified Public Accountants and reported their findings to the Board that the transactions:

- (i) have been approved by the Board;
- (ii) have been entered into in accordance with the pricing policies of the Group for provision of goods or services;
- (iii) have been entered into in accordance with the relevant agreements governing the transactions; and
- (iv) have not exceeded the relevant annual caps as disclosed above.

OTHER RELATED-PARTY TRANSACTIONS

Apart from the aforesaid connected transactions, the related-party transactions set out in note 34 to the consolidated financial statements also include transactions which did not constitute connected transactions under Chapter 14A of the Listing Rules. Details of other related-party transactions entered into by the Group during the year ended 30 June 2011, which did not constitute connected transactions under Chapter 14A of the Listing Rules are set out in note 34 to the consolidated financial statements.

PENSION SCHEME

Details of the pension scheme of the Group are set out in note 37 to the consolidated financial statements.

本公司核數師德勤•關黃陳方會計師行已獲委聘根據香港會計師公會頒佈的香港核證委聘準則第3000號「審核或審閱過去財務資料以外的核證委聘」及參照實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」就上述持續關連交易作出報告，並向董事會匯報其結果，該等交易：

- (i) 已獲董事會批准；
- (ii) 根據本集團提供貨品或服務的定價政策訂立；
- (iii) 根據監管有關交易的協議訂立；及
- (iv) 並未超過上文所披露的有關年度上限。

其他關連人士交易

除上述關連交易外，綜合財務報表附註34所載關連人士交易亦包括根據上市規則第14A章並未構成關連交易的交易。截至2011年6月30日止年度，本集團訂立的其他關連人士交易（根據上市規則第14A章並未構成關連交易）詳情載於綜合財務報表附註34。

退休金計劃

本集團的退休金計劃詳情載於綜合財務報表附註37。

Report of the Directors

董事會報告

EVENTS AFTER THE REPORTING PERIOD

Details of the significant events after the reporting period of the Group are set out in note 38 to the consolidated financial statements.

CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code for securities transactions on terms equivalent to the required standard of the Model Code as set out in Appendix 10 to the Listing Rules.

Having made specific enquiries with the Directors, the Company confirmed that each of the Directors has complied with the required standard set out in the Model Code regarding securities transactions by the Directors commencing from the Listing Date to the latest practicable date prior to the issue of this annual report.

COMPLIANCE WITH PROVISIONS OF CORPORATE GOVERNANCE CODE

The Company has applied the principles of the Code of Corporate Governance Practices (the “CG Code”) as set out in Appendix 14 to the Listing Rules. As the Company had not been listed on the Stock Exchange during the year under review, the CG Code was not applicable to the Company. The Company has been in compliance with the code provisions of the CG Code since the Listing Date.

SUFFICIENCY OF PUBLIC FLOAT

Pursuant to the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained the prescribed public float under the Listing Rules since the Listing Date and as at the latest practicable date prior to the issue of this annual report.

報告期後事項

本集團於報告期後的重大事項詳情載於綜合財務報表附註38。

董事進行證券交易的守則

本公司已採納條款等同於上市規則附錄10所載標準守則的規定標準的證券交易守則。

經向董事作出特定查詢後，本公司確認，各董事自上市日期至於刊發本年報前的最後實際可行日期，一直遵守標準守則所載有關董事進行證券交易的規定標準。

遵守企業管治守則條文

本公司已應用載於上市規則附錄14的企業管治常規守則（「企業管治守則」）所載的原則。由於本公司於回顧年度內尚未於聯交所上市，故企業管治守則並不適用於本公司。本公司自上市日期以來一直遵守企業管治守則的守則條文。

足夠公眾持股量

根據本公司獲得的公開資料及據董事所知，本公司自上市日期以來及於刊發本年報前的最後實際可行日期已維持上市規則規定的公眾持股量。

Report of the Directors

董事會報告

AUDIT COMMITTEE

The Company has established the Audit Committee in compliance with the CG Code for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal controls. The Audit Committee is composed of three Independent Non-Executive Directors, namely Ms. Chan Mei Bo, Mabel, Mr. Yu Cheeric James and Mr. Choi Kin Cheong. The Audit Committee meeting was held on 21 September 2011 to review the Group's annual results for the year ended 30 June 2011.

AUDITOR

Deloitte Touche Tohmatsu is the Company's auditor for the year ended 30 June 2011. A resolution for the reappointment of Deloitte Touche Tohmatsu as the auditor of the Company will be proposed at the forthcoming Annual General Meeting.

By Order of the Board

NG Kam Lun, Eric

Chairman
Hong Kong

29 September 2011

審核委員會

本公司已根據企業管治守則成立審核委員會，旨在審閱本集團之財務申報程序及內部監控以及對此提供監督。審核委員會由三位獨立非執行董事陳美寶女士、余致力先生及崔建昌先生組成。審核委員會已於2011年9月21日舉行會議，以審閱本集團截至2011年6月30日止年度的年度業績。

核數師

德勤•關黃陳方會計師行為本公司截至2011年6月30日止年度的核數師。一項續聘德勤•關黃陳方會計師行為本公司核數師的決議案將於應屆股東週年大會上提呈。

承董事會命

主席
吳錦倫
香港

2011年9月29日

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE

The Company believes that good corporate governance can create values for the shareholders of the Company. The Board is committed to keeping the standards of corporate governance within the Company and to ensuring that the Company conducts its business in an honest and responsible manner. As the shares of the Company were not listed on the Stock Exchange during the year under review, the CG Code was not applicable to the Company for the year. As from the Listing Date, the Company has complied with the code provisions of the CG Code.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code for securities transactions on terms equivalent to the required standard of the Model Code as set out in Appendix 10 to the Listing Rules.

Having made specific enquiries with the Directors, the Company confirmed that each of the Directors has complied with the required standard set out in the Model Code regarding securities transactions by the Directors since the listing of the Company.

THE BOARD OF DIRECTORS

As at the date of this annual report, the Board comprised four Executive Directors and three Independent Non-Executive Directors.

The Board members are as follows:

Executive Directors:

Ng Kam Lun, Eric (*Chairman of the Board*)
Yiu Wai Yee, Catherine
(*Chief Executive Officer and Company Secretary*)
Ng Norman (*Chief Financial Officer*)
Lee Wai Lok, Ignatious (*Chief Operating Officer*)

Independent Non-Executive Directors:

Chan Mei Bo, Mabel
Yu Cheerick James (alias Yu Cheerick)
Choi Kin Cheong

企業管治

本公司深信良好企業管治能為本公司的股東創造價值。董事會致力在本公司內維持企業管治的標準，並確保本公司以誠實和負責任的態度予以實施。由於本公司股份於回顧年度並未在聯交所上市，故企業管治守則於年內對本公司而言並不適用。自上市日期起，本公司已遵守企業管治守則的守則條文。

董事進行的證券交易

本公司採納與上市規則附錄十所載標準守則所訂標準同樣嚴格的證券交易守則。

經向董事作出特定查詢後，本公司確認，各董事自本公司上市以來一直遵守標準守則所載有關董事進行證券交易的標準守則。

董事會

於本年報日期，董事會由四名執行董事及三名獨立非執行董事組成。

董事會成員如下：

執行董事：

吳錦倫 (*董事會主席*)
姚慧儀
(*行政總裁兼公司秘書*)
吳樂憫 (*首席財務官*)
李偉樂 (*營運總監*)

獨立非執行董事：

陳美寶
余致力
崔建昌

Corporate Governance Report

企業管治報告

Responsibilities of the Board

The Board is responsible for the leadership and control of the Company and oversees the Group's businesses, strategic decisions and performance. The Board has established Board committees and has delegated to these Board committees various responsibilities as set out in their respective terms of reference. All Directors have carried out their duties in good faith and in compliance with the standards of applicable laws and regulations, and have acted in the interests of the Company and its shareholders as a whole at all times.

Delegation of Management Function

The Board takes responsibility for all major matters of the Company including: the approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those that may involve conflicts of interest), financial information, appointment of directors and other significant financial and operational matters.

All Directors have full and timely access to all relevant information as well as the advice and services of the Company Secretary, with a view to ensuring that Board procedures and all applicable rules and regulations are followed. Each Director is normally able to seek independent professional advice in appropriate circumstances at the Company's expense, upon making request to the Board.

The day-to-day management, administration and operation of the Company are delegated to the Chief Executive Officer and the senior management. The delegated functions and work tasks are periodically reviewed.

Nomination of Directors

The Board has not established a Nomination Committee, and the selection and approval of new directors is undertaken by the Board. When there is a nomination to directorship, the Board will assess the suitability of the nominee and decide whether to accept the nomination.

董事會責任

董事會負責領導及控制本公司及監督本集團業務、策略決策及表現。董事會已設立董事委員會，並授予此等董事委員會載於其職權範圍內的各項責任。全體董事已真誠地履行其責任及遵守適用法例及法規，並一直按符合本公司及其股東整體利益行事。

職能授權

董事會負責其對本公司所有主要事宜的決策，包括批准及監管所有政策事宜、整體策略及預算、內部監控及風險管理制度、重大交易（尤其可能涉及利益衝突者）、財務資料、委任董事及其他重大財務及營運事宜。

所有董事均可全面及適時地取得一切相關資料以及公司秘書的意見與服務，以確保遵行董事會程序及所有適用規則及規例。各董事一般可於適當情況下，經向董事會提出要求後尋求獨立專業意見，有關開支由本公司承擔。

本公司的日常管理、行政及營運乃授予行政總裁及高級管理層。獲授權職能及工作任務乃定期檢討。

董事的提名

董事會並無成立提名委員會，由董事會負責甄選及審批新董事。如有提名董事，董事會將評核獲提名人士是否適合及決定是否接納提名。

Corporate Governance Report

企業管治報告

The Board adopted a “Procedure and Criteria for Nomination of Directors”, the details of which are set out below:

1. When there is a vacancy in the Board, the Board evaluates the balance of skills, knowledge and experience of the Board, and identifies any special requirements for the vacancy (e.g. independence status in the case of an Independent Non-Executive Director).
2. Prepare a description of the role and capabilities required for the particular vacancy.
3. Identify a list of candidates through personal contacts/recommendations by Board members, senior management, business partners or investors.
4. Arrange interview(s) with each candidate for the Board to evaluate whether he/she meets the established written criteria for nomination of directors. One or more members of the Board will attend the interview.
5. Conduct verification on information provided by the candidate.
6. Convene a Board meeting to discuss and vote on which candidate to nominate or appoint to the Board.

Criteria for Nomination of Directors

1. Common Criteria Applicable to All Directors
 - (a) Character and integrity
 - (b) The willingness to assume broad fiduciary responsibility
 - (c) Present needs of the Board for particular experience or expertise and whether the candidate would satisfy those needs
 - (d) Relevant experience, including experience at the strategy/policy setting level, high level managerial experience in a complex organization, industry experience and familiarity with the services and processes used by the Company

董事會採納「董事的提名程序和準則」，其詳情如下：

1. 董事會如有空缺，董事會應審視董事會全體成員的技能、知識和經驗，訂明填補空缺人士應具備的條件（例如：獨立非執行董事的獨立地位）。
2. 編製一份特定空缺所需的職責及能力的說明資料。
3. 透過個人聯繫／董事會成員、高級管理人員、業務夥伴及投資者的推薦識別候選人清單。
4. 安排與各候選人會面，讓董事會評估候選人是否符合提名董事的既定書面標準。一名或多名董事會成員將出席會面。
5. 核實候選人提供的資料。
6. 召開董事會會議，以商討及表決獲提名或委任加入董事會的候選人。

提名董事的標準

1. 所有董事的共同標準
 - (a) 性格及誠信
 - (b) 承擔董事會受信責任的意願
 - (c) 董事會目前對特定經驗或專業知識的需求及候選人是否符合該等需求
 - (d) 相關經驗，包括在策略／政策制定方面的經驗、在架構複雜機構的高級管理經驗、行業經驗及對本公司所有產品及程序的熟悉程度

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- (e) Significant business or public experience relevant and beneficial to the Board and the Company
- (f) Breadth of knowledge about issues affecting the Company
- (g) Ability to objectively analyse complex business problems and exercise sound business judgment
- (h) Ability and willingness to contribute special competencies to Board activities
- (i) Fit with the Company's culture

2. Criteria Applicable to Independent Non-Executive Directors

- (a) Willingness and ability to make a sufficient time commitment to the affairs of the Company in order to effectively perform the duties of a director, including attendance at and active participation in Board and committee meetings
- (b) Accomplishments of the candidate in his/her field
- (c) Outstanding professional and personal reputation
- (d) The candidate's ability to meet the independence criteria for directors established in the Listing Rules

Appointment and re-election of directors

The procedures and process of appointment, re-election and removal of Directors are laid down in the Company's Articles of Association.

Each of our Executive Directors has entered into a service agreement with the Company for an initial term of three years commencing on 11 June 2011 and will continue thereafter until terminated by not less than six months' notice in writing served by either party on the other.

Each of our Independent Non-Executive Directors has entered into a letter of appointment with our Company. Each letter of appointment is for an initial term of three years commencing on 4 July 2011 and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other.

- (e) 與董事會及本公司相關的重要業務或公關經驗，而該等經驗對董事會及本公司有利
- (f) 對影響本公司的問題的認知程度
- (g) 客觀分析複雜業務問題及行使中肯業務判斷的能力
- (h) 對董事會活動投入專業才幹的能力及意願
- (i) 切合本公司的文化

2. 獨立非執行董事的標準

- (a) 對本公司事務投入充分時間的意願及能力，以有效地履行董事職責，包括出席董事會及委員會會議，並積極參與該等會議
- (b) 候選人在其行業的成就
- (c) 專業及個人名聲出眾
- (d) 候選人符合上市規則訂明的有關董事獨立性的標準的能力

董事的委任及重選

董事的委任、重選及罷免程序及過程已載於本公司的章程細則。

各執行董事已與本公司訂立服務協議，自2011年6月11日起首任為期三年，其後將繼續直至任何一方向另一方發出不少於六個月的書面通知終止為止。

各獨立非執行董事已與本公司訂立委任函件。各份委任函件自2011年7月4日起首任為期三年，其後將繼續直至任何一方向另一方發出不少於三個月書面通知終止為止。

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Those appointments are subject to directors' retirement from office and retirement by rotation under the Articles of Associations. None of the Directors proposed for re-election at the forthcoming annual general meeting has entered into a service contract with the Company or any of its subsidiaries which does not expire or is not determinable by the Company within one year without payment of compensation other than statutory compensation.

In accordance with the Company's Articles of Association, any new director appointed to fill a causal vacancy or as an addition to the Board shall submit himself/herself for re-election by shareholders at the first general meeting after the appointment, and at every annual general meeting of the Company one-third of the Directors (or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third) shall retire from office by rotation at least once every three years. A retiring director is eligible for re-election at that general meeting.

NUMBER OF MEETINGS AND DIRECTORS' ATTENDANCE

Code provision A.1.1 prescribes that at least 4 regular Board meetings should be held in each year at approximately quarterly intervals with active participation of majority of directors, either in person or through other electronic means of communication.

As the shares of the Company were listed on 4 July 2011, the Code provision mentioned above was not applicable to the Company during the year under review. After listed on the Stock Exchange, the Company has adopted the practice of holding Board meetings regularly for at least four times a year at approximately quarterly intervals.

PRACTICES AND CONDUCT OF MEETINGS

Annual meeting schedules and draft agenda of each meeting are normally made available to Directors in advance.

Notices of regular Board meetings are served to all Directors at least 14 days before the meetings. For other Board and committee meetings, reasonable notice is generally given. Board papers together with all appropriate, complete and reliable information are sent to all Directors at least 3 days before each Board meeting or committee meeting to keep the Directors apprised of the latest developments and financial position of the Company and to enable them to make informed decisions. The Board and each Director also have separate and independent access to the senior management whenever necessary.

有關委任須遵守章程細則項下董事退任及輪席告退的規定。擬在應屆股東週年大會重選連任的董事概無與本公司或其任何附屬公司訂立一年內公司不作賠償（法定賠償除外）則不可終止的未到期服務合約。

根據本公司的章程細則，任何獲委任以填補臨時空缺或作為董事會新增成員的新任董事均須於獲委任後的首次股東大會上接受股東重選，而於本公司每屆股東週年大會上，最少三分之一董事（或倘董事人數並非三之倍數，則最接近但不少於三分之一的數目）須每三年輪值告退。退任董事符合資格於該屆股東大會上膺選連任。

會議次數及董事出席率

守則條文A.1.1條規定，每年至少召開四次定期董事會會議，大約每季召開一次，且大多數董事須積極參與會議（無論親身或透過其他電子通訊方式）。

由於本公司股份於2011年7月4日上市，於回顧年度上述守則條文並不適用於本公司。於聯交所上市後，本公司已採納董事會會議每年定期舉行最少四次，大約每季舉行一次的慣例。

會議常規及指引

全年會議時間表及每次會議的草擬議程一般會事先向董事提供。

定期董事會會議通知均於至少14日前送交所有董事。至於其他董事會及委員會會議，在一般情況下亦給予合理通知。董事會會議文件連同所有適當、完整及可靠資料於每次董事會會議或委員會會議前至少提前3日發送予所有董事，以使董事了解本公司最新發展及財務狀況及使董事在知情情況下作出決定。於需要時，董事會及各董事亦可單獨及獨立地聯絡高級管理層。

Corporate Governance Report

企業管治報告

The senior management including the Chief Executive Officer and the Chief Financial Officer attend all regular Board meetings and where necessary, other Board and committee meetings to advise on business developments, financial and accounting matters, statutory and regulatory compliance, corporate governance and other major aspects of the Company. The Company Secretary is responsible to take and keep minutes of all Board meetings and committee meetings. Draft minutes are normally circulated to Directors for comment within a reasonable time after each meeting and the final version is open for Directors' inspection.

The Company's Articles of Association contain provisions requiring Directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such Directors or any of their associates have a material interest.

TERMS OF OFFICE OF DIRECTORS

Since the listing date on 4 July 2011, the Board has at all times met the requirements of the Listing Rules relating to the appointment of at least three Independent Non-Executive Directors with at least one Independent Non-Executive Director possessing appropriate professional qualifications, or accounting or related financial management expertise.

The Company has received written annual confirmation from each Independent Non-Executive Director of his/her independence pursuant to the requirements of the Listing Rules. The Company considers all Independent Non-Executive Directors to be independent in accordance with the independence guidelines set out in the Listing Rules.

高級管理層（包括行政總裁及首席財務官）出席所有定期董事會會議及（於需要時）其他董事會及委員會會議，以就本公司業務發展、財務及會計事項、遵守法規事宜、企業管治及其他重大事項提供意見。公司秘書負責所有董事會會議及委員會會議記錄，並保存有關紀錄。每次會議後一般於合理時間內紀錄草稿交予董事傳閱並詢問意見，其定稿可供董事隨時查閱。

本公司的章程細則載有規定，要求有關董事於批准彼等或其任何聯繫人士擁有重大權益的交易時放棄投票，且並不計入會議法定人數。

董事任期

自2011年7月4日上市日期起，董事會一直遵守上市規則有關委任至少三名獨立非執行董事，以及至少一名獨立非執行董事須擁有適當專業資格或會計或相關財務管理專業知識的規定。

本公司已收到各獨立非執行董事根據上市規則的規定發出確認本身獨立性的年度確認書。本公司認為，根據上市規則載列的獨立性指引，所有獨立非執行董事均屬獨立。

Corporate Governance Report

企業管治報告

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code provision A.2.1 stipulates that the roles of the Chairman and the Chief Executive Officer should be separate and should not be performed by the same individual.

The Chairman of the Board is Mr. Ng Kam Lun, Eric, who provides leadership for the Board and is responsible for chairing the meetings, managing the operations of the Board and ensuring that all major and appropriate issues are discussed by the Board in a timely and constructive manner. He is also responsible for the strategic management of the Group and for formulating the Group's overall corporate direction and focus.

The Chief Executive Officer is Ms. Yiu Wai Yee, Catherine, who is responsible for the overall management and operations of the Group. She is also responsible for running the Company's businesses and implementing the Group's strategic plans and business goals.

To facilitate discussion of all key and appropriate issues by the Board in a timely manner, the Chairman co-ordinates with the senior management to provide adequate, complete and reliable information to all Directors for consideration and review.

SUBORDINATE COMMITTEES OF THE BOARD

- Audit Committee
- Remuneration Committee

Each committee may decide upon all matters within its terms of reference and authority.

A. Audit committee

The Audit Committee was established on 4 July 2011. At the date of the annual report, the Audit Committee comprised three Independent Non-Executive Directors.

The composition of the Audit Committee

Chan Mei Bo, Mabel (*Chairman of the Audit Committee*)
Yu Cheeric James
Choi Kin Cheong

主席及行政總裁

守則條文A.2.1訂明主席及行政總裁的職務應分開且不應由同一人擔任。

董事會主席為吳錦倫先生，彼領導董事會，負責主持會議及管理董事會的運作，並確保所有重要及適當事項均由董事會作出適時及建設性的討論。彼亦負責本集團的策略性管理及制定本集團整體目標及任務。

行政總裁為姚慧儀女士，彼負責本集團的整體管理及營運。彼亦負責經營本公司的業務，並實行本集團的策略性計劃及業務目標。

為促進董事會及時討論所有重要及合適的議題，主席與高級管理層合作，向全體董事提供充足、完整及可靠的資料以供考慮和審閱。

董事會屬下委員會

- 審核委員會
- 薪酬委員會

各委員會對其職權及權限範圍適用內的事宜作出決定。

A. 審核委員會

審核委員會於2011年7月4日成立。於本年報日期，審核委員會由三名獨立非執行董事組成。

審核委員會的組成

陳美寶（審核委員會主席）
余致力
崔建昌

Corporate Governance Report

企業管治報告

Roles and functions

The primary duties of the Audit Committee are to assist our Board by providing an independent view of the effectiveness of the financial reporting process, internal control and risk management systems of our Group, overseeing the audit process and performing other duties and responsibilities as assigned by our Board.

The Company's annual results for the year ended 30 June 2011 have been reviewed by the Audit Committee.

Minutes of meetings

The Audit Committee was established on 4 July 2011 and hence there was no meeting of the Audit Committee during the year ended 30 June 2011.

B. Remuneration committee

The Remuneration Committee was established on 4 July 2011. At the date of this annual report, the Remuneration Committee is comprised an Executive Director and three Independent Non-Executive Directors.

The composition of the Remuneration Committee

Yu Cheeric James (*Chairman of the Remuneration Committee*)
Chan Mei Bo, Mabel
Choi Kin Cheong
Lee Wai Lok, Ignatious

角色及職能

審核委員會的主要職責為協助董事會就本集團的財務申報程序、內部監控及風險管理制度的有效性提供獨立意見、監察審核過程以及履行本公司董事會指派的其他職務與職責。

本公司截至2011年6月30日止年度的年度業績已經審核委員會審閱。

會議記錄

由於審核委員會於2011年7月4日成立，因此，其於截至2011年6月30日止年度內並無舉行任何審核委員會會議。

B. 薪酬委員會

薪酬委員會於2011年7月4日成立。於本年報日期，由一名執行董事及三名獨立非執行董事組成。

薪酬委員會的組成

余致力 (薪酬委員會主席)
陳美寶
崔建昌
李偉樂

Corporate Governance Report

企業管治報告

Roles and functions

The primary duties of the Remuneration Committee include (but without limitation): (i) making recommendations to the Directors on our policy and structure for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing policies on such remuneration; (ii) determining the terms of the specific remuneration package of our Directors and senior management; (iii) reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by the Directors from time to time; and (iv) considering and advising the Board about the grant of share options to Directors and senior management pursuant to the Share Option Scheme.

The Remuneration Committee normally meets at least once a year for reviewing the remuneration policy and structure and determining the annual remuneration packages of the Directors and the senior management and other related matters.

Minutes of meetings

The Remuneration Committee was established on 4 July 2011 and hence there was no meeting of the Remuneration Committee during the year ended 30 June 2011.

角色及職能

薪酬委員會的主要職責包括(但不限於): (i) 就董事及高級管理人員的整體薪酬政策及架構以及就為制定薪酬政策而設立正式透明的程序向董事會提供推薦建議; (ii) 釐定本公司董事及高級管理人員的具體薪酬待遇條款; (iii) 透過參考董事不時議決的公司目標審閱及批准與表現掛鈎的薪酬; 及(iv) 考慮及建議董事根據購股權計劃向董事及高級管理層授出購股權。

薪酬委員會通常每年舉行至少一次會議, 以檢討薪酬政策及架構, 同時釐定執行董事及高級管理層的年度薪金組合以及其他相關事宜。

會議記錄

由於審核委員會於2011年7月4日成立, 因此, 其於截至2011年6月30日止年度內並無舉行任何薪酬委員會會議。

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 30 June 2011.

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, price-sensitive announcements and other disclosures required under the Listing Rules and other regulatory requirements.

The senior management has provided such explanation and information to the Board as necessary to enable the Board to carry out an informed assessment of the financial information and position of the Company put to the Board for approval.

董事進行財務申報的責任

董事確認彼等編製本公司截至2011年6月30日止年度財務報表的責任。

董事會負責對年報及中期報告、價格敏感公佈及按上市規則及其他監管要求規定的其他披露做出平衡、清晰而可理解的評估。

高級管理層已在需要時向董事會提供該等解釋及資料, 以讓董事會對本公司財務資料及狀況作出知情評估, 並提呈董事會批准。

Corporate Governance Report

企業管治報告

EXTERNAL AUDITOR

The statement of the external auditor of the Company about their reporting responsibilities for the financial statements is set out in the “Independent Auditor’s Report” on pages 73 to 74 of this report.

An analysis of the remuneration of the Company’s auditor, Messrs Deloitte Touche Tohmatsu, up to the date of this report is set out as follows:

外聘核數師

本公司外聘核數師有關其須就財務報表履行匯報責任的聲明載於年報第73頁至第74頁「獨立核數師報告」內。

本公司核數師德勤•關黃陳方會計師行截至本報告日期的薪酬分析載列如下：

		Fee paid/payable for services rendered 已付／應付 所提供的服務費
		<i>HK\$'000</i> 千港元
Audit Services	審核服務	1,150
As reporting accountants for the Company’s initial public offering	於本公司首次公开发售擔任申報會計師	<u>3,681</u>
Total	合計	<u>4,831</u>

INTERNAL CONTROL AND RISK MANAGEMENT

The Board is responsible for the effectiveness of the internal control system. Relevant procedures have been designed for safeguarding assets against unauthorised use or disposal; for controlling excessive capital expenditure; for maintaining proper accounting records; and for the reliability of financial information used in the operations or for publication. Qualified management personnel of the Company will maintain and monitor the internal control system on a going concern basis.

The Board has reviewed the internal control system of the Group, which covers financial, operational, compliance procedural and risk management functions and concluded that the internal control systems are effective and efficient.

內部監控及風險管理

董事會對本公司的內部監控系統的效用負責。本公司已設計相關措施，以防止資產被未經授權挪用或處置、控制過度的資本開支、保存妥善的會計記錄、以及確保業務上使用或向外公佈的財務資料的可靠性。本公司各合資格管理人員按持續準則維持及監察內部監控系統。

董事會已對本集團內部監控制度進行檢討，當中涵蓋財務、運營、合規程序及風險控制功能，結論為內部監控系統效益與效率兼備。

Corporate Governance Report

企業管治報告

NON-COMPETITION UNDERTAKINGS

The Independent Non-Executive Directors have reviewed the status of compliance and confirmed that all of these non-competition undertakings have been complied with by the Non-Competing Covenantors.

SHAREHOLDERS' RIGHTS

The Company is liable to secure shareholders' interests. The Company maintains contact with its shareholders through annual general meetings or other general meetings, and encourages shareholders to attend those meetings.

Notice of general meeting is sent by mail to the registered shareholders of the Company. Agenda and resolutions are set out in the notice of general meeting.

A proxy form for use at a general meeting is enclosed with the notice. Shareholders who do not intend or are unable to be present at the meeting should fill out the form and return the same to the share registrar and transfer office of the Company, so as to appoint a representative, another shareholder or the chairman of the meeting as their proxy.

INVESTORS RELATIONS

The Company maintains a two-way communication channel to report the performance of the Company to its shareholders and investors. Annual reports, accounts and interim reports containing full details of the Company's activities will be despatched to shareholders and investors. Such reports and other announcements of the Company can be accessed on the website of the Stock Exchange and the Company's own website. The Company also communicates and discloses its latest business development plan via road shows, seminars with institutional investors and analysts, and telephone conferences.

To ensure effective disclosures are made to shareholders and investors, and to ensure the same information is made available to the public at the same time, price sensitive information will be released in the form of official announcements in accordance with the Listing Rules.

不競爭承諾

獨立非執行董事已審閱合規情況，並確認不競爭契諾承諾人已遵守所有該等不競爭承諾。

股東的權利

本公司有責任確保股東權益。本公司就此透過股東週年大會或其他股東大會與股東一直保持溝通並鼓勵股東參與股東大會。

本公司登記股東以郵寄方式收取股東大會通告。股東大會通告載有議程及決議案。

未能出席股東大會的股東可填妥隨附於大會通告的代表委任表格並交回股份過戶登記處，以委任彼等的代表、另一名股東或大會主席擔任彼等的代表。

投資者關係

本公司使用雙向的溝通渠道，向股東及投資者匯報本公司的表現。本公司年報、賬目及中期報告載有本公司活動的詳細資料，該等報告及賬目會寄發予股東及投資者。本公司的有關報告及其他公佈可於聯交所網站及本公司網站查閱。本公司亦透過路演及與機構投資者及分析員進行會談、電話會議等形式，與投資者交流及披露最新的業務發展計劃。

為向股東及投資者提供有效披露，以及確保公眾人士可同時獲取相同資料，股價敏感資料將根據上市規則的規定以正式公佈方式發放。

Independent Auditor's Report

獨立核數師報告

Deloitte.

德勤

德勤•關黃陳方會計師行
香港金鐘道88號
太古廣場一座35樓

Deloitte Touche Tohmatsu
35/F One Pacific Place
88 Queensway
Hong Kong

TO THE MEMBERS OF MODERN EDUCATION GROUP LIMITED
(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Modern Education Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 75 to 148, which comprise the consolidated statement of financial position as at 30 June 2011, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. 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 about whether the consolidated financial statements are free from material misstatement.

致現代教育集團有限公司
(於開曼群島註冊成立之有限公司)
列位股東

吾等已審核載列於第75頁至第148頁現代教育集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表,該等綜合財務報表包括於2011年6月30日的綜合財務狀況表,及截至該日止年度的綜合全面收益表、綜合權益變動表及綜合現金流量表,以及主要會計政策概要及其他解釋性資料。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露要求,編製真實而公平地反映情況的綜合財務報表,及董事釐定對編製綜合財務報表屬必要的有關內部監控,以使該等綜合財務報表不會存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師的責任

吾等的責任是根據吾等協定的委聘條款,基於吾等的審核工作,對該等綜合財務報表作出意見,並將此意見僅向全體股東報告,而不作其他用途。吾等概不就本報告的內容對任何其他人士負責或承擔任何責任。吾等已根據香港會計師公會頒佈的香港審計準則進行審核。該等準則要求吾等遵守道德規範,並規劃及執行審核,以合理確定該等綜合財務報表是否存有任何重大錯誤陳述。

Independent Auditor's Report

獨立核數師報告

AUDITOR'S RESPONSIBILITY (Continued)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the consolidated financial statements that give a true and fair view 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 consolidated 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 consolidated financial statements give a true and fair view of the state of affairs of the Group as at 30 June 2011, and of the Group's profit 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 disclosure requirements of the Hong Kong Companies Ordinance.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

29 September 2011

核數師的責任 (續)

審核涉及執程序以獲取有關綜合財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師會考慮與公司編製真實而公平地反映情況的綜合財務報表相關的內部監控，以便設計在該等情況下適當的審核程序，但此並非為對公司的內部監控的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價綜合財務報表的整體呈報方式。

吾等相信，吾等所獲得的審核憑證能充足及適當地為吾等的審核意見提供基礎。

意見

吾等認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映 貴集團於2011年6月30日的財務狀況及 貴集團截至該日止年度的溢利及現金流量，並已按照香港公司條例的披露要求而妥善編製。

德勤•關黃陳方會計師行
執業會計師
香港

2011年9月29日

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the year ended 30 June 2011

截至2011年6月30日止年度

		NOTES	2011	2010
		附註	HK\$'000	HK\$'000
			千港元	千港元
Revenue	收入	8	268,614	353,213
Other income and expenses	其他收入及開支	9	4,473	79
Staff costs	員工成本	11	(54,717)	(58,361)
Tutor contractor fee	導師承包費	11	(77,995)	(122,225)
Operating lease payments	經營租賃付款	11	(47,198)	(51,270)
Marketing expenses	市場推廣開支		(14,124)	(20,597)
Printing costs	印刷費用		(394)	(583)
Depreciation and amortisation	折舊及攤銷		(9,454)	(9,443)
Other operating expenses	其他經營開支		(32,135)	(38,762)
Listing expenses	上市開支		(10,408)	(3,292)
Finance costs	財務費用	10	(556)	(224)
Profit before taxation	除稅前溢利	11	26,106	48,535
Taxation	稅項	13	(5,596)	(8,477)
Profit for the year	年度溢利		20,510	40,058
Other comprehensive income	其他全面收入			
Exchange differences arising on translation of the PRC operation	換算中國業務時產生的匯兌差額		152	12
Total comprehensive income for the year	年度全面收入總額		20,662	40,070
Profit for the year attributable to:	以下人士應佔年度溢利：			
Owners of the Company	本公司擁有人		20,538	40,076
Non-controlling interests	非控股權益		(28)	(18)
			20,510	40,058
Total comprehensive income attributable to:	以下人士應佔全面收入總額：			
Owners of the Company	本公司擁有人		20,690	40,088
Non-controlling interests	非控股權益		(28)	(18)
			20,662	40,070
Earnings per share – basic (HK cents)	每股盈利—基本 (港仙)	14	7.23	15.42

Consolidated Statement of Financial Position

綜合財務狀況表

At 30 June 2011
於2011年6月30日

		NOTES	2011 HK\$'000 千港元	2010 HK\$'000 千港元
		附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	16	21,697	29,503
Intangible assets	無形資產	17	4,837	–
Amount due from a related party	應收一名關連人士款項	19	–	16,874
Deferred tax assets	遞延稅項資產	25	973	102
			27,507	46,479
Current assets	流動資產			
Trade and other receivables	貿易及其他應收款項	18	51,889	23,925
Amounts due from related parties	應收關連人士款項	19	–	3,458
Derivative financial instruments	衍生金融工具	26	3,530	–
Pledged bank deposits	已抵押銀行存款	20	1,037	1,037
Bank balances and cash	銀行結餘及現金	20	14,499	21,922
			70,955	50,342
Current liabilities	流動負債			
Other payables	其他應付款項	21	21,386	13,438
Deferred income	遞延收入		9,968	5,404
Tax payable	應付稅項		7,615	10,457
Amounts due to related parties	應付關連人士款項	22	3,600	5,024
Obligations under finance leases	融資租賃承擔	23	–	1,000
Bank and other borrowings	銀行及其他借款	24	49,591	–
			92,160	35,323
Net current (liabilities) assets	流動(負債)資產淨值		(21,205)	15,019
Total assets less current liabilities	總資產減流動負債		6,302	61,498
Non-current liabilities	非流動負債			
Obligations under finance leases	融資租賃承擔	23	–	1,114
Deferred tax liabilities	遞延稅項負債	25	974	258
Provision for long service payments	長期服務金撥備	27	1,884	1,703
			2,858	3,075
Net assets	資產淨值		3,444	58,423

Consolidated Statement of Financial Position

綜合財務狀況表

At 30 June 2011
於2011年6月30日

		NOTE	2011 HK\$'000 千港元	2010 HK\$'000 千港元
		附註		
Capital and reserves	資本及儲備			
Share capital	股本	28	28,400	109
Reserves	儲備		<u>(26,510)</u>	<u>58,314</u>
Equity attributable to owners of the Company	本公司擁有人應佔權益		1,890	58,423
Non-controlling interests	非控股權益		<u>1,554</u>	<u>—</u>
Total equity	權益總額		<u>3,444</u>	<u>58,423</u>

The consolidated financial statements on pages 75 to 148 were approved and authorised for issue by the Board on 29 September 2011 and are signed on its behalf by:

載於第75頁至第148頁的綜合財務報表已於2011年9月29日獲董事會批准及授權刊發，並由下列人士代表簽署：

Ng Kam Lun, Eric

Director

吳錦倫

董事

Yiu Wai Yee, Catherine

Director

姚慧儀

董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 30 June 2011

截至2011年6月30日止年度

		Attributable to owners of the Company 本公司擁有人應佔					Non-controlling interests 非控股權益		Total 總計
		Share capital 股本	Merger reserve 合併儲備	Capital reserve 股本儲備	Translation reserve 匯兌儲備	Accumulated profits 累計溢利	Total 總計	Non-controlling interests 非控股權益	Total 總計
		HK\$'000 千港元	HK\$'000 千港元 (Note i) (附註i)	HK\$'000 千港元 (Note ii) (附註ii)	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 July 2009	於2009年7月1日	79	-	446	-	41,013	41,538	1,815	43,353
Profit for the year	年度溢利	-	-	-	-	40,076	40,076	(18)	40,058
Exchange differences arising on translation of PRC operation	換算中國業務時產生的匯兌差額	-	-	-	12	-	12	-	12
Total comprehensive income for the year	年度全面收入總額	-	-	-	12	40,076	40,088	(18)	40,070
Effect of acquisition of a subsidiary under common control (Note 2(a))	收購受共同控制附屬公司的影響(附註2(a))	30	(30)	-	-	1,797	1,797	(1,797)	-
Dividends paid/declared	已付/已宣派股息	-	-	-	-	(25,000)	(25,000)	-	(25,000)
At 30 June 2010 and 1 July 2010	於2010年6月30日及2010年7月1日	109	(30)	446	12	57,886	58,423	-	58,423
Profit for the year	年度溢利	-	-	-	-	20,538	20,538	(28)	20,510
Exchange differences arising on translation of PRC operation	換算中國業務時產生的匯兌差額	-	-	-	152	-	152	-	152
Total comprehensive income for the year	年度全面收入總額	-	-	-	152	20,538	20,690	(28)	20,662
Acquisition of subsidiaries	收購附屬公司	-	-	-	-	-	-	1,795	1,795
Effect of share swap pursuant to Group Reorganisation (Note 2(b))	根據集團重組的股份掉期影響(附註2(b))	28,291	(28,291)	-	-	-	-	-	-
Dividends paid/declared	已付/已宣派股息	-	-	-	-	(77,223)	(77,223)	-	(77,223)
Dividends paid to non-controlling shareholders of subsidiaries	向附屬公司的非控股股東派付股息	-	-	-	-	-	-	(213)	(213)
At 30 June 2011	於2011年6月30日	28,400	(28,321)	446	164	1,201	1,890	1,554	3,444

Notes:

附註:

- (i) The merger reserve represented the difference between the nominal value of the shares of Sino Network Group Limited ("Sino Network") and the Company issued in exchange for the entire share capital of Express Education Limited ("Express Education") and Sino Network pursuant to the Group Reorganisation (as defined in Note 2), respectively.
- (ii) The capital reserve represented capital contribution arising from transfers of interest in subsidiaries to shareholders and waiver of amount due to a shareholder in prior periods.
- (i) 合併儲備指Sino Network Group Limited (「Sino Network」)與本公司的股份根據集團重組(定義見附註2)就分別換取Express Education Limited (「Express Education」)及Sino Network的全部股本的已發行股份的面值之間差額。
- (ii) 股本儲備指向股東轉讓於附屬公司的權益產生的注資及豁免於過往期間應付一名股東的款項。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 30 June 2011
截至2011年6月30日止年度

		NOTE	2011 HK\$'000 千港元	2010 HK\$'000 千港元
		附註		
Operating activities	經營活動			
Profit before taxation	除稅前溢利		26,106	48,535
Adjustments for:	就以下項目作出調整：			
Interest income	利息收入		(1)	(2)
Interest expense	利息開支		556	224
(Gain) loss on disposal/written off of property, plant and equipment	出售／撇銷物業、廠房及設備的(收益)虧損		(2,439)	895
Change in fair value of derivative financial instruments	衍生金融工具的公平值變動		(222)	-
Depreciation of property, plant and equipment	物業、廠房及設備折舊		9,355	9,443
Amortisation of intangible assets	無形資產攤銷		99	-
Allowance for doubtful debts	呆賬撥備		-	159
Provision for long service payments	長期服務金撥備		181	637
Operating cash flows before movements in working capital	營運資金變動前的經營現金流量		33,635	59,891
(Increase) decrease in trade and other receivables	貿易及其他應收款項(增加)減少		(23,310)	818
Increase (decrease) in other payables	其他應付款項增加(減少)		7,672	(734)
Increase (decrease) in deferred income	遞延收入增加(減少)		4,320	(4,730)
Cash from operations	營運產生的現金		22,317	55,245
Hong Kong Profits Tax paid	已付香港利得稅		(9,330)	(14,872)
PRC Enterprise Income Tax paid	已付中國企業所得稅		(168)	-
Net cash from operating activities	經營活動所得的現金淨額		12,819	40,373
Investing activities	投資活動			
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項		5,138	508
Repayment from related parties, net	關連人士還款淨額		3,238	9,599
Interest received	已收利息		1	2
Purchase of property, plant and equipment	購買物業、廠房及設備		(3,724)	(15,168)
Acquisition of subsidiaries	收購附屬公司	30	(2,937)	-
Net cash from (used in) investing activities	投資活動所得(所用)的現金淨額		1,716	(5,059)

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 30 June 2011

截至2011年6月30日止年度

		2011 HK\$'000 千港元	2010 HK\$'000 千港元
Financing activities	融資活動		
New bank and other borrowings raised	新增銀行及其他借貸	52,000	-
Dividends paid	已付股息	(60,349)	(21,000)
Repayment to related parties, net	償還關連人士款項淨額	(4,785)	(327)
Expenses on issue of new shares	發行新股份開支	(3,428)	(981)
Repayment of bank and other borrowings	償還銀行及其他借貸	(2,619)	-
Repayment of obligations under finance leases	償還融資租賃承擔	(2,114)	(1,236)
Interest paid	已付利息	(450)	(224)
Dividends paid to non-controlling shareholders of subsidiaries	向附屬公司的非控股股東派付股息	(213)	-
Net cash used in financing activities	融資活動所用的現金淨額	<u>(21,958)</u>	<u>(23,768)</u>
Net (decrease) increase in cash and cash equivalents	現金及現金等價物(減少)增加淨額	(7,423)	11,546
Cash and cash equivalents at the beginning of the year	年初的現金及現金等價物	<u>21,922</u>	<u>10,376</u>
Cash and cash equivalents at the end of the year, represented by bank balances and cash	年終的現金及現金等價物即銀行結餘及現金	<u>14,499</u>	<u>21,922</u>

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2011
截至2011年6月30日止年度

1. GENERAL

The Company was incorporated in the Cayman Islands on 26 January 2011 and registered as an exempted company under the Companies Law of the Cayman Islands. Its shares have been listed on the Main Board of The Stock Exchange since 4 July 2011. Prior to the completion of public offering on 4 July 2011, its immediate parent is Speedy Harvest, a company incorporated in the British Virgin Islands, and its ultimate controlling shareholder is Mr. Ng Kam Lun, Eric.

The Company acts as an investment holding company while its subsidiaries are principally engaged in the provision of private tutoring and educational services. The addresses of the registered office and principal place of business of the Company are PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands and Suite 2701, 27/F, Tower 2, Nina Tower, 8 Yeung Uk Road, Tsuen Wan, New Territories, Hong Kong respectively.

The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the functional currency of the Company.

2. BASIS OF PREPARATION AND GROUP REORGANISATION

In preparing the consolidated financial statements, the directors of the Company (the "Directors") have given consideration to the future liquidity of the Group in light of the fact that its current liabilities exceeded its current assets by approximately HK\$21,205,000 as at 30 June 2011. Taking into account of the net proceeds of approximately HK\$130 million from its public offering on 4 July 2011, the Directors are confident that the Group will be able to meet its financial obligations when they fall due in the foreseeable future and be able to operate on a going concern basis. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

1. 一般資料

本公司於2011年1月26日在開曼群島註冊成立並根據開曼群島公司法登記為獲豁免公司。其股份自2011年7月4日起於聯交所主板上市。於2011年7月4日完成公開發售前，其直接母公司為一間於英屬處女群島註冊成立的公司Speedy Harvest，而其最終控股股東為吳錦倫先生。

本公司為一間投資控股公司，而其附屬公司主要從事提供私人補習及教育服務。本公司之註冊辦事處及主要營業地點的地址分別為PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands及香港新界荃灣楊屋道8號如心廣場第2座27樓2701室。

綜合財務報表以本公司的功能貨幣港元（「港元」）列值。

2. 編製基準及集團重組

於編製綜合財務報表時，本公司董事（「董事」）已基於於2011年6月30日其流動負債較其流動資產超出約21,205,000港元的情況，以考慮本集團日後的流動資金狀況。經計及於2011年7月4日其公開發售所得款項淨額約130,000,000港元，董事深信本集團有能力應付其於可見將來到期的財務責任，並有能力以持續經營基準營運。因此，綜合財務報表乃按持續經營基準編製。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2011

截至2011年6月30日止年度

2. BASIS OF PREPARATION AND GROUP REORGANISATION

(Continued)

In preparation for the listing of the shares of the Company on the Stock Exchange, the Company underwent a group reorganisation (the “Group Reorganisation”) which includes the following steps:

- (a) Before 7 May 2010, Sino Network was a holding company of the following wholly owned subsidiaries, including Amber Well Limited, Business Idol Limited, Beijing Strength Limited, Intelligent Education Limited, Modern Beiya (Hong Kong) Limited, Modern Education (Hong Kong) Limited, Sky Link Management Limited, Wise Action Limited and 京力北雅(北京)教育諮詢有限公司。Mr. Ng Kam Lun, Eric, Ms. Yiu Wai Yee, Catherine (“Ms. Yiu”), Mr. Ng Norman, Mr. Lee Wai Lok, Ignatious (“Mr. Lee”), Mr. Ng Kam Wing, Ms. Lau Yue Lan and Ms. Ng Choi Fong each owned 58.02%, 2.08%, 22.28%, 11.37%, 4.25%, 1.00% and 1.00% equity interest in Sino Network, respectively. On 7 May 2010, Sino Network acquired the 65% equity interest in Express Education from Mr. Ng Kam Lun, Eric and 35% equity interest in Express Education from Mr. Lee by issuing and allotting 2,588 shares of US\$1 each to Mr. Ng Kam Lun, Eric and 1,395 shares of US\$1 each to Mr. Lee, respectively (“Share Transfer”). Sino Network and Express Education are under the common control of Mr. Ng Kam Lun, Eric before and after the Share Transfer and that control is not transitory.
- (b) Pursuant to a share swap agreement dated 7 June 2011, the Company acquired the entire share capital of Sino Network by swapping 283,999,999 shares of HK\$0.1 each to the then existing shareholders of Sino Network. Thereafter, the Company became the holding company of the Group since 7 June 2011.

2. 編製基準及集團重組 (續)

為籌備本公司股份於聯交所上市，本公司經歷了集團重組（「集團重組」），其中包括以下步驟：

- (a) 於2010年5月7日之前，Sino Network為以下全資附屬公司的控股公司，包括慶安有限公司、Business Idol Limited、京力有限公司、現代新幹線教育有限公司、現代北雅(香港)有限公司、現代教育(香港)有限公司、天下管理有限公司、智僑有限公司及京力北雅(北京)教育諮詢有限公司。吳錦倫先生、姚慧儀女士（「姚女士」）、吳樂憫先生、李偉樂先生（「李先生」）、吳錦榮先生、劉汝蘭女士及吳彩芳女士分別持有Sino Network的58.02%、2.08%、22.28%、11.37%、4.25%、1.00%及1.00%股權。於2010年5月7日，Sino Network透過分別向吳錦倫先生及李先生發行及配發2,588股每股面值1美元的股份及1,395股每股面值1美元的股份（「股份轉讓」），向吳錦倫先生收購Express Education的65%股權及向李先生收購Express Education的35%股權。於股份轉讓前後，Sino Network及Express Education受吳錦倫先生共同控制，而該控制並非暫時性。
- (b) 根據日期為2011年6月7日的股份掉期協議，本公司透過向Sino Network當時的股東調換283,999,999股每股面值0.1港元的股份，收購Sino Network的全部股權。此後，本公司自2011年6月7日起成為本集團的控股公司。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2011
截至2011年6月30日止年度

2. BASIS OF PREPARATION AND GROUP REORGANISATION (Continued)

The Group resulting from the Group Reorganisation continued to be controlled by Mr. Ng Kam Lun, Eric is regarded as a continuing entity. Accordingly, the consolidated statements of comprehensive income, cash flows and changes in equity for each of the two years ended 30 June 2011 have been prepared, as if the group structure upon the completion of the Group Reorganisation had been in existence throughout each of the two years ended 30 June 2011 (other than the acquisition of Able Investment Development Limited (“Able Investment”), Bachelor Education Centre Limited (“Bachelor Education”) and Modern English Group Limited), or since the respective dates of incorporation/establishment of the entities now comprising the Group where this is a shorter period. The consolidated statement of financial position as at 30 June 2010 has been prepared to present the assets and liabilities of the entities now comprising the Group which were in existence as at that date.

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

The Hong Kong Institute of Certified Public Accountants issued a number of new and revised standards and interpretations (“new and revised HKFRSs”) which are effective for the Group’s accounting periods beginning on 1 July 2010. For the purpose of preparing and presenting the consolidated financial statements for each of the two years ended 30 June 2011, the Group has adopted all these new and revised HKFRSs consistently throughout each of the two years ended 30 June 2011.

2. 編製基準及集團重組 (續)

集團重組後之本集團繼續受吳錦倫先生控制，並被視為持續經營實體。因此，已編製截至2011年6月30日止兩個年度各年的綜合全面收入、現金流量及權益變動等報表，猶如完成集團重組後的集團架構於截至2011年6月30日止兩個年度各年（除收購利東投資發展有限公司（「利東投資」）、學士教室有限公司（「學士教室」）及現代英語教育科技有限公司外）或自本集團旗下現有實體各自註冊成立／成立日期以來（以較短者為準）一直存在。已編製於2010年6月30日的綜合財務狀況表，以呈列於該日期已存在的本集團旗下現有實體的資產及負債。

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

香港會計師公會頒佈多項新訂及經修訂準則及詮釋（「新訂及經修訂香港財務報告準則」），於2010年7月1日開始的本集團會計期間生效。為編製及呈列截至2011年6月30日止兩個年度各年的綜合財務報表，於截至2011年6月30日止兩個年度各年，本集團已貫徹地採納所有該等新訂及經修訂香港財務報告準則。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2011

截至2011年6月30日止年度

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

HKFRSs (Amendments)	Improvements to HKFRSs issued in 2010 ¹
HKAS 1 (Amendments)	Presentation of items of other comprehensive income ⁵
HKAS 12 (Amendments)	Deferred tax: Recovery of underlying asset ²
HKAS 19 (Revised)	Employee benefits ³
HKAS 24 (Revised)	Related party disclosures ¹
HKAS 27 (Revised)	Separate financial statements ³
HKAS 28 (Revised)	Investments in associates and joint ventures ³
HKFRS 7 (Amendments)	Disclosures – Transfer of financial assets ⁴
HKFRS 9	Financial instruments ³
HKFRS 10	Consolidated financial statements ³
HKFRS 11	Joint arrangements ³
HKFRS 12	Disclosure of interests in other entities ³
HKFRS 13	Fair value measurement ³
HK(IFRIC*) – Int 14 (Amendments)	Prepayments of a minimum funding requirements ¹

¹ Effective for annual periods beginning on or after 1 January 2011.

² Effective for annual periods beginning on or after 1 January 2012.

³ Effective for annual periods beginning on or after 1 January 2013.

⁴ Effective for annual periods beginning on or after 1 July 2011.

⁵ Effective for annual periods beginning on or after 1 July 2012.

* IFRIC represents the International Financial Reporting Interpretations Committee.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

本集團並未提早採納下列已頒佈但尚未生效的新訂及經修訂香港財務報告準則：

香港財務報告準則（修訂本）	2010年頒佈的香港財務報告準則的改進 ¹
香港會計準則第1號（修訂本）	呈列其他全面收入項目 ⁵
香港會計準則第12號（修訂本）	遞延稅項：相關資產的收回 ²
香港會計準則第19號（經修訂）	僱員福利 ³
香港會計準則第24號（經修訂）	關連人士披露 ¹
香港會計準則第27號（經修訂）	獨立財務報表 ³
香港會計準則第28號（經修訂）	於聯營公司及合營公司之投資 ³
香港財務報告準則第7號（修訂本）	披露－轉讓金融資產 ⁴
香港財務報告準則第9號	金融工具 ³
香港財務報告準則第10號	綜合財務報表 ³
香港財務報告準則第11號	共同安排 ³
香港財務報告準則第12號	披露於其他實體之權益 ³
香港財務報告準則第13號	公平值計量 ³
香港（國際財務報告詮釋委員會*）－詮釋第14號（修訂本）	預付最低資金要求 ¹

¹ 於2011年1月1日或之後開始的年度期間生效。

² 於2012年1月1日或之後開始的年度期間生效。

³ 於2013年1月1日或之後開始的年度期間生效。

⁴ 於2011年7月1日或之後開始的年度期間生效。

⁵ 於2012年7月1日或之後開始的年度期間生效。

* IFRIC指國際財務報告詮釋委員會。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2011
截至2011年6月30日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

The management anticipates that the application of these new and revised HKFRSs will have no material impact on the consolidated financial statements of the Group.

The consolidated financial statements have been prepared under the historical cost basis, except for certain financial instruments that are measured at fair values, and in accordance with HKFRSs. In addition, the consolidated financial statements include the applicable disclosures required by the Listing Rules and by the Hong Kong Companies Ordinance.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the group entities controlled by the Company. Control is achieved where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired (other than business combination involving entities under common control) or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein.

Allocation of total comprehensive income to non-controlling interests

Total comprehensive income and expense of a subsidiary is attributed to the owners of the Company and to the non-controlling interests even if the non-controlling interests having a deficit balance.

4. 重大會計政策

管理層預期應用該等新訂及經修訂香港財務報告準則對本集團的綜合財務報表並無重大影響。

綜合財務報表已按歷史成本基準及根據香港財務報告準則編製，惟以公平值計量的若干金融工具除外。此外，綜合財務報表包括上市規則及香港公司條例規定的適用披露事項。

綜合基準

綜合財務報表包括本公司控制的集團實體的財務報表。倘公司有權控制實體的財務及營運政策以從其業務取得利益，則視作已取得該實體的控制權。

於本年度已收購（涉及受共同控制實體的業務合併除外）或出售的附屬公司由收購生效日期起或計至出售生效日期（如適用）的業績已於綜合全面收益表列賬。

附屬公司的財務報表於有需要時作出調整，以使其會計政策與本集團其他成員公司所採納者一致。

集團內公司間的所有交易、結餘及收支均於綜合賬目時抵銷。

於附屬公司的非控股權益與本集團的權益分開呈列。

全面收入總額分配至非控股權益

即使附屬公司的全面收支總額導致非控股權益產生虧絀結餘，其仍歸屬於本公司擁有人及非控股權益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2011

截至2011年6月30日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations (other than business combinations involving entities under common control)

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after re-assessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation is initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value or another measurement basis required by another standard.

4. 重大會計政策 (續)

業務合併 (涉及受共同控制實體的業務合併除外)

收購業務乃採用收購法入賬。於業務合併中轉讓的代價以公平值計量，乃按本集團轉讓資產的收購日期公平值、本集團向被收購者的前擁有人產生的負債及本集團發行股權以換取被收購者的控制權的總額計算。收購相關成本一般於所產生損益中確認。於收購日期，所收購的可識別資產及所承擔的負債均以收購日期的公平值確認。

商譽確認為所轉撥的代價、與被收購公司的任何非控股權益金額及收購公司之前持有被收購公司（如有）的股權的公平值的總和超出所收購的可識別資產及承擔的負債於收購日期的淨額的部分。倘（重新評估過後）所收購的可識別資產及所承擔的負債金額於收購日期的淨額超出所轉撥的代價、於被收購公司任何非控股權益的金額及收購公司先持有被收購公司（如有）權益的公平值的總和，超出部分即時於損益中確認為議價購買收益。

屬現時擁有權權益且於清盤時賦予其持有人按比例分佔實體淨資產，可初步按公平值或非控股權益應佔被收購公司可識別資產淨值的已確認金額比例計量。計量基準視乎每項交易而作出選擇。其他種類的非控股權益乃按其公平值或其他準則規定的其他計量基準計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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截至2011年6月30日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations (other than business combinations involving entities under common control) (Continued)

Where the consideration the Group transferred in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and considered as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments being made against goodwill or gain on bargain purchase. Measurement period adjustments are adjustments that arise from additional information obtained during the measurement period about facts and circumstances that existed as of the acquisition date. Measurement period does not exceed one year from the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with HKAS 39 "Financial instruments: Recognition and measurement", or HKAS 37 "Provisions, contingent liabilities and contingent assets", as appropriate, with the corresponding gain or loss being recognised in profit or loss.

4. 重大會計政策 (續)

業務合併 (涉及受共同控制實體的業務合併除外) (續)

倘本集團於業務合併中轉讓的代價包括或然代價安排產生的資產或負債，或然代價於收購日期按其收購日期公平值計量並視為於業務合併中所轉撥的代價一部份。或然代價的公平值變動（證實為按計量法調整）可追溯調整，並就商譽或議價購買收益作出相應調整。計量期調整為於計量期間就於收購日期存在的事實及情況獲得的其他資料產生的調整。計量期不超過收購日期起計一年內。

或然代價的公平值變動隨後入賬並無確認為計量期調整，而取決於或然代價如何劃分。劃分為權益的或然代價並無於隨後報告日期重新計量，而其隨後結算於權益內入賬。劃分為資產或負債的或然代價根據香港會計準則第39號「金融工具：確認及計量」或香港會計準則第37號「撥備、或然負債及或然資產」（如適用）於隨後報告日期重新計量，而相應的收益或虧損於損益中確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2011

截至2011年6月30日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations involving entities under common control

The consolidated financial statements incorporate the financial statements items of the combining entities in which the common control combination occurs as if they had been combined from the date when the combining entities first came under the control of the controlling party.

The net assets of the combining entities are combined using the existing book values from the controlling parties' perspective. No amount is recognised in respect of goodwill or as gain from bargain purchase, to the extent of the continuation of the controlling party's interest.

The consolidated statement of comprehensive income includes the results of each of the combining entities from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where this is a shorter period, regardless of the date of the common control combination.

Intangible assets

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortisation and any accumulated impairment loss. Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives. Alternatively, intangible assets with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses.

4. 重大會計政策 (續)

涉及共同控制實體的業務合併

綜合財務報表併入共同控制合併產生的合併實體的財務報表項目，猶如已於合併實體首次在控制方的控制下當日經已合併。

合併實體的資產淨值從控制方的角度以現有賬面值合併，且不會確認有關商譽或確認為議價購買收益的金額（倘控制方的權益存續）。

綜合全面收益表包括由最早呈列日期或合併實體首次在共同控制當日起各合併實體或業務的業績（以較短期間為準），而不論何日為共同控制合併日期。

無形資產

業務合併收購的無形資產與商譽分開確認及初步按收購日期的公平值（視為彼等的成本）確認。

於初步確認後，具備有限可使用年期的無形資產按成本減累計攤銷及任何累計減值虧損列賬。具備有限可使用年期的無形資產按估計可使用年期以直線法計提攤銷。相反地，具備無限可使用年期的無形資產按成本減任何其後累計減值虧損列賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2011

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts and sales related taxes.

Income from tutoring and educational services is recognised when the tutoring and educational services are rendered.

Management fee income is recognised when the management services are rendered.

Consultancy fee income is recognised when the consultancy services are rendered.

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Deferred income

Deferred income represents the tuition fee received in advance. Deferred income is recognised as revenue when the tuition services are rendered.

4. 重大會計政策 (續)

收入確認

收入按已收或應收代價的公平值計量，即於日常業務過程中就提供服務扣除折扣及銷售的相關稅項後的應收金額。

來自補習及教育服務的收入乃於提供補習及教育服務時確認。

管理費收入乃於提供管理服務時確認。

諮詢費收入乃於提供諮詢服務時確認。

金融資產的利息收入乃參考未到期本金，按時間比例基準及適用實際利率計算，實際利率乃於初步確認時按金融資產的預計年期將估計日後現金收入折讓至該資產賬面淨值的比率。

遞延收入

遞延收入指預收學費。遞延收入乃於提供補習服務時確認為收入。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment

Property, plant and equipment held for supply of services, or for administrative purposes are stated at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

Depreciation is provided to write off the cost of items of property, plant and equipment over their estimated useful lives using the straight-line method.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the profit or loss in the period in which the item is derecognised.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sales, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

4. 重大會計政策 (續)

物業、廠房及設備

持作供應服務或行政用途的物業、廠房及設備，乃按成本減其後的累計折舊及累計減值虧損列賬（如有）。

根據融資租賃持有的資產以與自置資產相同的基準，按其估計可使用年期或相關租約的較短年期折舊。

物業、廠房及設備項目的折舊，乃根據其估計可使用年期，按直線法攤銷其成本。

物業、廠房及設備項目於出售後或當預期持續使用該資產將不會產生未來經濟利益時不再確認。於不再確認該資產時所產生的任何收益或虧損（以出售所得款項淨額與該項目的賬面值的差額計算）將計入不再確認項目期間的損益內。

借款成本

因收購、興建或生產需要長時間籌備方可供其擬定用途或銷售的合資格資產所產生的直接借款成本，計入該等資產的成本中，直至該等資產已大致上可供其擬定用途或銷售。在特定借款撥作合資格資產的開支前暫時用作投資所已產生的投資收入，須自可予資本化的借款成本中扣除。

所有其他借款成本於其產生期間的損益中確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment

At the end of the reporting period, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. In addition, intangible assets with indefinite useful life are tested for impairment annually, and whenever there is an indication that they may be impaired. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

Financial instruments

Financial assets and financial liabilities are recognised on the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

4. 重大會計政策 (續)

減值

於報告期間結束時，本集團審閱其資產的賬面值，以釐定有否跡象顯示該等資產蒙受減值虧損。如有任何該等跡象，則會估計資產的可收回金額，以決定減值虧損（如有）的程度。此外，具無限可使用年期的無形資產乃每年及有跡象顯示可能出現減值時作減值測試。倘若估計資產的可收回金額低於賬面值，則資產的賬面值將調低至其可收回金額。減值虧損乃即時確認為開支。

倘若減值虧損其後撥回，則資產的賬面值會上調至其經修訂估計可收回金額，但所上調的賬面值不得超出倘若資產於以往年度並無確認減值虧損時原已釐定的賬面值。減值虧損回轉乃即時確認為收入。

金融工具

倘集團實體成為工具合約條文的訂約方，則金融資產及金融負債於綜合財務狀況報表內確認。金融資產及金融負債初步以公平值釐定。收購或發行金融資產及金融負債應佔的直接交易成本（按公平值計入損益的金融資產及金融負債除外）乃於初步確認時在金融資產或金融負債的公平值加入或扣除（視乎情況而定）。收購按公平值計入損益的金融資產及金融負債應佔的直接交易成本，應即時於損益中確認。

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綜合財務報表附註

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets

The Group's financial assets are mainly classified into one of two categories, including loans and receivables and financial assets at fair value through profit or loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees or points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables, amounts due from related parties, pledged bank deposits and bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment of financial assets below).

4. 重大會計政策 (續)

金融工具 (續)

金融資產

本集團的金融資產主要分類為兩個類別之一，包括貸款及應收款項以及按公平值計入損益的金融資產。

實際利率法

實際利率法為計算於相關期間金融資產攤銷成本及分配利息收入的方法。實際利率為將於金融資產的預期使用年期或較短年期（倘適用）精確貼現估計未來現金收入（包括組成實際利率整體一部分的所有已付或已收費用或積分、交易成本及其他溢價或折讓）至初始確認時的賬面淨值的利率。

債務工具的利息收入乃按實際利率基準確認。

貸款及應收款項

貸款及應收款項指未於活躍市場內報價而附帶固定或可議定付款的非衍生金融資產。於初步確認後，貸款及應收款項（包括貿易及其他應收款項、應收關連人士款項、已抵押銀行存款及銀行結餘及現金）使用實際利率法按攤銷成本減任何已識別減值虧損列賬（見下文金融資產減值的會計政策）。

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綜合財務報表附註

For the year ended 30 June 2011

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss represents derivative financial instruments that are not designated and effective as a hedging instrument.

Financial assets at fair value through profit or loss are measured at fair value, with changes in fair value arising from measurement recognised directly in profit or loss in the period in which they arise.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at the end of the reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occur after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been impacted.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

4. 重大會計政策 (續)

金融工具 (續)

金融資產 (續)

按公平值計入損益的金融資產

按公平值計入損益的金融資產指並未指定及有效作為對沖工具的衍生金融工具。

按公平值計入損益的金融資產乃按公平值計量，由於計量而產生的公平值變動於產生期間內直接於損益內確認。

金融資產減值

按公平值計入損益以外的金融資產於各報告期間結束時評定是否有減值跡象。當有客觀證據顯示金融資產的預期未來現金流量因於初步確認該金融資產後發生的一項或多項事件而受到影響時，即對該金融資產確認減值。

減值的客觀證據包括：

- 發行人或交易對手出現重大財政困難；或
- 未能繳付或延遲償還利息或本金；或
- 借款人有可能面臨破產或財務重組。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

For certain categories of loans and receivables, such as trade receivable, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a receivable could include the observable changes in national or local economic conditions that correlate with default on receivables.

An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

In a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

4. 重大會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (續)

就貸款及應收款項(例如貿易應收款項)的若干分類而言,並未被個別評估為減值的資產隨後以整體基準予以評估。應收款項減值的客觀證據包括與拖欠應收款項有關的國家或當地經濟狀況的明顯改變。

減值虧損乃當可實質證明資產減值時於損益中確認,並按該資產的賬面值與按原先實際利率折讓的估計未來現金流量的現值間的差額計量。

所有金融資產的減值虧損會直接於金融資產的賬面值中作出扣減,惟貿易及其他應收款項除外,其賬面值會透過撥備賬作出扣減。撥備賬內的賬面值變動會於損益中確認。當貿易應收賬款被視為不可收回時,其將於撥備賬內撇銷。過往已撇銷的款項如其後收回,將撥回損益內。

減值虧損額於往後期間有所減少,而有關減少在客觀上與確認減值虧損後發生的事件有關,則先前已確認的減值虧損將透過損益予以撥回,惟該資產於減值被撥回當日的賬面值不得超過未確認減值時的已攤銷成本。

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綜合財務報表附註

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截至2011年6月30日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis for debt instruments.

Financial liabilities

Financial liabilities including other payables, amounts due to related parties and bank and other borrowings are subsequently measured at amortised cost, using the effective interest method.

4. 重大會計政策 (續)

金融工具 (續)

金融負債及股本

由集團實體發行的金融負債及股本工具根據所訂立合約安排的內容及金融負債與股本工具的定義予以分類。

股本工具指證明於本集團資產經扣除其所有負債後的剩餘權益的任何合約。

實際利率法

實際利率法為計算於相關期間金融負債攤銷成本及分配利息開支的方法。實際利率為按金融負債的預期使用年期或較短年期(倘適用)精確貼現估計未來現金付款(包括組成實際利率整體一部分的所有已付或已收費用、交易成本及其他溢價或折讓)至初始確認時的賬面淨值的利率。

債務工具的利息開支乃按實際利率基準確認。

金融負債

金融負債包括其他應付款項、應付關連人士款項以及銀行及其他借款，其後以實際利率法按攤銷成本計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Equity instruments

Equity instruments issued by a group entity are recorded at the proceeds received, net of direct issue cost.

Derivative financial instruments

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to fair values at the end of each reporting period. The resulting gain or loss is recognised to profit or loss immediately.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised directly in equity is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

4. 重大會計政策 (續)

金融工具 (續)

金融負債及股本 (續)

股本工具

集團實體發行的股本工具按已收所得款項 (扣除直接發行成本) 記賬。

衍生金融工具

衍生工具於訂立衍生工具合約日期時初始按公平值確認，並其後於各報告期間結束時重新計量至公平值。所產生的收益或虧損即時於損益中確認。

終止確認

當從金融資產收取現金流的權利屆滿，或金融資產被轉讓以及本集團已轉讓該項金融資產擁有權的絕大部份風險及報酬時，有關金融資產將被終止確認。於終止確認金融資產時，該項資產的賬面值與已收及應收代價及直接於權益中確認的累計盈虧的總和間的差額，於損益中確認。

當有關合約所訂明的責任已被履行、取消或屆滿時，金融負債將被終止確認。終止確認的金融負債的賬面值與已付及應付代價間的差額於損益中確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes income and expense that are never taxable nor deductible. The Group's liability for current tax is calculated using the tax rate that has been enacted or substantially enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

4. 重大會計政策 (續)

稅項

所得稅支出指現時應付稅項及遞延稅項之總和。

現時應付稅項乃按本年度應課稅溢利計算。應課稅溢利與合併全面收益表中所報溢利不同，乃由於前者不包括在其他期間應課稅或可扣稅收入或開支，並且不包括不能課稅及扣稅的收入及開支。本集團的本期稅項負債乃按報告期間結束時已實行或大致上已實行的稅率計算。

遞延稅項指就資產及負債賬面值與計算應課稅溢利所用相應稅基間的臨時差額而確認。遞延稅項負債通常會就所有應課稅臨時差額確認。遞延稅項資產於可能出現應課稅溢利以抵銷可扣稅的臨時差額時確認。若於一項交易中，因業務合併以外原因開始確認其他資產及負債而引致的臨時差額既不影響應課稅溢利亦不影響會計溢利，則不會確認該等資產及負債。

遞延稅項負債乃按因於附屬公司的投資而引致的應課稅臨時差額而確認，惟若本集團可控制臨時差額撥回及臨時差額有可能未必於可見將來撥回的情況除外。與該等投資相關的可扣減臨時差額產生的遞延稅項資產僅於可能將有足夠應課稅溢利以應用臨時差額利益且預期於可見將來撥回時方始確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchange prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

4. 重大會計政策 (續)

稅項 (續)

遞延稅項資產的賬面值乃於各報告期間結束時檢討，並扣減至不再有足夠應課稅溢利可抵銷全部或部分將收回的資產為止。

遞延稅項資產及負債按預期清付負債或變現資產期間適用的稅率，按於報告期間結束時已實施或大致實施稅率（及稅法）計量。遞延稅項負債及資產的計量反映於報告期間結束時本集團預期收回或清付其資產及負債賬面值的方式而引致的稅務後果。遞延稅項於損益中確認，惟倘其與於其他全面收入或直接於權益確認的項目相關，在此情況下，則遞延稅項亦會分別於其他全面收入或直接於權益中確認。

外幣

編製各獨立集團實體的財務報表時，以該實體的功能貨幣以外的貨幣（外幣）進行的交易，以其各自的功能貨幣（即該實體經營的主要經濟環境的貨幣）按交易當日的匯率入賬。於報告期間結束時，以外幣列值的貨幣項目以當日的匯率重新換算。以外幣列值按公平值入賬的非貨幣項目，按釐定其公平值當日之匯率重新換算。按歷史成本以外幣入賬的非貨幣項目，不作換算。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the foreign operations are translated into the presentation currency of the Group (i.e. HK\$) at the rate of exchange prevailing at the end of the reporting period, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (the translation reserve).

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as the lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to profit or loss.

Operating lease payments are recognised as an expense on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

4. 重大會計政策 (續)

外幣 (續)

結算及換算貨幣項目所產生的匯兌差額於產生期間的損益內確認。

就呈列綜合財務報表而言，海外經營業務的資產及負債乃按於報告期間結束時的適用匯率換算為本集團的列賬貨幣（即港元），而其收入及開支乃按該年度的平均匯率進行換算，惟倘期內匯率顯著波動則除外，於該情況下，則採用交易日期當日匯率。所產生的匯兌差額（如有）乃於其他全面收入中確認並於權益中累計（匯兌儲備）。

租賃

當租賃的條款將絕大部分的擁有權風險及回報轉移予承租人時，有關租賃即分類為融資租賃。所有其他租賃則分類為經營租賃。

本集團作為承租人

按融資租賃持有的資產按租賃開始時的公平值或（倘為較低者）按最低租賃付款的現值確認為本集團資產。出租人的相應負債於綜合財務狀況表列作融資租賃承擔。租賃付款按比例分配至財務費用及減少租賃承擔，從而使該等負債的應付餘額息率固定。財務費用乃直接計入損益中。

經營租賃付款乃於有關租賃的年期內以直線法確認為開支。作為訂立經營租賃的獎勵，已取及應收的利益乃於租賃年期內以直線法確認為租金開支的扣減。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Retirement benefit costs

Payments to retirement benefit plans and government-managed retirement benefit schemes are charged as expenses when employees have rendered service entitling them to the contributions.

Provision for long service payments

Provision for long service payments under the requirements of the Hong Kong Employment Ordinance is recognised when the employees have rendered services entitling them to the benefits. The amounts recognised are determined at the management's best estimate of the future cash outflow for settlement of the obligations and measured on a discounted basis, if the effect is material.

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the process of applying the Group's accounting policies which are described in note 4, the management has made judgements that have significant effect on the amounts recognised in the consolidated financial statements. The key assumption concerning the future, and other key source of estimation uncertainty at the end of each reporting period, that has a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year, are discussed below.

Estimated impairment of intangible asset with indefinite useful lives

Determining whether the intangible asset is impaired requires an estimation of the value in use of the cash generating unit ("CGU") to which intangible asset has been allocated. The value in use calculation requires to the Group to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 30 June 2011, the carrying amount of the intangible asset with indefinite useful life is HK\$2,957,000 (2010: nil). Details of the recoverable amount calculation are disclosed in Note 17.

4. 重大會計政策 (續)

退休福利成本

退休福利計劃及政府管理退休福利計劃款項於僱員提供的服務令其獲得供款時列作開支扣除。

長期服務金撥備

按照香港僱傭條例規定的長期服務金撥備於僱員提供的服務令其獲得福利時確認。所確認金額乃按管理層對未來現金流出以履行責任的最佳估計釐定並按已折讓基準計量(倘影響屬重大)。

5. 估計不確定性的主要來源

於應用本集團會計政策(見附註4所述)的過程中,管理層已作出會對已於綜合財務報表內確認的數額產生重大影響的判斷。涉及日後的主要假設及於各報告期間結束時估計不確定性的其他主要來源(均擁有導致未來財政年度內的資產及負債的賬面值出現大幅調整的重大風險)亦於下文討論。

具無限可使用年期的無形資產的估計減值

釐定無形資產是否減值需要估計無形資產所獲分配的現金產生單位(「現金產生單位」)的使用價值。使用價值計算需要本集團估計預期自現金產生單位產生的未來現金流量及為計算現值的合適貼現率。倘實際未來現金流量低於預期,則可能會產生重大減值虧損。於2011年6月30日,具無限可使用年期的無形資產的賬面值為2,957,000港元(2010年:無)。可收回金額計算的詳情於附註17披露。

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綜合財務報表附註

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5. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Provision for long service payments

The provision for long service payments is based on the best estimate of the future payments required to settle the obligations under the Hong Kong Employment Ordinance in relation to the employees of the Group in Hong Kong.

In making this judgement, the Group mainly considers the number of current employees who have achieved the required number of years of service to the Group, at the end of the reporting period, who are eligible for long service payments under the Hong Kong Employment Ordinance, the employee turnover rate as well as salary growth. Any change in these estimations will affect the provision to be recognised. Details are disclosed in Note 27.

6. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debts net of cash and cash equivalents and equity attributable to owners of the Company, comprising share capital and accumulated profits.

The management reviews the capital structure on a regular basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital, and will balance its overall capital structure through arrangement of borrowings, payment of dividends and new shares issues.

5. 估計不確定性的主要來源 (續)

長期服務金撥備

長期服務金撥備乃按照對須履行按照香港僱傭條例有關本集團於香港僱員的責任所作出未來付款的最佳估計計算。

在作出此判斷時，本集團主要考慮於報告期間結束時，符合所需服務本集團年資並合資格獲得香港僱傭條例項下的長期服務金的目前僱員人數、僱員流失率以及薪金增長。此等估計的任何變動將影響予以確認的撥備。詳情於附註27披露。

6. 資本風險管理

本集團管理其資本以確保本集團實體能持續經營，並透過優化債務及權益平衡盡量提高股東回報。自上年度起整體策略維持不變。

本集團的資本架構包括現金及現金等價物及本公司擁有人應佔權益（包括股本及累計溢利）。

管理層定期檢討資本架構。作為本審閱的一部分，管理層考慮資本成本與各類別資本有關的風險，並將透過安排借款、派付股息及發行新股份平衡其整體資本架構。

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7. FINANCIAL INSTRUMENTS

7. 金融工具

Categories of financial instruments

金融工具類別

		2011 HK\$'000 千港元	2010 HK\$'000 千港元
Financial assets	金融資產		
Loan and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及現金等價物)	19,550	45,412
Derivative financial instruments	衍生金融工具	3,530	-
Rental deposits	租金按金	24,511	15,493
Financial liabilities	金融負債		
Amortised cost	已攤銷成本	62,387	8,858
Obligations under finance leases	融資租賃承擔	-	2,114

Financial risk management objectives and policies

The Group's major financial instruments include derivative financial instruments, trade and other receivables, pledged bank deposits, bank balances and cash, other payables, amounts due from/to related parties and bank and other borrowings. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Credit risk

The maximum exposure to credit risk in the event of the counterparties failure to perform their obligations at the end of the reporting period in relation to each class of recognised financial assets is the carrying amount of those assets in the consolidated statement of financial position. Other than financial assets described as below, the management considers the credit risk on remaining financial assets are minimal.

財務風險管理目標及政策

本集團的主要金融工具包括衍生金融工具、貿易及其他應收款項、已抵押銀行存款、銀行結餘及現金、其他應付款項、應收／應付關連人士款項、銀行及其他借款。金融工具的詳情於各附註中披露。有關該等金融工具的風險及如何減輕該等風險的政策載於下文。管理層管理及監察該等風險，以確保適時及有效地實施適當措施。

信貸風險

倘交易對方於報告期間結束時未能履行其責任，則就每類已確認金融資產承受的最大信貸風險，相當於綜合財務狀況表呈列的資產賬面值。除下述的金融資產外，管理層認為餘下金融資產的信貸風險有限。

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7. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk (Continued)

As at 30 June 2010, the Group had significant amounts due from its related parties that were controlled by or under the joint control of the shareholders of Sino Network (and the Company after the Group Reorganisation). The management considered the credit risk for amounts due from related parties as at 30 June 2011 was not significant because the shareholders of Sino Network (and the Company after the Group Reorganisation) are of sound financial position. As at 30 June 2011, there were no amounts due from related parties (2010: HK\$20,332,000).

The credit risk on pledged bank deposits and bank balances is minimal as such amounts are placed with banks with good reputation.

Other than concentration of credit risk on liquid funds which are deposited with several banks with high credit ratings, the Group does not have any other significant concentration of credit risk.

Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate bank and other borrowings. The Group is also exposed to cash flow interest rate risk through the impact of rate changes on interest bearing financial assets, mainly interest bearing pledged bank deposits and bank balances at the prevailing market interest rates. The Group currently does not have an interest rate hedging policy. However, the management will consider hedging significant interest rate risk should the need arise. The management considers the Group's exposure to cash flow interest rate risk is not material. Hence, no sensitivity analysis is presented.

7. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險 (續)

於2010年6月30日，本集團有應收由Sino Network (及集團重組後為本公司)股東控制或共同控制的關連人士的重大款項。管理層認為於2011年6月30日應收關連人士款項的信貸風險並不重大，乃因為Sino Network (及集團重組後為本公司)股東有穩健的財務狀況。於2011年6月30日，概無應收關連人士款項 (二零一零年：20,332,000港元)。

由於已抵押銀行存款及銀行結餘存放於信譽良好的銀行，故信貸風險有限。

除存放於幾家高信貸評級銀行的流動資金的集中信貸風險外，本集團並無任何其他高度集中信貸風險。

利率風險

本集團承受與銀行及其他借款定息有關的公平值利率風險。本集團亦因計息金融資產 (主要為按現行市場利率計息的已抵押銀行存款及銀行結餘)受利率改變影響而承受現金流量利率風險。本集團目前並無利率對沖政策。然而，管理層將在有需要時考慮對沖重大利率風險。管理層認為本集團面臨的現金流量利率風險並不重大。因此，並無呈列敏感度分析。

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7. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies

(Continued)

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents which is deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay and includes both interest and principal cash flows for non-derivative financial liabilities.

In addition, the following table details the Group's liquidity analysis for its derivative financial instruments. The table has been drawn up based on the undiscounted gross cash outflows on derivative financial instruments that require gross settlement. The liquidity analysis for the Group's derivative financial instruments is prepared based on the contractual maturities as the management considers that the contractual maturities are essential for an understanding of the timing of the cash flows of derivatives.

7. 金融工具 (續)

財務風險管理目標及政策 (續)

流動資金風險

於管理流動資金風險時，本集團監督及維持現金及現金等價物處於管理層認為充足的水平，以撥付本集團的營運及減低現金流量波動的影響。

下表載列本集團的非衍生金融負債餘下合約到期的詳情。列表乃根據本集團須還款的最早日期，按非衍生金融負債的未貼現現金流量而編製，包括利息及本金現金流量。

此外，下表詳載本集團就其衍生金融工具所作的流動性分析。列表乃根據須按毛額結算的衍生金融工具的未貼現毛現金流出而編製。對本集團衍生金融工具所作的流動性分析是在合約期限的基礎上準備的，因為管理層認為合約期限是掌握衍生工具現金流量時間的基礎。

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7. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

7. 金融工具 (續)

財務風險管理目標及政策 (續)

流動資金風險 (續)

		Weighted average interest rate 加權平均利率	On demand or within 1 year 按要求或 1年內 HK\$'000 千港元	More than 1 year but not more than 5 years 1年以上 但不超過5年 HK\$'000 千港元	Total undiscounted cash flows 未貼現 現金流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
As at 30 June 2011	於2011年6月30日					
<i>Non-derivative financial liabilities</i>	<i>非衍生金融負債</i>					
Other payables	其他應付款項	N/A 不適用	9,196	-	9,196	9,196
Amounts due to related parties	應付關連人士款項	N/A 不適用	3,600	-	3,600	3,600
Bank and other borrowings (Note i)	銀行及其他借貸 (附註i)	5.2%	49,818	-	49,818	49,591
			62,614	-	62,614	62,387
Derivative – gross settlement	衍生工具 – 按毛額結算					
Contingent consideration arising from business combination (Note ii)	業務合併產生的或 然代價 (附註ii)	N/A 不適用	-	2,000	2,000	-
Vendor Put Option (as defined in Note 30) (Note iii)	賣方認沽期權 (定義見附註30) (附註iii)	N/A 不適用	-	17,160	17,160	-
			-	19,160	19,160	-
As at 30 June 2010	於2010年6月30日					
<i>Non-derivative financial liabilities</i>	<i>非衍生金融負債</i>					
Other payables	其他應付款項	N/A 不適用	3,834	-	3,834	3,834
Amounts due to related parties	應付關連人士款項	N/A 不適用	5,024	-	5,024	5,024
Obligations under finance leases	融資租賃承擔	7.6%	1,132	1,177	2,309	2,114
			9,990	1,177	11,167	10,972

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For the year ended 30 June 2011

截至2011年6月30日止年度

7. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies

(Continued)

Liquidity risk (Continued)

Notes:

- (i) Bank loan with a repayment on demand clause is included in the “on demand or within 1 year” time band in the above maturity analysis. At 30 June 2011, the aggregate undiscounted principal amount of such bank loan amounted to HK\$9,538,000. Subsequent to the Listing Date of the Company, such bank loan together with interest amounting to HK\$9,556,000 was fully settled in July 2011.
- (ii) The amount included above for contingent consideration arising from business combination is the maximum amount the Group could be required to pay under the Acquisition Agreement (as defined in Note 30), if the conditions set out in the agreement have been fulfilled (see Note 30). Based on expectations at the end of the reporting period, the management considers that it is unlikely that any amount will be payable as contingent consideration.
- (iii) The Vendor Put Option refers to a put option held by the non-controlling shareholders of Able Investment arising from business combination and the amount disclosed above is the maximum amount the Group could be required to pay under the Acquisition Agreement, if the conditions specified in the agreement have been fulfilled (see Note 30). Based on expectations at the end of the reporting period, the management considers that it is unlikely that any amount will be payable under the Vendor Put Option.

7. 金融工具 (續)

財務風險管理目標及政策 (續)

流動資金風險 (續)

附註：

- (i) 附有按要求償還條款的銀行貸款計入上述到期日分析中的「按要求或1年內」時間組別。於2011年6月30日，有關銀行貸款的未折現本金總額為9,538,000港元。於本公司的上市日期後，有關銀行貸款連同利息為9,556,000港元已於2011年7月悉數償還。
- (ii) 上述就業務合併產生的或然代價包括的金額為本集團可被要求根據收購協議（定義見附註30）支付的最高金額，惟倘該協議所載條件已獲履行（見附註30）。根據報告期間結束時所預計，管理層認為不大可能有任何金額將支付為或然代價。
- (iii) 賣方認沽期權指利東投資的非控股股東就業務合併所產生而持有的認沽期權，而上述所披露金額為本集團可被要求根據收購協議支付的最高金額，惟倘該協議所載條件已獲履行（見附註30）。根據報告期間結束時所預計，管理層認為不大可能有任何金額將根據賣方認沽期權予以支付。

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綜合財務報表附註

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7. FINANCIAL INSTRUMENTS (Continued)

Fair value

The fair value of financial assets (excluding derivative financial instruments) and financial liabilities is determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The fair value of derivative financial instruments is calculated using the binomial option pricing model.

The management considers that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate to their fair values at the end of each reporting period.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Derivative financial instruments are measured subsequent to initial recognition at fair value and grouped into Level 3.

7. 金融工具 (續)

公平值

金融資產(不包括衍生金融工具)及金融負債的公平值乃根據按折現現金流量分析的公認定價模式釐定。

衍生金融工具的公平值乃採用二項式期權定價模式計算。

管理層認為按已攤銷成本於綜合財務報表記賬的金融資產及金融負債的賬面值與其於各報告期間結束時的公平值相若。

下表提供初步按公平值確認後計量的金融工具分析，按照公平值觀察所得程度分為第一至三級。

- 第一級公平值計量乃自相同資產或負債於活躍市場中所報(未調整)價格得出。
- 第二級公平值計量乃除第一級計入的報價外，自資產或負債可直接(即價格)或間接(即自價格衍生)觀察輸入數據得出。
- 第三級公平值計量乃計入並非根據可觀察市場數據(無法觀察輸入數據)的資產或負債的估值方法得出。

衍生金融工具乃初步按公平值確認後計量及分為第三級。

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綜合財務報表附註

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7. FINANCIAL INSTRUMENTS (Continued)

Fair value (Continued)

Reconciliation of Level 3 fair value measurements of derivative financial instruments is as follows:

		2011 HK\$'000 千港元	2010 HK\$'000 千港元
At beginning of the year	於年初	-	-
Acquisition of subsidiaries (see Note 30)	收購附屬公司(見附註30)	3,308	-
Change in fair value	公平值的變動	222	-
At end of the year	於年終	3,530	-

8. REVENUE AND SEGMENT INFORMATION

HKFRS 8 "Operating segments" requires operating segments to be identified on the basis of internal reports about the Group's business units that are regularly reviewed by the chief operating decision maker, Mr. Ng Kam Lun, Eric the chairman of the Group, in order to allocate resources and to assess performance. Before the Share Transfer, the chief operating decision maker regularly reviews the financial statements of entities under his control. After the Share Transfer, the chief operating decision maker regularly reviews revenue analysis by services provided, including secondary tutoring services, secondary day school education, primary tutoring services, English language training and test preparation courses, technical consultation, management and software licensing services and overseas studies consultation services. Other than the revenue analysis, no operating results and other discrete financial information is provided to the chief operating decision maker for the assessment of performance of the respective services provided. Hence, the Group's operation is regarded as a single operating segment.

7. 金融工具(續)

公平值(續)

衍生金融工具的第三級公平值計量的對賬如下:

		2011 HK\$'000 千港元	2010 HK\$'000 千港元
At beginning of the year	於年初	-	-
Acquisition of subsidiaries (see Note 30)	收購附屬公司(見附註30)	3,308	-
Change in fair value	公平值的變動	222	-
At end of the year	於年終	3,530	-

8. 收入及分部資料

香港財務報告準則第8號「經營分部」規定經營分部按首席經營決策者吳錦倫先生(本集團主席)為分配資源及評估表現而定期審閱的本集團業務單位的內部報告的基準識別。於股份轉讓前,首席經營決策者定期審閱受其控制的實體的財務報表。於股份轉讓後,首席經營決策者以所提供服務,包括中學補習服務、正規日校課堂、小學輔導服務、英語培訓及應試課程、技術諮詢、管理及軟件許可服務以及海外升學諮詢服務,定期審閱收入分析。除收入分析外,首席經營決策者不會獲提供經營業績及其他個別財務資料,以評估所提供各服務的表現。因此,本集團的營運視為單一經營分部。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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8. REVENUE AND SEGMENT INFORMATION (Continued)

An analysis of the Group's revenue by services is as follows:

		2011 <i>HK\$'000</i> 千港元	2010 <i>HK\$'000</i> 千港元
Secondary tutoring services	中學補習服務	209,263	308,492
Secondary day school education	正規日校課堂	33,389	33,130
Primary tutoring services	小學輔導服務	5,106	-
English language training and test preparation courses	英語培訓及應試課程	17,927	10,712
Technical consultation, management and software licensing services	技術諮詢、管理及軟件許可服務	2,221	879
Overseas studies consultation services	海外升學諮詢服務	708	-
		268,614	353,213

The Group's assets and revenue derived from activities located outside Hong Kong are less than 1% of the Group's assets and revenue, respectively.

No individual customer accounted for over 10% of the Group's total revenue during both years.

8. 收入及分部資料 (續)

以服務分類的本集團收入分析如下：

		2011 <i>HK\$'000</i> 千港元	2010 <i>HK\$'000</i> 千港元
Secondary tutoring services	中學補習服務	209,263	308,492
Secondary day school education	正規日校課堂	33,389	33,130
Primary tutoring services	小學輔導服務	5,106	-
English language training and test preparation courses	英語培訓及應試課程	17,927	10,712
Technical consultation, management and software licensing services	技術諮詢、管理及軟件許可服務	2,221	879
Overseas studies consultation services	海外升學諮詢服務	708	-
		268,614	353,213

本集團來自香港以外業務的資產及收入分別少於本集團資產及收入1%。

於兩個年度期間，概無個別客戶佔本集團總收入超過10%。

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9. OTHER INCOME AND EXPENSES

9. 其他收入及開支

		2011 <i>HK\$'000</i> 千港元	2010 <i>HK\$'000</i> 千港元
Interest income	利息收入	1	2
Gain (loss) on disposal/written off of property, plant and equipment	出售／撇銷物業、廠房及設備的收益（虧損）	2,439	(895)
Change in fair value of derivative financial instruments	衍生金融工具的公平值變動	222	-
Printing fee income	印刷費收入	600	-
Others	其他	1,211	972
		<u>4,473</u>	<u>79</u>

10. FINANCE COSTS

10. 融資成本

		2011 <i>HK\$'000</i> 千港元	2010 <i>HK\$'000</i> 千港元
Interests on bank and other borrowings wholly repayable within five years	須於五年內悉數償還的銀行及其他借款的利息	403	3
Interests on finance leases	融資租賃利息	153	221
		<u>556</u>	<u>224</u>

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11. PROFIT BEFORE TAXATION

11. 除稅前溢利

		2011 HK\$'000 千港元	2010 HK\$'000 千港元
Profit before taxation has been arrived at after charging:	除稅前溢利已扣除下列項目：		
Directors' remuneration (Note 12)	董事薪酬 (附註12)	5,111	8,223
Other staff costs	其他員工成本	49,717	51,058
Other staff's retirement benefit scheme contributions	其他員工的退休福利計劃供款	1,858	1,954
		56,686	61,235
Tutor contractor fee to Directors (Note 12)	向董事支付的導師承包費 (附註12)	(1,969)	(2,874)
Staff costs	員工成本	54,717	58,361
Auditor's remuneration	核數師薪酬	1,043	642
Allowance for doubtful debts	呆賬撥備	-	159
Provision for long service payments	長期服務金撥備	181	637

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綜合財務報表附註

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11. PROFIT BEFORE TAXATION (Continued)

Tutor contractor fee is calculated based on certain percentage of revenue derived from the secondary tutoring services and English language training and test preparation courses.

Operating lease payments represent the minimum lease payments under operating leases paid or payable to lessors which are independent third parties.

11. 除稅前溢利 (續)

導師承包費乃根據來自中學補習服務及英語培訓及應試課程收入的若干百分比計算。

經營租賃付款指根據經營租賃向出租人(為獨立第三方)已付或應付的最低租賃付款。

12. DIRECTORS' EMOLUMENTS AND THE FIVE HIGHEST PAID INDIVIDUALS

12. 董事酬金及五位最高薪酬人士

		2011 HK\$'000 千港元	2010 HK\$'000 千港元
Directors' fees	董事袍金	–	–
Other emoluments to Directors	向董事支付的其他酬金		
– basic salaries, bonus and allowances	– 基本薪金、花紅及津貼	3,094	5,301
– retirement benefit scheme contributions	– 退休福利計劃供款	48	48
		<u>3,142</u>	<u>5,349</u>
Tutor contractor fee to Directors	向董事支付的導師承包費	1,969	2,874
		<u>5,111</u>	<u>8,223</u>

The bonus is determined with reference to the operating results, individual performance and comparable market statistics during both years.

花紅乃經參考於兩年內的經營業績、個人表現及可比較市場統計數據而釐定。

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For the year ended 30 June 2011

截至2011年6月30日止年度

12. DIRECTORS' EMOLUMENTS AND THE FIVE HIGHEST PAID INDIVIDUALS (Continued)

12. 董事酬金及五位最高薪酬人士 (續)

Details of emoluments paid by the Group to the Directors are as follows:

本集團向本公司董事支付的酬金詳情如下：

		2011 HK\$'000 千港元	2010 HK\$'000 千港元
Mr. Ng Kam Lun, Eric	吳錦倫先生		
– basic salaries, bonus and allowances	– 基本薪金、花紅及津貼	660	1,242
– retirement benefit scheme contributions	– 退休福利計劃供款	12	12
		<u>672</u>	<u>1,254</u>
Ms. Yiu Wai Yee, Catherine	姚慧儀女士		
– basic salaries, bonus and allowances	– 基本薪金、花紅及津貼	960	1,371
– retirement benefit scheme contributions	– 退休福利計劃供款	12	12
		<u>972</u>	<u>1,383</u>
Mr. Ng Norman	吳樂憫先生		
– basic salaries, bonus and allowances	– 基本薪金、花紅及津貼	814	1,092
– tutor contractor fee	– 導師承包費	763	976
– retirement benefit scheme contributions	– 退休福利計劃供款	12	12
		<u>1,589</u>	<u>2,080</u>
Mr. Lee Wai Lok, Ignatious	李偉樂先生		
– basic salaries, bonus and allowances	– 基本薪金、花紅及津貼	660	1,596
– tutor contractor fee	– 導師承包費	1,206	1,898
– retirement benefit scheme contributions	– 退休福利計劃供款	12	12
		<u>1,878</u>	<u>3,506</u>
Total	總計	<u>5,111</u>	<u>8,223</u>

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2011
截至2011年6月30日止年度

12. DIRECTORS' EMOLUMENTS AND THE FIVE HIGHEST PAID INDIVIDUALS (Continued)

12. 董事酬金及五位最高薪酬人士 (續)

Details of tutor contractor fee of the five highest paid individuals (excluding Directors) during the year are as follows:

於年內，五位最高薪酬人士（不包括董事）的導師承包費如下：

		2011 HK\$'000 千港元	2010 HK\$'000 千港元
Tutor contractor fee	導師承包費	<u>45,673</u>	<u>62,888</u>

Tutor contractor fee was collected by individuals through their service companies during the year. Their tutor contractor fees were within the following bands:

導師承包費乃個別人士於年內透過其服務公司收取。彼等的導師承包費介乎下列組別：

		Number of individuals 人數	
		2011	2010
HK\$6,500,001 to HK\$7,000,000	6,500,001港元至7,000,000港元	1	-
HK\$7,000,001 to HK\$7,500,000	7,000,001港元至7,500,000港元	-	1
HK\$8,500,001 to HK\$9,000,000	8,500,001港元至9,000,000港元	2	-
HK\$9,500,001 to HK\$10,000,000	9,500,001港元至10,000,000港元	1	-
HK\$10,500,001 to HK\$11,000,000	10,500,001港元至11,000,000港元	-	1
HK\$11,500,001 to HK\$12,000,000	11,500,001港元至12,000,000港元	1	-
HK\$12,000,001 to HK\$12,500,000	12,000,001港元至12,500,000港元	-	1
HK\$14,000,001 to HK\$14,500,000	14,000,001港元至14,500,000港元	-	1
HK\$18,000,001 to HK\$18,500,000	18,000,001港元至18,500,000港元	-	1
		<u>5</u>	<u>5</u>

No emoluments were paid by the Group to the Directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office and no Directors waived any emoluments during both years.

於兩年內，本集團並無向董事或五位最高薪酬人士支付酬金作為吸引加入或於加入本集團時的酬金或作為離職補償，亦概無董事放棄任何酬金。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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截至2011年6月30日止年度

13. TAXATION

13. 稅項

		2011 HK\$'000 千港元	2010 HK\$'000 千港元
The taxation comprises:	稅項包括：		
Hong Kong Profits Tax:	香港利得稅：		
Current year	本年度	6,901	8,672
Overprovision in prior years	過往年度超額撥備	(470)	(42)
		6,431	8,630
PRC Enterprise Income Tax:	中國企業所得稅：		
Current year	本年度	134	-
Deferred tax (<i>Note 25</i>):	遞延稅項 (<i>附註25</i>):		
Current year	本年度	(969)	(153)
Taxation for the year	年度稅項	5,596	8,477

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

香港利得稅根據兩個年度的估計應課稅溢利按16.5%的稅率計算。

The provision for PRC Enterprise Income Tax is based on the estimated taxable income for PRC taxation purposes at the rate of taxation applicable to each year. Subsidiaries established in the PRC were subject to Enterprise Income Tax at 25%.

中國企業所得稅撥備根據中國的估計應課稅收入按各年度適用稅率計算。於中國成立的附屬公司須按25%繳納企業所得稅。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2011

截至2011年6月30日止年度

13. TAXATION (Continued)

Taxation charge for the year is reconciled to profit before taxation as follows:

13. 稅項 (續)

本年度的稅項支出與除稅前溢利的對賬如下：

		2011 HK\$'000 千港元	2010 HK\$'000 千港元
Profit before taxation	除稅前溢利	<u>26,106</u>	<u>48,535</u>
Tax at Hong Kong Profits Tax rate of 16.5% (2010: 16.5%)	按香港利得稅稅率16.5%計算的稅項 (2010年: 16.5%)	4,307	8,008
Tax effect of income not taxable for tax purposes	毋須課稅收入的稅務影響	(37)	-
Tax effect of expenses not deductible for tax purposes	不可扣稅支出的稅務影響	1,755	555
Overprovision in prior years	過往年度超額撥備	(470)	(42)
Effect of different tax rate of subsidiaries operating in the PRC	於中國經營的附屬公司稅率不同的影響	46	21
Others	其他	<u>(5)</u>	<u>(65)</u>
Taxation for the year	年度稅項	<u>5,596</u>	<u>8,477</u>

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2011
截至2011年6月30日止年度

14. EARNINGS PER SHARE

(i) Earnings per share – financial reporting

The calculation of the basic earnings per share attributable to the owners of the Company for the year is based on the following data:

		2011 <i>HK\$'000</i> 千港元	2010 <i>HK\$'000</i> 千港元
Profit for the year attributable to owners of the Company	本公司擁有人應佔年度溢利	<u>20,538</u>	<u>40,076</u>
Weighted average number of ordinary shares for the purpose of basic earnings per share	就每股基本盈利而言，普通股加權平均數	<u>284,000,000</u>	<u>259,858,752</u>
Basic earnings per share (<i>HK cents</i>)	每股基本盈利 (港仙)	<u>7.23</u>	<u>15.42</u>

14. 每股盈利

(i) 每股盈利 – 財務申報

本公司擁有人於本年度應佔每股基本盈利乃根據以下數據計算：

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2011
截至2011年6月30日止年度

14. EARNINGS PER SHARE (Continued)

14. 每股盈利 (續)

(ii) Earnings per share – management reporting

Adjusted earnings per share are based on a component of profit for the year which is used by the Directors for its financial management purposes. The calculation of these adjusted basic earnings per share for the year is based on the following data, which are determined by the Directors:

(ii) 每股盈利—管理層申報

經調整每股盈利乃根據董事用作其財務管理用途的年度溢利部分得出。該等經調整本年度每股基本盈利乃根據董事釐定的以下數據計算：

		2011 HK\$'000 千港元	2010 HK\$'000 千港元
Profit for the year attributable to owners of the Company	本公司擁有人應佔年度溢利	20,538	40,076
Adjusted for:	經調整：		
Listing expenses	上市開支	<u>10,408</u>	<u>3,292</u>
Adjusted profit for the year attributable to owners of the Company for the purpose of adjusted basic earnings per share	就每股經調整基本盈利而言，本公司擁有人應佔經調整年度溢利	<u>30,946</u>	<u>43,368</u>
Weighted average number of ordinary shares for the purpose of adjusted basic earnings per share	就每股經調整基本盈利而言，普通股加權平均數	<u>284,000,000</u>	<u>259,858,752</u>
Adjusted basic earnings per share (HK cents)	每股經調整盈利 (港仙)	<u>10.90</u>	<u>16.69</u>

The calculation of the basic earnings per share for the year is based on the profit for the year attributable to owners of the Company and 284,000,000 (2010: weighted average of 259,858,752) shares of the Company in issue during the year ended 30 June 2011 after taking into account the Share Transfer and share swap pursuant to the Group Reorganisation as stated in Note 2.

每股基本盈利乃根據本公司擁有人應佔年度溢利及本公司於截至2011年6月30日止年度內已發行284,000,000股(2010年：加權平均259,858,752股)股份計算，已計及附註2所列根據集團重組進行的股份轉讓及股份掉期。

No diluted earnings per share is presented as there were no potential ordinary shares outstanding during both years.

由於兩個年度內並無尚未發行的潛在普通股，故並無呈列每股攤薄盈利。

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綜合財務報表附註

For the year ended 30 June 2011
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15. DIVIDENDS

No dividend has been paid or proposed by the Company since its date of incorporation. However, Sino Network and Express Education made the following distributions to their then shareholders prior to the completion of the Group Reorganisation.

15. 股息

本公司自其註冊成立日期以來並無宣派或擬宣派股息。然而，於集團重組完成前，Sino Network及Express Education向其當時的股東作出以下分派。

		2011 HK\$'000 千港元	2010 HK\$'000 千港元
Dividends in specie (Note 19) distributed by:	透過以下公司分派實物股息 (附註19)：		
– Sino Network	– Sino Network	16,874	–
Cash dividends paid by:	透過以下公司已付現金股息		
– Sino Network	– Sino Network	60,349	25,000
– Bachelor Education	– Bachelor Education	213	–
		<u>77,436</u>	<u>25,000</u>
Dividends attributable to:	以下人士應佔股息：		
– Owners of the Company	– 本公司擁有人	77,223	25,000
– Non-controlling interests	– 非控股權益	213	–
		<u>77,436</u>	<u>25,000</u>

The rate of dividends and the number of shares ranking for the above dividends are not presented as such information is not meaningful having regard to the purpose of the consolidated financial statements.

就綜合財務報表而言，由於股息率及可獲派上述股息的股份數目並無意義，故並無呈列有關資料。

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綜合財務報表附註

For the year ended 30 June 2011
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16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

		Leasehold improvements 租賃裝修 HK\$'000 千港元	Furniture and fixtures 傢俬及裝置 HK\$'000 千港元	Office equipment 辦公室設備 HK\$'000 千港元	Computer equipment 電腦設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST	成本						
At 1 July 2009	於2009年7月1日	21,729	5,511	11,750	2,557	8,976	50,523
Additions	添置	11,087	1,763	1,743	475	1,740	16,808
Disposals/written off	出售/撇銷	(3,155)	(334)	(903)	–	(2,887)	(7,279)
At 30 June 2010	於2010年6月30日	29,661	6,940	12,590	3,032	7,829	60,052
Additions	添置	1,384	893	1,251	196	–	3,724
Acquisition of subsidiaries (see Note 30)	收購附屬公司(見附註30)	341	129	54	–	–	524
Disposals	出售	–	(17)	(655)	–	(7,588)	(8,260)
At 30 June 2011	於2011年6月30日	31,386	7,945	13,240	3,228	241	56,040
DEPRECIATION	折舊						
At 1 July 2009	於2009年7月1日	10,781	3,196	6,754	943	5,308	26,982
Provided for the year	年度撥備	4,458	922	1,857	523	1,683	9,443
Eliminated on disposals/ written off	出售時抵銷/撇銷	(2,492)	(234)	(647)	–	(2,503)	(5,876)
At 30 June 2010	於2010年6月30日	12,747	3,884	7,964	1,466	4,488	30,549
Provided for the year	年度撥備	5,169	1,170	1,856	555	605	9,355
Eliminated on disposals	出售時抵銷	–	(17)	(599)	–	(4,945)	(5,561)
At 30 June 2011	於2011年6月30日	17,916	5,037	9,221	2,021	148	34,343
CARRYING VALUES	賬面值						
At 30 June 2011	於2011年6月30日	13,470	2,908	4,019	1,207	93	21,697
At 30 June 2010	於2010年6月30日	16,914	3,056	4,626	1,566	3,341	29,503

The carrying value of motor vehicles includes an amount of nil (2010: HK\$2,684,000) in respect of assets under finance leases.

汽車的賬面值包括融資租賃下資產為零(2010年: 2,684,000港元)。

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綜合財務報表附註

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16. PROPERTY, PLANT AND EQUIPMENT (Continued)

Depreciation is provided to write off the cost of property, plant and equipment over their estimated useful lives, using the straight-line method, at the following rates per annum:

Leasehold improvements	20%
Furniture and fixtures	20%
Office equipment	20%
Computer equipment	20%
Motor vehicles	20%

17. INTANGIBLE ASSETS

16. 物業、廠房及設備 (續)

物業、廠房及設備的成本值以直線法折舊，按其估計可用年期予以撇銷，每年的折舊率如下：

租賃裝修	20%
傢俬及裝置	20%
辦公室設備	20%
電腦設備	20%
汽車	20%

17. 無形資產

		Trademark 商標 HK\$'000 千港元	Franchise rights 特許權 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST	成本			
At 1 July 2010	於2010年7月1日	—	—	—
Acquisition of subsidiaries (see Note 30)	收購附屬公司(見附註30)	2,957	1,979	4,936
At 30 June 2011	於2011年6月30日	2,957	1,979	4,936
AMORTISATION	攤銷			
At 1 July 2010	於2010年7月1日	—	—	—
Provided for the year	年內撥備	—	99	99
At 30 June 2011	於2011年6月30日	—	99	99
CARRYING VALUES	賬面值			
At 30 June 2011	於2011年6月30日	2,957	1,880	4,837
At 30 June 2010	於2010年6月30日	—	—	—

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2011

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17. INTANGIBLE ASSETS (Continued)

The Group's trademark protects the design and specification of "BACHELOR EDUCATION CENTER LIMITED" logo, and was assessed to have an indefinite useful life. On the date of acquisition (i.e. 31 December 2010), the fair value of this trademark is assessed using an income approach under the relief from royalty method by a firm of professional valuers, Vigers Appraisal & Consulting Limited ("Vigers").

Franchise rights represent the right to use the name "BACHELOR EDUCATION CENTER LIMITED" under contractual franchise agreements in the business of primary tutoring services. The amortisation period of franchise rights is 10 years.

During the year ended 30 June 2011, the management determines that there is no impairment of any of its CGU in the business of primary tutoring services containing trademark.

The recoverable amount of this unit has been determined based on a value in use calculation. It is expected to generate cash flow for indefinite period. To calculate this, cash flow projection is based on five-year period financial budgets approved by the management using a discount rate of 17.3% and the estimated growth rate of 3% to 16%. The cash flow projection beyond the five-year period is extrapolated using a steady 2% to 3% growth rate.

17. 無形資產 (續)

本集團的商標保護「BACHELOR EDUCATION CENTER LIMITED」標誌的設計及規格，並被評定為具有無限可使用年期。於收購日期（即2010年12月31日），此商標的公平值乃由專業估值公司威格斯資產評估顧問有限公司（「威格斯」）採用權利金節省法的收入法作出評估。

特許權指根據小學輔導服務業務的合約特許協議使用「BACHELOR EDUCATION CENTER LIMITED」名義的權利。特許權的攤銷期為10年。

於截至2011年6月30日止年度，管理層確定小學輔導服務業務（包括商標）的任何現金產生單位並無出現減值。

此單位的可收回金額乃按使用價值釐定。預期其將於無限期間產生現金流量。就此計算而言，現金流量預測乃基於由管理層批准之五年期財務預算使用貼現率17.3%以及估計增長率為3%至16%計算。五年期後之現金流量預測乃使用2%至3%的穩定增長率進行推算。

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18. TRADE AND OTHER RECEIVABLES

18. 貿易及其他應收款項

		2011 HK\$'000 千港元	2010 HK\$'000 千港元
Accrued revenue and trade receivables	應計收入及貿易應收賬款	1,091	879
Rental deposits	租金按金	24,511	15,493
Other deposits	其他按金	869	1,820
Prepayments	預付款項	22,495	4,491
Other receivables	其他應收款項	2,923	2,454
Less: Allowance for doubtful debts	減：呆賬撥備	-	(1,212)
		51,889	23,925

The following is an aged analysis of accrued revenue and trade receivables presented based on the invoice date at the end of the reporting period:

以下為根據報告期末發票日期所呈列的應計收入及貿易應收賬款之賬齡分析：

		2011 HK\$'000 千港元	2010 HK\$'000 千港元
Accrued revenue not yet billed	尚未收取之應計收入	780	879
Trade receivables:	貿易應收賬款：		
0 – 30 days	0至30日	278	-
31 – 60 days	31至60日	17	-
61 – 90 days	61至90日	6	-
Over 91 days	超過91日	10	-
		1,091	879

The accrued revenue and trade receivables arose from the provision of technical consultation, management and software licensing services to a related company in which Ms. Huang Hui controls and from the franchising of primary tutoring service to franchisees. The accrued revenue is not yet due as it is billed semi-annually in arrears. The credit periods are ranged from 30 days to 90 days. There is no credit period granted for tuition fees as they are normally received in advance.

應計收入及貿易應收賬款來自向一家關連公司提供的技術諮詢、管理及軟件許可服務，該公司由黃慧女士控制；並來自向加盟經營者特許經營小學輔導服務。由於應計收入每半年於期末收取，故尚未到期。信貸期介乎30日至90日之間。由於通常預收學費，因此並無獲信貸期。

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綜合財務報表附註

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18. TRADE AND OTHER RECEIVABLES (Continued)

Movement in the allowance for doubtful debts:

		2011 HK\$'000 千港元	2010 HK\$'000 千港元
At beginning of the year	於年初	1,212	1,053
Allowance for doubtful debts	呆賬撥備	-	159
Amounts written off as uncollectible	作為不能收回款項撇銷的金額	<u>(1,212)</u>	<u>-</u>
At end of the year	於年終	<u>-</u>	<u>1,212</u>

At 30 June 2010, the allowance for doubtful debts represented individually impaired other receivables which had been placed under liquidation or in severe financial difficulties. The Group did not hold any collateral over those balances.

18. 貿易及其他應收款項 (續)

呆賬撥備的變動如下：

	2011 HK\$'000 千港元	2010 HK\$'000 千港元
於年初	1,212	1,053
呆賬撥備	-	159
作為不能收回款項撇銷的金額	<u>(1,212)</u>	<u>-</u>
於年終	<u>-</u>	<u>1,212</u>

於2010年6月30日，呆賬撥備指處於清盤階段或嚴重財務困難的個別已減值其他應收款項。本集團並無就該等結餘持有任何抵押品。

19. AMOUNTS DUE FROM RELATED PARTIES

Particulars of the amounts due from related parties are disclosed as follows:

		2011 HK\$'000 千港元	2010 HK\$'000 千港元
Modern Education (China) Limited ("Modern (China)")	現代教育(中國)有限公司 (「現代(中國)」)	-	2,035
Modern Dadi Overseas Edunet Limited	現代大地海外升學有限公司	-	3
北京京力思雅教育諮詢有限公司 ("Beijing Siya")	北京京力思雅教育諮詢 有限公司(「北京思雅」)	-	603
Ms. Huang Hui	黃慧女士	-	16,874
Mr. Ng Kam Wing	吳錦榮先生	-	22
Mr. Ng Kam Lun, Eric	吳錦倫先生	-	45
Mr. Lee Wai Lok, Ignatious	李偉樂先生	-	9
Ms. Yiu Wai Yee, Catherine	姚慧儀女士	-	2
Mr. Liu Hongbo	劉洪波先生	<u>-</u>	<u>739</u>
		<u>-</u>	<u>20,332</u>
Analysed for reporting purposes as:	就申報而言分析為：		
Current assets	流動資產	-	3,458
Non-current assets	非流動資產	<u>-</u>	<u>16,874</u>
		<u>-</u>	<u>20,332</u>

19. 應收關連人士款項

應收關連人士款項的詳情披露如下：

Note 附註	2011 HK\$'000 千港元	2010 HK\$'000 千港元
	-	2,035
	-	3
	-	603
(i)	-	16,874
	-	22
	-	45
	-	9
	-	2
	<u>-</u>	<u>739</u>
	<u>-</u>	<u>20,332</u>
	-	3,458
	<u>-</u>	<u>16,874</u>
	<u>-</u>	<u>20,332</u>

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19. AMOUNTS DUE FROM RELATED PARTIES (Continued)

Maximum amounts outstanding during the year are as follows:

		2011	2010
	Note	HK\$'000	HK\$'000
	附註	千港元	千港元
Modern (China)	現代(中國)	2,035	2,035
Modern Dadi Overseas Edunet Limited	現代大地海外升學有限公司	3	3
Beijing Siya	北京思雅	1,191	603
Ms. Huang Hui	黃慧女士 (i)	16,874	16,874
Mr. Ng Kam Wing	吳錦榮先生	22	22
Mr. Ng Kam Lun, Eric	吳錦倫先生	45	6,244
Mr. Lee Wai Lok, Ignatious	李偉樂先生	9	20
Ms. Yiu Wai Yee, Catherine	姚慧儀女士	2	6,478
Mr. Liu Hongbo	劉洪波先生	739	739

Notes:

- (i) As at 30 June 2010, the advance to Ms. Huang Hui was unsecured, non-interest bearing and with no fixed repayment term. The Group did not expect it to be settled within twelve months from the end of the reporting period and was therefore classified as non-current.

During the year ended 30 June 2011, prior to the completion of the Group Reorganisation, Sino Network distributed the advance to Ms. Huang Hui of approximately HK\$16,874,000 to the then shareholders of Sino Network, except Primo Result, by way of dividend in specie.

- (ii) The amounts (other than the amount stated in Note (i) above) were unsecured, non-interest bearing and repayable on demand. The relationships with the Group of each related party are disclosed in Note 34(a).

19. 應收關連人士款項 (續)

於年內尚未償還的最高金額如下：

	2011	2010
	HK\$'000	HK\$'000
	千港元	千港元
Modern (China)	2,035	2,035
Modern Dadi Overseas Edunet Limited	3	3
Beijing Siya	1,191	603
Ms. Huang Hui	16,874	16,874
Mr. Ng Kam Wing	22	22
Mr. Ng Kam Lun, Eric	45	6,244
Mr. Lee Wai Lok, Ignatious	9	20
Ms. Yiu Wai Yee, Catherine	2	6,478
Mr. Liu Hongbo	739	739

附註：

- (i) 於2010年6月30日，向黃慧女士作出的墊款為無抵押、免息及無固定還款期。本集團並不預期該款項自報告期間結束起計十二個月內得以償還，因此被分類為非流動。

於截至2011年6月30日止年度，在集團重組完成前，Sino Network以實物股息的方式將向黃慧女士提供之約16,874,000港元的墊款向Sino Network當時的股東宣派股息，惟倍智除外。

- (ii) 該款項（除上文附註(i)所載的金額外）為無抵押、免息及須於要求時償還。各關連人士與本集團的關係於附註34(a)披露。

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20. BANK BALANCES AND CASH, PLEDGED BANK DEPOSITS

Bank balances carried interest at market rates which ranged from 0.001% to 0.5% (2010: 0.001% to 0.36%) per annum.

Pledged bank deposits represent deposits pledged to banks to secure short term banking facilities granted to the Group and are therefore classified as current assets.

20. 銀行結餘及現金、已抵押銀行存款

銀行結餘按介乎0.001%至0.5% (2010年：0.001%至0.36%)的市場年利率計息。

已抵押銀行存款指抵押予銀行之存款以取得授予本集團的短期銀行融資，因此被分類為流動資產。

21. OTHER PAYABLES

Other payables	其他應付款項
Other accruals	其他應計費用
Accrued tutor contractor fee, salary and bonus	應計導師承包費、薪金及花紅

2011	2010
HK\$'000	HK\$'000
千港元	千港元

9,196	3,834
5,630	2,464
6,560	7,140
21,386	13,438

21. 其他應付款項

22. AMOUNTS DUE TO RELATED PARTIES

Directors and non-controlling shareholders of Able Investment (Note)	利東投資的董事及非控股股東(附註)
Directors and shareholders of the Company	本公司的董事及股東
Director of a subsidiary	一間附屬公司的董事

2011	2010
HK\$'000	HK\$'000
千港元	千港元

3,600	-
-	4,863
-	161
3,600	5,024

Note:

Other than the consideration payables of HK\$3,000,000 (Note 30), the amounts are unsecured, non-interest bearing and repayable on demand.

The amounts due to related parties as at 30 June 2010 were unsecured, non-interest bearing and repayable on demand.

附註：

除應付代價3,000,000港元(附註30)外，該等款項為無抵押、免息及須於要求時償還。

於2010年6月30日應付關連人士之款項為無抵押、免息及須於要求時償還。

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23. OBLIGATIONS UNDER FINANCE LEASES

At 30 June 2010, the motor vehicles were held under finance lease with lease term ranging from 2 to 3 years. Interest rate underlying all obligations under finance leases were fixed at respective contract dates which range from 4.75% to 14.25% per annum. During the year ended 30 June 2011, the obligations were early repaid upon the disposal of the motor vehicles.

Minimum lease payments during the year are as follows:

		2011 HK\$'000 千港元	2010 HK\$'000 千港元
Amounts payable under finance leases	根據融資租賃的應付款項		
Within one year	一年內	-	1,132
More than one year but not more than five years	一年以上但不超過五年	-	1,177
		-	2,309
Less: Future finance charges	減：未來融資支出	-	(195)
Present value of lease obligations	租賃承擔的現值	-	2,114

Present values of minimum lease payments during the year are as follows:

		2011 HK\$'000 千港元	2010 HK\$'000 千港元
Amounts payable under finance leases	根據融資租賃的應付款項		
Within one year	一年內	-	1,000
More than one year but not more than five years	一年以上但不超過五年	-	1,114
		-	2,114
Less: Amount due for settlement within 12 months	減：12個月內清償的款項	-	(1,000)
Amount due for settlement after 12 months	12個月後清償的款項	-	1,114

23. 融資租賃承擔

於2010年6月30日，融資租賃項下持有的汽車的租賃期介乎2至3年。所有融資租賃承擔項下的利率乃按介乎4.75%至14.25%的年利率於各合約日期釐定。於截至2011年6月30日止年度，該等承擔於出售汽車後提早償還。

於年內的最低租賃付款如下：

於年內的最低租賃付款的現值如下：

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24. BANK AND OTHER BORROWINGS

24. 銀行及其他借貸

		2011 HK\$'000 千港元	2010 HK\$'000 千港元
Bank loans	銀行貸款	9,591	-
Other loan	其他貸款	40,000	-
		49,591	-
Carrying amount repayable:	應償還賬面值：		
Within one year	一年內	40,053	-
Carrying amount of bank loan that is repayable more than one year but not exceeding two years from the end of the reporting period but contain a repayment on demand clause (shown under current liabilities)	須於自報告期期末起一年以上但不超過兩年償還但包含按要求償還條款的銀行貸款的賬面值（列入流動負債）	9,538	-
Amount due within one year shown under current liabilities	列入流動負債於一年內到期的款項	49,591	-

Bank loans carried fixed rate interest ranging from 2% to 7.25% (2010: nil) per annum and are secured by personal guarantee provided by non-controlling shareholders of Able Investment and Mr. Ng Kam Lun, Eric.

銀行貸款按介乎2%至7.25%（2010年：無）的固定年利率計息及由利東投資的非控股股東及吳錦倫先生提供的個人擔保作擔保。

Other loan carried fixed rate interest of 6% (2010: nil) per annum and is secured by personal guarantees provided by Mr. Ng Kam Lun, Eric, Mr. Lee and Mr. Ng Norman.

其他貸款按6%（2010年：無）的固定年利率計息及由吳錦倫先生、李先生及吳樂憫先生提供的個人擔保作擔保。

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25. DEFERRED TAXATION

The followings are the deferred tax assets (liabilities) recognised and movements thereon during the year:

		Intangible assets 無形資產 <i>HK\$'000</i> 千港元	Depreciation of property, plant and equipment 物業、廠房及 設備的折舊 <i>HK\$'000</i> 千港元	Total 總計 <i>HK\$'000</i> 千港元
At 1 July 2009	於2009年7月1日	–	(309)	(309)
Credited to profit or loss during the year	年內計入損益	–	153	153
At 30 June 2010	於2010年6月30日	–	(156)	(156)
Acquisition of subsidiaries (see Note 30)	收購附屬公司(見附註30)	(814)	–	(814)
Credited to profit or loss during the year	年內計入損益	17	952	969
At 30 June 2011	於2011年6月30日	(797)	796	(1)

The following is the analysis of the deferred taxation for financial reporting purposes:

25. 遞延稅項

以下為於年內確認的遞延稅項資產(負債)及其變動:

以下為就財務申報而言的遞延稅項分析:

		2011 <i>HK\$'000</i> 千港元	2010 <i>HK\$'000</i> 千港元
Deferred tax assets	遞延稅項資產	973	102
Deferred tax liabilities	遞延稅項負債	(974)	(258)
		(1)	(156)

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26. DERIVATIVE FINANCIAL INSTRUMENTS

26. 衍生金融工具

		Notes	2011 HK\$'000 千港元	2010 HK\$'000 千港元
		附註		
Call Option	認購期權	(i)	2,858	—
Put Option	認沽期權	(ii)	672	—
			3,530	—

Notes:

- (i) The Call Option is granted to the Group for five years, which will expire on 31 December 2015, to purchase the remaining 40% of the issued share capital of Able Investment from the non-controlling shareholders. The exercise price of the Call Option is determined as 40% of the audited net profit after tax ("NPAT") of Bachelor Education adjusted by a multiplier ("Multiplier") set out in the Acquisition Agreement (as defined in Note 30) of the respective financial period when the Call Option is exercised.
- (ii) The Put Option is granted to the Group for five years, which will expire on 31 December 2015, to sell back to the non-controlling shareholders 60% issued share capital of Able Investment if the NPAT of Bachelor Education during the five financial periods ending 31 August 2015 is less than 60% of the guarantee NPAT set out in the Acquisition Agreement. The exercise price is the total consideration for the acquisition of 60% issued share capital of Able Investment under the Acquisition Agreement plus 60% of the net asset value of Bachelor Education at the date the Put Option is exercised.
- (iii) The fair value of the Vendor Put Option is estimated to be insignificant as at the acquisition date and 30 June 2011 since the management considers that it is highly unlikely that the specified level of accumulated NPAT can be achieved by reference to the latest profit forecast of Bachelor Education.

As at 30 June 2011, the fair value of the Call Option and the Put Option is estimated by Vigers using the binomial option pricing model. Key inputs of the valuation are: (i) risk free rate of 1.13%, (ii) volatility of 35%, (iii) dividend yield of 0%, and (iv) latest profit forecast of Bachelor Education.

附註：

- (i) 授予本集團的認購期權為期五年及將於2015年12月31日到期，以向非控股股東購買利東投資已發行股本的餘下40%。認購期權的行使價乃釐定為當認購期權獲行使時各財務期間就收購協議（定義見附註30）所載倍數（「倍數」）經調整學士教室的經審核除稅後純利（「除稅後純利」）的40%。
- (ii) 授予本集團的認沽期權為期五年及將於2015年12月31日到期，倘學士教室截至2015年8月31日止五個財政期間的除稅後純利少於收購協議所載擔保除稅後純利的60%，則向非控股股東售回利東投資已發行股本的60%。行使價為根據收購協議收購利東投資已發行股本的60%的總代價，加學士教室於認沽期權獲行使日期的資產淨值的60%。
- (iii) 於收購日期及2011年6月30日賣方認沽期權的公平值估計並不重大，乃因為管理層認為不大可能經參考學士教室的最新溢利預測而達致累計除稅後純利的特定水平。

於2011年6月30日，認購期權及認沽期權的公平值乃由威格斯採用二項式期權定價模式估計。估值的主要輸入數據為：(i)無風險利率1.13%；(ii)波幅35%；(iii)股息收益率0%；及(iv)學士教室的最新溢利預測。

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27. PROVISION FOR LONG SERVICE PAYMENTS

27. 長期服務金撥備

		HK\$'000 千港元
At 1 July 2009	於2009年7月1日	1,066
Charged to profit or loss during the year	年內於損益中扣除	<u>637</u>
At 30 June 2010	於2010年6月30日	1,703
Charged to profit or loss during the year	年內於損益中扣除	<u>181</u>
At 30 June 2011	於2011年6月30日	<u>1,884</u>

The provision for long service payments is based on the best estimate of the future payments required to settle the obligations under the Hong Kong Employment Ordinance in relation to the employees of the Group in Hong Kong.

長期服務金撥備乃根據未來付款的最佳估計作出，而未來付款乃指根據香港僱傭條例就本集團在香港的僱員須承擔責任。

28. SHARE CAPITAL

28. 股本

The movements of share capital of the Company are as follows:

本公司的股本變動如下：

		Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Ordinary shares of HK\$0.1 each	每股面值0.1港元的普通股		
Authorised	法定		
– on 26 January 2011 (date of incorporation)	– 於2011年1月26日 (註冊成立日期)	<u>1,500,000,000</u>	<u>150,000</u>
Issued and fully paid	已發行及繳足		
– issue of shares on 26 January 2011 (date of incorporation)	– 於2011年1月26日 (註冊成立日期) 發行股份	1	–
– issue of shares upon the share swap on 7 June 2011 (Note 2(b))	– 於2011年6月7日股份掉期後 發行股份 (附註2(b))	<u>283,999,999</u>	<u>28,400</u>
– at 30 June 2011	– 於2011年6月30日	<u>284,000,000</u>	<u>28,400</u>

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28. SHARE CAPITAL (Continued)

The Company was incorporated and registered as an exempted company in the Cayman Islands on 26 January 2011 with an authorised share capital of HK\$150,000,000 divided into 1,500,000,000 ordinary shares of HK\$0.1 each. On 26 January 2011, one subscriber share with the par value of HK\$0.1 each was subscribed by Mapcal Limited which was subsequently transferred to Speedy Harvest, a company controlled by Mr. Ng Kam Lun, Eric, on 1 February 2011.

On 7 June 2011, the Company acquired the entire share capital of Sino Network by swapping 283,999,999 shares of HK\$0.1 each to the then existing shareholders of Sino Network pursuant to a share swap agreement.

On 4 July 2011, 116,000,000 ordinary shares of HK\$0.1 each of the Company were issued at HK\$1.3 per share by way of public offering. On the same date, the Company's shares were listed on the Main Board of the Stock Exchange.

The share capital of the Group at 1 July 2009 represented the combined share capital of Sino Network and Express Education.

The share capital of the Group at 30 June 2010 represented the share capital of Sino Network.

28. 股本 (續)

本公司於2011年1月26日在開曼群島註冊成立及登記為獲豁免公司，法定股本150,000,000港元，分為1,500,000,000股每股面值0.1港元的普通股。於2011年1月26日，Mapcal Limited認購一股每股面值0.1港元的認購人股份，並於其後在2011年2月1日轉讓予由吳錦倫先生所控制的Speedy Harvest。

於2011年6月7日，根據一份股份掉期協議，本公司透過向Sino Network當時的股東調換283,999,999股每股面值0.1港元的股份，收購Sino Network的全部股權。

於2011年7月4日，本公司透過公開發售方式按每股1.3港元發行116,000,000股每股面值0.1港元的普通股。於同日，本公司的股份於聯交所主板上市。

本集團於2009年7月1日的股本指Sino Network及Express Education的合併股本。

本集團於2010年6月30日的股本指Sino Network的股本。

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29. SHARE OPTION SCHEME

The Share Option Scheme of the Company was adopted pursuant to a resolution in writing of all shareholders passed on 11 June 2011. The purposes of the Share Option Scheme are to attract and retain the best available personnel and to provide additional incentives or rewards to full time or part-time employees, Directors (whether executive or non-executive), consultants, supplier, customer, joint venture partner, business associates and advisor (professional or otherwise) of the Company for their contribution to the Company and to promote our success. The Share Option Scheme became effective on 4 July 2011, subject to earlier termination by the Directors and approved in advance by the shareholders in a general meeting. The Share Option Scheme shall be valid and effecting for a period commencing from the Effective Date and expiring at 5:00 p.m. on the business day preceding the tenth anniversary of the Adoption Date.

The total number of shares of the Company available for issue under the Share Option Scheme must not in aggregate, exceed 40,000,000 shares, representing 10% of the issued share capital of the Company (400,000,000 shares) at the Effective Date.

The maximum number of shares issuable upon exercise of the options which may be granted under the Share Option Scheme (including exercised, cancelled or outstanding options) to each participant (other than a substantial shareholder, chief executive or Director as explained below) in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

29. 購股權計劃

本公司根據全體股東於2011年6月11日通過的書面決議案採納本公司之購股權計劃。購股權計劃旨在吸引及挽留最佳員工，及為本公司的全職或兼職僱員、董事（無論執行或非執行）、諮詢人、供應商、客戶、合營夥伴、業務夥伴及顧問（專業或其他）提供額外獎勵或回報，以獎賞彼等對本公司所作的貢獻，並促進本公司的成功。購股權計劃於2011年7月4日生效，並可由董事在取得股東於股東大會上事先批准情況下提早終止。購股權計劃將自生效日期起至採納日期第十週年前營業日下午五時正屆滿時止期間有效。

根據購股權計劃可供發行之本公司股份總數合共不得超過40,000,000股，相當於本公司於生效日期已發行股本（400,000,000股）之10%。

於任何十二個月期間內根據購股權計劃可能授予每位參與者（不包括主要股東、行政總裁或下文所述之董事）之購股權（包括已行使、註銷或尚未行使之購股權）獲行使而可發行之股份數目上限不得超過本公司當時已發行股本之1%。超出此上限之任何進一步授出須於股東大會上取得股東批准。

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29. SHARE OPTION SCHEME (Continued)

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their respective associates (as defined under the Listing Rules), are subject to approval in advance by the independent non-executive directors (excluding any independent non-executive director who is the grantee of the options). In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their respective associates, (as defined under the Listing Rules) in excess of 0.1% of the shares of the Company in issue with an aggregate value (based on the closing price of the Company's shares at the date of the grant) in excess of HK\$5,000,000, in the 12-month period up to and including the date of grant, are subject to shareholders' approval in a general meeting.

The offer of a grant of share options may be accepted in writing by a participant within 21 days from the date of offer upon payment of a nominal consideration of HK\$1 by the grantee. The exercise period for the share options granted is determined by the Directors, which period may commence from the date of acceptance of the offer for the grant of share options but shall end, in any event, not later than 10 years from the date of the conditional adoption of the Share Option Scheme by the shareholders subject to the provisions for early termination under the Share Option Scheme.

Up to the date of approval of the consolidated financial statements, no options have been granted to eligible participants under the Share Option Scheme.

29. 購股權計劃 (續)

向本公司董事、行政總裁或主要股東或彼等各自之任何聯繫人士(定義見上市規則)授予購股權須事先取得獨立非執行董事(不包括身為購股權承授人之任何獨立非執行董事)批准。此外,倘若於直至授出日期(包括該日)止十二個月期間內,授予本公司主要股東或獨立非執行董事或彼等各自之任何聯繫人士(定義見上市規則)之任何購股權超出本公司已發行股份之0.1%且總值(根據授出當日本公司股份之收市價計算)超逾5,000,000港元,則須事先在股東大會上取得股東批准。

於承授人繳交1港元之名義代價後,可於要約日期起計21日內書面接納獲授購股權之要約。已授出購股權之行使期由董事決定,該期間可於接納獲授購股權之要約日期開始,但無論如何須於股東有條件採納購股權計劃日期起計10年內終止,並須受購股權計劃項下之提早終止條文所規限。

直至綜合財務報表獲批日期,概無根據購股權計劃向合資格參與者授出任何購股權。

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30. ACQUISITION OF SUBSIDIARIES

On 22 December 2010, the Group entered into a sale and purchase agreement (the "Acquisition Agreement") with Six Stars Consultants Limited ("Six Stars"), a related company of the Group, Ms. Yiu, Able Investment and the non-controlling shareholders of Able Investment, namely, Ms. Poon Wai Sze, Ms. Mok Sze Wan, Mr. Ng Hoi Tin and Mr. Ng Ping Lun, for the acquisition of 60% equity interests in Able Investment and its subsidiary, Bachelor Education, from Six Stars at a cash consideration of HK\$6,000,000 (including HK\$3,000,000 which was settled in March 2011 and HK\$3,000,000 which is payable within 14 days after the approval of financial statements of Bachelor Education by its board of directors for the financial period ended 31 August 2011) and a contingent consideration of HK\$2,000,000 (which is adjusted by reference to the financial results of Bachelor Education for the financial periods ending 31 August 2012 and 31 August 2013). Upon completion of the acquisition on 31 December 2010, Able Investment was owned as to 60% by the Group and 40% by non-controlling shareholders. Pursuant to the Acquisition Agreement, various call and put options have been granted to the Group and non-controlling shareholders of Able Investment. The acquisition was accounted for under the acquisition method. Bachelor Education is engaged in provision of primary tutoring services in Hong Kong.

The fair value of the contingent consideration is estimated to be insignificant because the management considers that it is highly unlikely that the specified level of NPAT can be achieved for the two financial periods ending 31 August 2012 and 31 August 2013.

Pursuant to the Acquisition Agreement, the Group is granted a Call Option to acquire additional 40% issued share capital of Able Investment and a Put Option to sell back 60% of the issued share capital of Able Investment from/to the non-controlling shareholders. On the date of acquisition, the fair value of the Call Option and Put Option is estimated to be HK\$1,711,000 and HK\$1,597,000, respectively. On the date of acquisition, those fair values are estimated by Vigers using the binomial option pricing model. Key inputs of the valuation are: (i) risk free rate of 1.76%, (ii) volatility of 40%, (iii) dividend yield of 0%, and (iv) latest profit forecast of Bachelor Education. Details of the Call Option and Put Option are set out in Note 26.

30. 收購附屬公司

於2010年12月22日，本集團與本集團的關連公司六達顧問有限公司（「六達」）、姚女士、利東投資及利東投資的非控股股東，即潘慧思女士、莫詩韻女士、吳海天先生及吳炳倫先生向六達以現金代價6,000,000港元（包括3,000,000港元已於2011年3月償付，而於學士教室董事會批准其截至2011年8月31日止財政期間的財務報表後14天內應償付的3,000,000港元）及或然代價2,000,000港元（乃經參考學士教室截至2012年8月31日及2013年8月31日止財政期間的財務業績予以調整）收購利東投資及其附屬公司學士教室60%股權訂立買賣協議（「收購協議」）。於2010年12月31日收購完成後，利東投資由本集團擁有60%及由非控股股東擁有40%。根據收購協議，若干認購及認沽期權已授予本集團及利東投資的非控股股東。該收購事項乃根據收購法列賬。學士教室於香港從事提供小學輔導服務。

或然代價的公平值估計並不重大，乃因為管理層認為不大可能於截至2012年8月31日及2013年8月31日止兩個財政期間達致除稅後純利的特定水平。

根據收購協議，本集團獲授認購期權以向非控股股東收購利東投資已發行股本的額外40%，以及獲授認沽期權向非控股股東售回利東投資已發行股本的60%。於收購日期，認購期權及認沽期權的公平值估計分別為1,711,000港元及1,597,000港元。於收購日期，認購期權及認沽期權的公平值乃由威格斯採用二項式期權定價模式估計。估值的主要輸入數據為：(i)無風險利率1.76%；(ii)波幅40%；(iii)股息收益率0%；及(iv)學士教室的最新溢利預測。認購期權及認沽期權的詳情載於附註26。

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30. ACQUISITION OF SUBSIDIARIES (Continued)

In addition, the Group granted a put option to the non-controlling shareholders (the "Vendor Put Option") to sell 40% issued share capital of Able Investment to the Group on 31 December 2015 upon fulfillment of various conditions, including, the accumulated NPAT of Bachelor Education for the five financial periods ending 31 August 2015 is equal to or above HK\$19.3 million. The exercise price of the Vendor Put Option is determined as 40% of the audited NPAT for the financial period ending 31 August 2015 adjusted for a Multiplier set out in the Acquisition Agreement. The fair value of the Vendor Put Option is estimated to be insignificant as at the acquisition date and 30 June 2011 since the management considers that it is highly unlikely that the specified level of accumulated NPAT can be achieved by reference to the latest profit forecast of Bachelor Education.

Consideration

		HK\$'000 千港元
Consideration paid to a related company, Six Stars	已付關連公司六達的代價	3,000
Consideration payables (included in amounts due to related parties)	應付代價(包含於應付關連人士之款項)	3,000
Call Option	認購期權	(1,711)
Put Option	認沽期權	(1,597)
		<u>2,692</u>

30. 收購附屬公司 (續)

此外，本集團向非控股股東授出認沽期權（「賣方認沽期權」），以於2015年12月31日履行各項條件後向本集團出售利東投資已發行股本的40%，有關條件包括學士教室截至2015年8月31日止五個財政期間的累計除稅後純利相等於19,300,000港元或以上。賣方認沽期權的行使價乃釐定為就收購協議所載倍數經調整截至2015年8月31日止財政期間的經審核除稅後純利的40%。於收購日期及2011年6月30日賣方認沽期權的公平值估計並不重大，乃因為管理層認為經參考學士教室的最新溢利預測不大可能達致累計除稅後純利的特定水平。

代價

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30. ACQUISITION OF SUBSIDIARIES (Continued)

30. 收購附屬公司 (續)

Assets and liabilities recognised at the date of acquisition

於收購日期已確認資產及負債

		HK\$'000
		千港元
Non-current assets	非流動資產	
Property, plant and equipment	物業、廠房及設備	524
Intangible assets	無形資產	4,936
Current assets	流動資產	
Trade and other receivables	貿易及其他應收款項	1,074
Amounts due from related parties	應收關連人士款項	78
Bank balances and cash	銀行結餘及現金	63
Current liabilities	流動負債	
Other payables	其他應付款項	(170)
Deferred income	遞延收入	(244)
Tax payable	應付稅項	(91)
Amounts due to related parties	應付關連人士款項	(659)
Bank borrowing	銀行借款	(210)
Non-current liabilities	非流動負債	
Deferred tax liabilities	遞延稅項負債	(814)
		4,487

Goodwill arising on acquisition

收購產生的商譽

		HK\$'000
		千港元
Consideration	代價	2,692
Plus: Non-controlling interests	加：非控股權益	1,795
Less: Net assets acquired	減：所收購資產淨值	(4,487)
		-

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30. ACQUISITION OF SUBSIDIARIES (Continued)

Non-controlling interests

The non-controlling interests (40% in Able Investment and its subsidiary, Bachelor Education) recognised at the acquisition date was measured by reference to the proportionate share of the fair value of the acquiree's identifiable net assets and amounted to HK\$1,795,000.

Net cash outflow arising on acquisition

30. 收購附屬公司 (續)

非控股權益

於收購日期已確認的非控股權益(於利東投資及其附屬公司學士教室的40%權益)乃參考按比例分佔被收購公司可識別資產淨值的公平值計量, 及為1,795,000港元。

收購產生的現金流出淨額

HK\$'000

千港元

Cash consideration paid	已付現金代價	(3,000)
Bank balances and cash acquired	所購得銀行結餘及現金	63
		<u>(2,937)</u>

31. MAJOR NON-CASH TRANSACTION

During the year ended 30 June 2011, prior to the completion of the Group Reorganisation, Sino Network distributed the advance to Ms. Huang Hui of approximately HK\$16,874,000 to certain shareholders of Sino Network by way of dividend in specie (2010: nil).

During the year ended 30 June 2010, the Group entered into finance leases in respect of assets with a total value of HK\$1,640,000 at the inception of the finance leases (2011: nil).

31. 主要非現金交易

於截至2011年6月30日止年度內, 於集團重組完成前, Sino Network以實物股息方式將向黃慧女士提供之約16,874,000港元的墊款向Sino Network之若干股東宣派股息(2010年: 無)。

於截至2010年6月30日止年度內, 本集團訂立融資租賃, 而資產於融資租賃開始時的總值為1,640,000港元(2011年: 無)。

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32. OPERATING LEASE COMMITMENTS

At the end of the reporting period, the Group had commitments for the following minimum lease payments under non-cancellable operating leases to independent third parties in respect of rented premises which fall due as follows:

		2011 <i>HK\$'000</i> 千港元	2010 <i>HK\$'000</i> 千港元
Within one year	一年內	51,405	42,323
In the second to fifth years	第二年至第五年	51,530	31,902
		102,935	74,225

Leases are negotiated and rentals are fixed originally for lease terms of one to three years.

於報告期末，根據就有關租賃物業向獨立第三方承擔的不可撤銷經營租賃，本集團未來最低租金到期如下：

租期經磋商釐定為一至三年，而原定的租金不變。

33. CAPITAL COMMITMENTS

Capital expenditure contracted for but not provided in the consolidated financial statements in respect of the acquisition of property, plant and equipment

就收購物業、廠房及設備已訂約但未於綜合財務報表中撥備的資本開支

	2011 <i>HK\$'000</i> 千港元	2010 <i>HK\$'000</i> 千港元
	-	914

33. 資本承擔

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34. RELATED PARTY TRANSACTIONS

- (a) Parties are considered to be related if one party has, directly or indirectly, the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The management is of the view that the following companies and individuals were related parties that had transactions or balances with the Group during the year.

34. 關連人士交易

- (a) 倘一名人士有能力直接或間接控制其他人士或在其他人士作出財務及經營決策時對其施加重大影響，則該等人士被認為是該名其他人士的關連人士。管理層認為，以下公司及人士為年內與本集團進行交易或有結餘的關連人士：

Name of related party 關連人士名稱	Relationship with the Group 與本集團的關係
北京市朝陽區雅思培訓學校 ("Beijing Yasi School") 北京市朝陽區雅思培訓學校(「北京雅思學校」)	100% interest held by Beijing Siya 北京思雅持有100%權益
Beijing Siya 北京思雅	65% equity interest held by Ms. Huang Hui 黃慧女士持有65%股權
Modern (China) 現代(中國)	100% equity interest held by Ms. Yiu 姚女士持有100%股權
Modern Dadi Overseas Edunet Limited 現代大地海外升學有限公司	51% equity interest held by Modern Education and Technology Limited 現代教育科技有限公司持有51%股權
Modern Education and Technology Limited 現代教育科技有限公司	100% equity interest held by Mr. Ng Kam Lun, Eric 吳錦倫先生持有100%股權
Modern English Limited 現代英語有限公司	66.67% equity interest held by Mr. Ng Kam Lun, Eric and 33.33% equity interest held by Ms. Yiu 吳錦倫先生持有66.67%股權及姚女士持有33.33%股權
Goldstar Enterprises Limited 永星企業有限公司	99.9% equity interest held by In Dell Education Limited In Dell Education Limited持有99.9%股權
Head Corporation Limited 首源有限公司	50% equity interest held by Ms. Yiu and 50% equity interest held by Mr. Lee 姚女士持有50%股權及李先生持有50%股權
In Dell Education Limited	28.53% equity interest held by Mr. Ng Kam Wing and 2.08% equity interest held by Ms. Yiu 吳錦榮先生持有28.53%股權及姚女士持有2.08%股權

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34. RELATED PARTY TRANSACTIONS (Continued)

(a) (Continued)

Name of related party 關連人士名稱
Online Global Limited 寶曉有限公司
Phoenix Investment Limited 鴻儒投資有限公司
Regent Mega Limited 悅祥有限公司
Six Stars 六達
Smarter Choice Limited 宏達行有限公司
Tellet Investment Limited 大領投資有限公司
World Wide Resources Management Limited 環宇資源管理有限公司
Mr. Ng Kam Lun, Eric 吳錦倫先生
Mr. Ng Kam Wing 吳錦榮先生
Mr. Lee 李先生

34. 關連人士交易 (續)

(a) (續)

Relationship with the Group 與本集團的關係
50% equity interest held by Ms. Yiu and 50% equity interest held by Mr. Lee 姚女士持有50%股權及李先生持有50%股權
100% equity interest held by Ms. Yiu 姚女士持有100%股權
40% equity interest held by Ms. Yiu and 60% equity interest held by Mr. Lee 姚女士持有40%股權及李先生持有60%股權
100% equity interest held by Ms. Yiu 姚女士持有100%股權
100% equity interest held by Mr. Ng Kam Lun, Eric 吳錦倫先生持有100%股權
33% equity interest held by Mr. Ng Kam Wing and 17% equity interest held by Mr. Ng Kam Lun, Eric 吳錦榮先生持有33%股權及吳錦倫先生持有17%股權
100% equity interest held by Ms. Yiu 姚女士持有100%股權
A director and shareholder of the Company 本公司董事及股東
Brother of Mr. Ng Kam Lun, Eric and Mr. Ng Norman and shareholder of the Company 吳錦倫先生及吳樂憫先生的胞弟及本公司股東
A director and shareholder of the Company 本公司董事及股東

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34. RELATED PARTY TRANSACTIONS (Continued)

34. 關連人士交易 (續)

(a) (Continued)

(a) (續)

Name of related party 關連人士名稱	Relationship with the Group 與本集團的關係
Mr. Ng Norman 吳樂憫先生	A director and shareholder of the Company 本公司董事及股東
Mr. Liu Hongbo 劉洪波先生	A director of a subsidiary 附屬公司董事
Mr. Ng Hoi Tin 吳海天先生	A director and non-controlling shareholder of Able Investment with 9.6% equity interest in Able Investment 利東投資的董事及非控股股東，持有利東投資的9.6%股權
Ms. Mok Sze Wan 莫詩韻女士	A director and non-controlling shareholder of Able Investment with 11.2% equity interest in Able Investment 利東投資的董事及非控股股東，持有利東投資的11.2%股權
Ms. Yiu 姚女士	A director and shareholder of the Company 本公司董事及股東
Ms. Huang Hui 黃慧女士	The spouse of Mr. Ng Kam Wing and the sister in law of Mr. Ng Kam Lun, Eric 吳錦榮先生的配偶及吳錦倫先生的弟婦

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34. RELATED PARTY TRANSACTIONS (Continued)

- (b) Save as the balances with related parties disclosed in the consolidated statement of financial position, the Group entered into the following transactions with related parties during the year:

34. 關連人士交易 (續)

- (b) 除綜合財務狀況表所披露與關連人士的結餘外，本集團於年內與關連人士訂立以下交易：

	Notes 附註	2011 HK\$'000 千港元	2010 HK\$'000 千港元
Rental expenses, building management fee, air-conditioning charges and rates to independent third parties under license arrangement with related parties:	根據與以下關連人士訂立的許可安排，向獨立第三方支付租金開支、樓宇管理費、空調費及差餉：		
	(i)		
– Goldstar Enterprises Limited	– 永星企業有限公司	658	2,780
– Smarter Choice Limited	– 宏達行有限公司	2,121	2,754
– Online Global Limited	– 寶曉有限公司	7,890	9,334
– Regent Mega Limited	– 悅祥有限公司	7,010	7,270
– Modern Education and Technology Limited	– 現代教育科技有限公司	–	2,093
– Modern English Limited	– 現代英語有限公司	6,485	6,010
– Phoenix Investment Limited	– 鴻儒投資有限公司	1,815	3,291
– Head Corporation Limited	– 首源有限公司	2,783	13,667
– World Wide Resources Management Limited	– 環宇資源管理有限公司	9,760	7,693
Rental expenses to:	向以下公司支付租金開支：		
– Tellet Investment Limited	– 大領投資有限公司	1,200	1,200
Commission expenses to:	向以下公司支付佣金開支：		
– Six Stars	– 六達	–	1,030
Management fee expenses to:	向以下公司支付管理費開支：		
– Six Stars	– 六達	–	30
– Mr. Ng Hoi Tin	– 吳海天先生	120	–
– Ms. Mok Sze Wan	– 莫詩韻女士	120	–
Marketing expenses to independent third parties under license arrangement with related parties:	根據與以下關連人士訂立的許可安排，向獨立第三方支付市場推廣開支：		
	(ii)		
– Online Global Limited	– 寶曉有限公司	286	286
– Regent Mega Limited	– 悅祥有限公司	1	1
Technical consultation, management and software licensing services fee income from:	向以下公司收取技術諮詢、管理及軟件許可服務費收入：		
– Beijing Yasi School	– 北京雅思學校	1,878	879
Tutor contractor fee to:	向以下人士支付導師承包費：		
– Mr. Ng Norman	– 吳樂憫先生	763	976
– Mr. Lee	– 李先生	1,206	1,898

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34. RELATED PARTY TRANSACTIONS (Continued)

(b) (Continued)

Notes:

- (i) These premises were leased initially by the above related parties from independent third parties. These related parties then licensed the premises to the Group at the same rates specified in the respective lease agreements with independent third parties.
- (ii) The advertising space was licensed initially by the above related parties from independent third parties. These related parties then licensed the advertising space to the Group at the same rates specified under respective license agreements.

During the year ended 30 June 2011, the Group also disposed of property, plant and equipment with a carrying value of HK\$301,000 (2010: nil) at a consideration of HK\$2,100,000 (2010: nil) to Mr. Ng Kam Lun, Eric.

- (c) The key management personnel includes solely the Directors and the compensation paid to them is disclosed in Note 12.

34. 關連人士交易 (續)

(b) (續)

附註：

- (i) 該等物業最初由上述關連人士向獨立第三方租賃。該等關連人士其後按與獨立第三方訂立的各租賃協議指定的相同租金許可本集團使用該等物業。
- (ii) 廣告位最初由上述關連人士向獨立第三方取得許可。該等關連人士其後按各許可協議指定的相同租金許可本集團使用廣告位。

於截至2011年6月30日止年度，本集團亦按代價2,100,000港元（2010年：無）向吳錦倫先生出售賬面值為301,000港元（2010年：無）之物業、廠房及設備。

- (c) 主要管理人員僅包括本公司董事，而向彼等支付的酬金於附註12披露。

35. SUBSIDIARIES

Particulars of the Company's subsidiaries as at 30 June 2011 and 2010 are as follows:

35. 附屬公司

本公司附屬公司於2011年及2010年6月30日之詳情如下：

Name of subsidiary	Place of incorporation/ establishment	Place of operation	Issued and fully paid share capital/ registered capital 已發行及 繳足股本/ 註冊資本	Attributable equity interest		Principal activities	
				of the Group	Principal activities		
附屬公司名稱	註冊成立/成立地點	營運地點		本集團應佔股權	2011	2010	主要業務
Able Investment	British Virgin Islands ("BVI")	Hong Kong	US\$10,000	60%	-	-	Investment holding
利東投資	英屬處女群島 ([英屬處女群島])	香港	10,000美元	60%	-	-	投資控股
Amber Well Limited 慶安有限公司	Hong Kong 香港	Hong Kong 香港	HK\$1 1港元	100%	100%	100%	Inactive 暫無業務

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35. SUBSIDIARIES (Continued)

35. 附屬公司 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/成立地點	Place of operation 營運地點	Issued and fully paid share capital/ registered capital 已發行及 繳足股本/ 註冊資本	Attributable equity interest of the Group		Principal activities 主要業務
				2011	2010	
Bachelor Education 學士教室	Hong Kong 香港	Hong Kong 香港	HK\$10,000 10,000港元	60%	–	Provision of primary homework tutoring services 提供小學功課輔導服務
Business Idol Limited	BVI 英屬處女群島	Hong Kong 香港	US\$1 1美元	100%	100%	Inactive 暫無業務
Beijing Strength Limited 京力有限公司	BVI 英屬處女群島	Hong Kong 香港	US\$100 100美元	100%	100%	Investment holding 投資控股
Express Education	BVI 英屬處女群島	Hong Kong 香港	US\$140 140美元	100%	100%	Inactive ³ 暫無業務 ³
Intelligent Education Limited 現代新幹線教育有限公司	Hong Kong 香港	Hong Kong 香港	HK\$100 100港元	100%	100%	Provision of secondary school education services 提供中學教育服務
Modern Beiya (Hong Kong) Limited 現代北雅(香港)有限公司	Hong Kong 香港	Hong Kong 香港	HK\$100 100港元	100%	100%	Investment holding 投資控股
Modern Education (Hong Kong) Limited 現代教育(香港)有限公司	Hong Kong 香港	Hong Kong 香港	HK\$10,000 10,000港元	100%	100%	Provision of tuition services 提供補習服務
Modern English Group Limited 現代英語教育科技有限公司	Hong Kong 香港	Hong Kong 香港	HK\$1 1港元	100%	–	Inactive 暫無業務
Sky Link Management Limited 天下管理有限公司	Hong Kong 香港	Hong Kong 香港	HK\$100 100港元	100%	100%	Investment holding 投資控股
Sino Network ¹	BVI 英屬處女群島	Hong Kong 香港	US\$13,983 13,983美元	100%	100%	Investment holding 投資控股

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35. SUBSIDIARIES (Continued)

35. 附屬公司 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/成立地點	Place of operation 營運地點	Issued and fully paid share capital/ registered capital 已發行及 繳足股本/ 註冊資本	Attributable equity interest of the Group		Principal activities 主要業務
				2011	2010	
Wise Action Limited	Hong Kong	Hong Kong	HK\$10,000	100%	100%	Provision of printing services for group entities
智僑有限公司	香港	香港	10,000港元	100%	100%	為集團實體提供印刷服務
京力北雅(北京)教育諮詢有限公司 ²	PRC	PRC	RMB1,000,000	100%	100%	Provision of educational consultant and management services
	中國	中國	人民幣1,000,000元	100%	100%	提供教育諮詢及管理服務
廣州天力教育諮詢有限公司 ²	PRC	PRC	RMB1,000,000	100%	-	Provision of educational consultant and management services
	中國	中國	人民幣1,000,000元	100%	-	提供教育諮詢及管理服務

¹ The company is directly held by the Company. All other subsidiaries are indirectly held by the Company.

¹ 該公司由本公司直接持有。所有其他附屬公司均由本公司間接持有。

² These companies were established in the PRC in the form of wholly foreign-owned enterprise.

² 該等公司以外商獨資公司形式於中國成立。

³ Express Education became inactive during the year ended 30 June 2010 after its operations were all transferred to Modern Education (Hong Kong) Limited.

³ Express Education於其業務全部轉讓予現代教育(香港)有限公司後截至2010年6月30日止年度暫無業務。

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36. FINANCIAL INFORMATION OF THE COMPANY

Financial information of the Company as at 30 June 2011 is set out below:

36. 本公司財務資料

本公司於2011年6月30日之財務資料載列如下：

		HK\$'000
		千港元
Non-current asset	非流動資產	
Investment in a subsidiary	於一間附屬公司之投資	322
Current liability	流動負債	
Amount due to a subsidiary (<i>Note 1</i>)	應付一家附屬公司款項 (<i>附註1</i>)	(10,408)
Net assets	淨資產	(10,086)
Capital and reserve	資本及儲備	
Share capital	股本	28,400
Other reserve	其他儲備	(28,078)
Accumulated loss	累計虧損	(10,408)
Total equity	總權益	(10,086)

Notes:

- The amount is unsecured, non-interest bearing and repayable on demand.
- At 30 June 2011, the Company did not have reserves available for distribution in accordance with the Companies Law of the Cayman Islands.

附註：

- 該款項為無抵押、免息及須於要求時償還。
- 於2011年6月30日，根據開曼群島公司法，本公司並無可供分派之儲備。

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37. RETIREMENT BENEFIT PLANS

The Group operated a Mandatory Provident Fund Scheme ("MPF Scheme") for all qualifying employees in Hong Kong under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme were held separately from those of the Group in funds under the control of an independent trustee. Under the rules of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at rate specified in the rules. The only obligation of the Group with respect of MPF Scheme was to make the required contributions under the scheme. No forfeited contribution was available to reduce the contribution payable in the future years.

The employees employed in the PRC are members of the state-managed retirement benefit schemes operated by the PRC government. Each of the PRC subsidiaries is required to contribute a certain percentage of their payroll to the retirement benefit schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefit schemes is to make the required contributions under the schemes.

38. EVENT AFTER THE END OF THE REPORTING PERIOD

On 4 July 2011, the Company issued 116,000,000 ordinary shares of HK\$0.1 each at the price of HK\$1.3 per share by way of public offering. On the same date, the Company's shares were listed on the Main Board of the Stock Exchange.

37. 退休福利計劃

本集團根據強制性公積金計劃條例為香港所有合資格僱員設立強制性公積金計劃（「強積金計劃」）。強積金計劃的資產透過一名獨立受託人控制的基金與本集團所持資產分開持有。根據強積金計劃的規則，僱主及其僱員分別須按規則訂明的比率向計劃作出供款。本集團對強積金計劃的唯一責任為根據該計劃作出所需供款。並無已沒收供款可用作扣減未來年度應付供款。

於中國受僱的僱員須參與中國政府設立的國家管理退休福利計劃。各中國附屬公司須按僱員基本薪酬的若干百分比向該退休福利計劃供款，為該等福利提供資金。本集團對退休福利計劃的唯一責任為根據計劃作出所需供款。

38. 報告期末後事項

於2011年7月4日，本公司透過公開發售按每股1.3港元之價格發行116,000,000股每股面值0.1港元之普通股。於同日，本公司之股份於聯交所主板上市。

現代教育

Modern Education Group Limited
現代教育集團有限公司