



CENTENNIAL
COLLEGE
明德學院

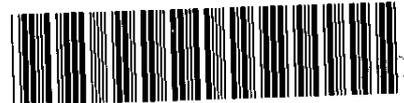
An Independent College Established by HKU

Centennial College
明德學院

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FINANCIAL REPORT

2019/20



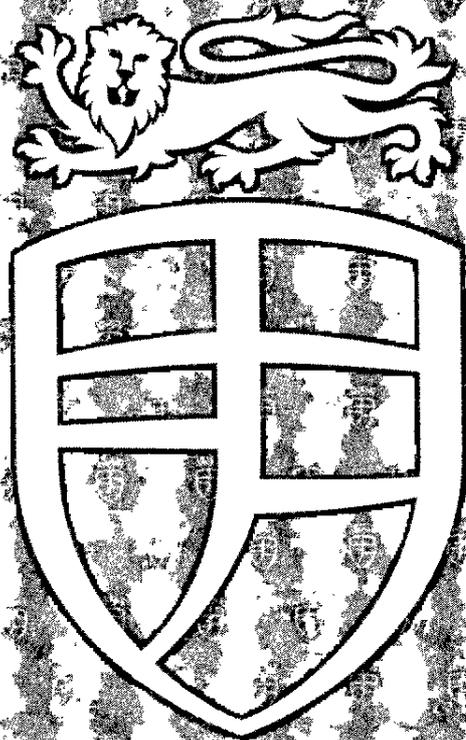
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Centennial College
明德學院

FINANCIAL REPORT

2019/20



CENTENNIAL COLLEGE (LIMITED BY GUARANTEE) REPORT OF THE BOARD OF GOVERNORS

明德學院(有限擔保公司) 校董會報告書

The Board of Governors has pleasure in submitting its report together with the audited financial statements for the year ended 30 June 2020.

本校董會議呈交其報告書及截至二零二零年六月三十日止年度的經審核財務報表。

PRINCIPAL ACTIVITY

The College, namely Centennial College, was established with the approval of the Council of The University of Hong Kong. It was incorporated on 28 April 2011 as Centennial College under the Hong Kong Companies Ordinance and is limited by guarantee.

主要業務

經香港大學校務委員會批准，本學院命名為明德學院，於二零一一年四月二十八日根據香港《公司條例》註冊成立明德學院為一間有限擔保公司。

The College was registered as an Approved Post Secondary College under the Post Secondary Colleges Ordinance (Cap.320) on 15 February 2012. The College offers full time self-financed, 4-year Bachelor Degree programmes validated by the Hong Kong Council for Accreditation of Academic and Vocational Qualifications (HKCAAVQ). The College admitted its first cohort of students in September 2012.

本學院在二零一二年二月十五日根據《專上學院條例》(第三百二十章)註冊成為認可專上學院。通過香港學術及職業資歷評審局認可，提供全日制四年自資學士學位課程。本學院於二零一二年九月開辦首屆課程。

The College is also recognised as being a charitable institution and exempt from Hong Kong profits tax under Section 88 of the Inland Revenue Ordinance.

本學院同時被確認為一間慈善機構而可根據香港《稅務條例》第八十八條獲豁免利得稅。

RESULTS

The results of the College for the year ended 30 June 2020 are set out in the statement of comprehensive income on page 7.

業績

本學院截至二零二零年六月三十日止年度之業績詳列於第七頁綜合收益表。

BUSINESS REVIEW

No business review of the College for the year has been presented as the College has been able to claim an exemption under Section 388(3) of the Hong Kong Companies Ordinance (Cap.622) since it is a wholly owned subsidiary of the University of Hong Kong.

業務審視

根據香港《公司條例》(第六百二十二章)第三百八十八條第三節，由於本學院是由香港大學全資擁有的附屬公司，本學院可豁免準備業務審視。

CENTENNIAL COLLEGE (LIMITED BY GUARANTEE)
REPORT OF THE BOARD OF GOVERNORS (CONTINUED)
 明德學院(有限擔保公司)
 校董會報告書(續)

MEMBERS OF THE BOARD OF GOVERNORS

The members of the Board of Governors during the year were:

Professor Norman C.N. Tien
 Dr. Steven J. Cannon (resigned on 30 September 2019)
 Professor Terry K.F. Au
 Professor Henry H.L. Chan
 Ms. Wendy K.S. Gan
 Mr. Philip B.L. Lam
 Professor Frederick K.S. Leung (appointed on 1 December 2019)
 Ms. Sara S.M. Lo
 Mr. Thomas Brian Stevenson
 Dr. Anissa L.K. Wong
 Ms. Nancy M.H. Woo

In accordance with Articles 34 and 35 of the College's Articles of Association, the first Governors shall be nominated in writing by the Founder Members of the College whereby one half of the Governors shall hold office for an initial period of three years and the other half of members shall hold office for an initial period of two years and thereafter members shall be elected by an ordinary resolution of the members of the College at an annual general meeting.

Governors appointed shall retire from office at the annual general meeting according to their appointment but shall be eligible for re-appointment for a maximum of two subsequent terms of three years. A Governor re-appointed for a third term of three years shall not, unless the Board of Governors unanimously resolve, be eligible for re-appointment until one year shall have elapsed from the date of his retirement at the end of his third term in office.

校董會的成員

在本年度內在任之校董會的成員如下：

田之楠教授
 康諾恩博士(二零一九年九月三十日卸任)
 區潔芳教授
 陳沅里教授
 顏金施女士
 林炳麟先生
 梁貫成教授(二零一九年十二月一日委任)
 盧秀梅女士
 Mr. Thomas Brian Stevenson
 黃麗娟博士
 胡美好女士

根據本學院的公司章程第三十四和三十五條，首屆校董會成員由本院創辦成員書面委任，一半校董會成員首次任期為三年，其餘校董會成員首次任期為兩年。此後，校董會成員於年會中通過普通決議選任。

獲委任校董會成員任期屆滿時於年會中離任，惟可再獲選任，最高三年任期，最多連任兩次。已連任九年校董會成員，除獲校董會一致通過外，須與最後任期相隔一年方可再次獲選。

**CENTENNIAL COLLEGE (LIMITED BY GUARANTEE)
REPORT OF THE BOARD OF GOVERNORS (CONTINUED)**

明德學院(有限擔保公司)
校董會報告書(續)

BOARD OF GOVERNORS' INTERESTS IN CONTRACTS

No transactions, arrangements and contracts of significance in relation to the College's business to which the College or its holding entity was a party and in which a board member had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

MANAGEMENT CONTRACTS

Save as disclosed in note 17 to the financial statements, no other contracts concerning the management and administration of the whole or any substantial part of the business of the College were entered or existed during the year.

PERMITTED INDEMNITY PROVISIONS

At no time during the financial year and up to the date of this Directors' Report, there was or is, any permitted indemnity provision being in force for the benefit of any of the directors of the College (whether made by the College or otherwise) or an associated company (if made by the College).

AUDITOR

The financial statements have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment.



Professor Norman C.N. Tien
Board of Governors Member

Hong Kong, 21 October 2020

校董會成員之合約權益

在本年度內或年結時，本學院或其控權機構並沒有簽訂任何與其業務有關，並與任何校董會成員直接或間接有權益關係的重要交易安排及合約。

管理合約

除在財務報表附註十七的披露外，本學院並無就整體業務或任何重要業務之管理或行政工作簽訂或存有任何合約。

獲准許的彌償條文

在財政年度內及直至董事報告日期止任何時間，均未曾經有或現有生效的任何獲准許彌償條文惠及本學院的董事(不論是否由本學院或其他訂立)或本學院之有聯繫公司的任何董事(如由本學院訂立)。

核數師

本財務報表已經由羅兵咸永道會計師事務所審核，該核數師任滿告退，但表示願意應聘連任。

田之楠教授
校董會成員

香港，二零二零年十月二十一日



羅兵咸永道

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF CENTENNIAL COLLEGE (LIMITED BY GUARANTEE)
(INCORPORATED IN HONG KONG AND LIMITED BY GUARANTEE)**

獨立核數師報告

致明德學院(有限擔保公司)成員(於香港註冊成立的有限擔保公司)

Opinion

What we have audited

The financial statements of Centennial College (the "College") set out on pages 7 to 31, which comprise:

- the balance sheet as at 30 June 2020;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Our opinion

In our opinion, the financial statements give a true and fair view of the financial position of the College as at 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

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

Independence

We are independent of the College in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

意見

我們已審計的內容

明德學院(以下簡稱「貴學院」)列載於第七至三十一頁的財務報表,包括:

- 於二零二零年六月三十日的資產負債表;
- 截至該日止年度的綜合收益表;
- 截至該日止年度的權益變動表;
- 截至該日止年度的現金流量表;及
- 財務報表附註,包括主要會計政策概要。

我們的意見

我們認為,該等財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了貴學院於二零二零年六月三十日的財務狀況及其截至該日止年度的財務表現及現金流量,並已遵照香港《公司條例》妥為擬備。

意見的基礎

我們已根據香港會計師公會頒布的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計財務報表承擔的責任」部分中作進一步闡述。

我們相信,我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

獨立性

根據香港會計師公會頒布的《專業會計師道德守則》(以下簡稱「守則」),我們獨立於貴學院,並已履行守則中的其他專業道德責任。



**INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF CENTENNIAL COLLEGE (LIMITED BY GUARANTEE)
(INCORPORATED IN HONG KONG AND LIMITED BY GUARANTEE)**

獨立核數師報告(續)

致明德學院(有限擔保公司)成員(於香港註冊成立的有限擔保公司)

Other information

The governors are responsible for the other information. The other information comprises the information included in Report of the Board of Governors but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Governors and the Audit Committee for the Financial Statements

The governors are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the governors are responsible for assessing the College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the governors either intend to liquidate the College or to cease operations, or have no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the College's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 405 of the Hong Kong Companies Ordinance and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

其他信息

校董須對其他信息負責。其他信息包括校董會報告書內的信息，但不包括財務報表及我們的核數師報告。

我們對財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

校董及審核委員會就財務報表須承擔的責任

校董須負責根據香港會計師公會頒布的《香港財務報告準則》及香港《公司條例》擬備真實而中肯的財務報表，並對其認為為使財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所必需的內部控制負責。

在擬備財務報表時，校董負責評估貴學院持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非校董有意將貴學院清盤或停止經營，或別無其他實際的替代方案。

審核委員會須負責監督貴學院的財務報告過程。

核數師就審計財務報表承擔的責任

我們的目標，是對財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅按照香港《公司條例》第四百零五條向閣下(作為整體)報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。



羅兵咸永道

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF CENTENNIAL COLLEGE (LIMITED BY GUARANTEE)
(INCORPORATED IN HONG KONG AND LIMITED BY GUARANTEE)**

獨立核數師報告(續)

致明德學院(有限擔保公司)成員(於香港註冊成立的有限擔保公司)

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 College's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the governors.
- Conclude on the appropriateness of the governors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the College's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the College to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong, 21 October 2020

核數師就審計財務報表承擔的責任(續)

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴學院內部控制的有效性發表意見。
- 評價校董所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對校董採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴學院的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴學院不能持續經營。
- 評價財務報表的整體列報方式、結構和內容，包括披露，以及財務報表是否中肯反映交易和事項。

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

羅兵咸永道會計師事務所

執業會計師

香港，二零二零年十月二十一日

CENTENNIAL COLLEGE (LIMITED BY GUARANTEE)
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2020
明德學院(有限擔保公司)
綜合收益表
截至二零二零年六月三十日止年度

		Note 附註	2020 HK\$'000	2019 HK\$'000
Income	收益			
Tuition and other fees	學費及其他收費	5	5,538	10,903
Interest / investment income	利息 / 投資收益	6	319	379
Donations	捐助		-	61
Matching grants	配對補助金	7	-	58
Scholarship grants	獎學金資助		70	120
Research grants	研究資助		217	459
Miscellaneous income	其他收益		16	442
			6,160	12,422
Expenditure	支出			
Programme costs	課程成本			
Teaching staff costs	教學職員成本	9 (ii)	4,067	6,056
Academic divisions / units staff costs	教務職員成本	9 (ii)	1,145	2,644
Facilities charges	設施費用		127	295
Miscellaneous course expenses	課程雜項費用		102	638
Indirect costs	間接成本			
Central academic services, administrative and support staff costs	行政職員成本	9 (ii)	6,814	8,515
Accommodation and facilities charges	場地及設施費用	10	1,151	5,040
General publicity	一般宣傳費用		97	505
General expenses	一般費用	11	6,896	10,607
Depreciation of plant and equipment	機器及設備折舊	12	123	142
Scholarship	獎學金		3,348	4,607
			23,870	39,049
NET DEFICIT AND	本年度淨虧損及			
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	綜合虧損		(17,710)	(26,627)

The notes on pages 12 to 31 form an integral part of the financial statements.

列載於第十二頁至三十一頁之附註為本財務報表之一部份。

CENTENNIAL COLLEGE (LIMITED BY GUARANTEE)

BALANCE SHEET AS AT 30 JUNE 2020

明德學院(有限擔保公司)

資產負債表

二零二零年六月三十日

		Note 附註	2020 HK\$'000	2019 HK\$'000
Non-current Assets	非流動資產			
Plant and equipment	機器及設備	12	209	332
Current Assets	流動資產			
Prepayments and other receivables	預付款及其他應收賬款		113	80
Cash and cash equivalents	現金及等同現金	15	11,937	33,007
			12,050	33,087
Current Liabilities	流動負債			
Accounts payable and accruals	應付賬款及應計項目		1,970	3,793
Amounts due to group entities	應付同集團實體款項	13	3,556	5,075
Deferred income	遞延收益	8	446	587
Fees received in advance	預收學費		33	-
			6,005	9,455
Net Current Assets	流動資產淨值		6,045	23,632
Total Assets Less Current Liabilities	總資產減流動負債		6,254	23,964
Non-current Liability	非流動負債			
Loan from a fellow subsidiary	同集團附屬公司貸款	14	75,000	75,000
NET LIABILITIES	淨負債		(68,746)	(51,036)
ACCUMULATED LOSSES	累積虧損	16	(68,746)	(51,036)

The notes on pages 12 to 31 form an integral part of the financial statements.

列載於第十二頁至三十一頁之附註為本財務報表之一部份。



Professor Norman C.N. Tien 田之楠教授
Board of Governors Member 校董會成員



Ms. Sara S.M. Lo 盧秀梅女士
Board of Governors Member 校董會成員

Hong Kong, 21 October 2020

香港，二零二零年十月二十一日

CENTENNIAL COLLEGE (LIMITED BY GUARANTEE)
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020

明德學院(有限擔保公司)

權益變動表

截至二零二零年六月三十日止年度

		Note 附註	2020 HK\$'000	2019 HK\$'000
ACCUMULATED LOSSES	累積虧損			
At the beginning of the year	於年初		(51,036)	(24,409)
Net deficit and total comprehensive loss for the year	本年度淨虧損及綜合虧損		(17,710)	(26,627)
AT THE END OF THE YEAR	於年末	16	<u>(68,746)</u>	<u>(51,036)</u>

The notes on pages 12 to 31 form an integral part of the financial statements.

列載於第十二頁至三十一頁之附註為本財務報表之一部份。

CENTENNIAL COLLEGE (LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020
明德學院(有限擔保公司)
現金流量表
截至二零二零年六月三十日止年度

	Note 附註	2020 HK\$'000	2019 HK\$'000
Cash Flows from Operating Activities			
營運活動產生之現金流量			
Net deficit for the year		(17,710)	(26,627)
本年度淨虧損			
Adjustment for:			
調整以下項目:			
Interest / investment income	6	(319)	(379)
利息 / 投資收益			
Depreciation of plant and equipment	12	123	142
機器及設備折舊			
(Increase) / Decrease in prepayments and other receivables		(33)	165
預付款及其他應收賬款之(增加) / 減少			
Decrease in accounts payable and accruals		(1,823)	(6,671)
應付賬款及應計項目之減少			
Decrease in deferred income		(141)	(456)
遞延收益之減少			
Decrease in amounts due to group entities		(1,519)	(3,381)
應付同集團實體款項之減少			
Increase / (Decrease) in fees received in advance		33	(195)
預收學費之增加 / (減少)			
Net Cash Used in Operating Activities		(21,389)	(37,402)
營運活動動用之淨現金			
Cash Flows from Investing Activities			
投資活動產生之現金流量			
Interest income received		319	379
已收利息收益			
Net Cash Generated from Investing Activities		319	379
投資活動產生之淨現金			
Cash Flows from Financing Activity			
融資活動產生之現金流量			
Repayment of endowment fund		-	(45,000)
償還留本基金			
Net Cash Used in Financing Activity		-	(45,000)
融資活動動用之淨現金			
Net Decrease in Cash and Cash Equivalents		(21,070)	(82,023)
現金及等同現金淨減少			
Cash and Cash Equivalents at Beginning of the Year		33,007	115,030
年初現金及等同現金			
Cash and Cash Equivalents at End of the Year		11,937	33,007
年末現金及等同現金			

The notes on pages 12 to 31 form an integral part of the financial statements.
列載於第十二頁至三十一頁之附註為本財務報表之一部份。

CENTENNIAL COLLEGE (LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020
明德學院(有限擔保公司)
現金流量表
截至二零二零年六月三十日止年度

	Note 附註	2020 HK\$'000	2019 HK\$'000
Analysis of Cash and Cash Equivalents			
現金及等同現金分析			
Cash at banks and in hand	15	4,302	13,588
銀行存款及庫存現金			
Short-term bank deposits	15	7,635	19,419
短期銀行存款			
		<u>11,937</u>	<u>33,007</u>

Note (a) : Reconciliation of liabilities arising from financing activities

附註(a): 自融資活動產生之負債的對賬

	2020 HK\$'000	2019 HK\$'000
Loan from a fellow subsidiary		
同集團附屬公司貸款		
Balance at the beginning and at the end of the year	75,000	75,000
年初及年末結餘		

The notes on pages 12 to 31 form an integral part of the financial statements.

列載於第十二頁至三十一頁之附註為本財務報表之一部份。

CENTENNIAL COLLEGE (LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
明德學院(有限擔保公司)
財務報表附註

1. General

The College, namely Centennial College, was established with the approval of the Council of The University of Hong Kong (the "University"). It was incorporated on 28 April 2011 under the Hong Kong Companies Ordinance and is limited by guarantee.

The College was registered as an Approved Post Secondary College under the Post Secondary Colleges Ordinance (Cap.320) on 15 February 2012. The College offers full time self-financed, 4-year Bachelor Degree programmes validated by the Hong Kong Council for Accreditation of Academic and Vocational Qualifications (HKCAAVQ). The College admitted its first cohort of students in September 2012.

The College is also recognised as being a charitable institution and exempt from Hong Kong profits tax under Section 88 of the Inland Revenue Ordinance.

The address of its registered office is The University of Hong Kong, Pokfulam Road, Hong Kong.

Under the provisions of the College's Memorandum of Association, every member shall, in the event of the College being wound up, contribute as required to the assets of the College to the extent of HK\$100. At 30 June 2020, the College had four members.

The College was established by the University in response to the Hong Kong Government's call for private universities to be developed to meet the aspirations of the Hong Kong community for more higher education opportunities in the wake of the 3-3-4 education reforms. The College is based in the Island South Pokfulam Campus and offers three degrees: the Bachelor of Professional Accounting (Honours), the Bachelor of Arts (Honours) which has nine majors namely "Business Management and the Liberal Arts", "China Studies", "Gender, Media and Culture", "Global Studies", "Integrated Business", "Language and Communication", "Management as a Liberal Art", "Media, Culture and Creativity", and "Sustainability and Society", and the Bachelor of Social Sciences (Honours) which has three majors namely "China and Global Studies", "Social Behaviour and Public Policy", and "Sustainability, Technology and Society".

In 2017/18 plans were initiated with a potential Joint Venture partner for a new approach of vocational and professional education on a liberal arts base which would have resulted in significant new investment in the College and a solution to its long term campus provision. Unfortunately, these plans failed to come to fruition and so the decision has been taken to suspend admission in 2019/20 unless circumstances change.

簡介

經香港大學(「大學」)校務委員會批准，本學院命名為明德學院。於二零一一年四月二十八日根據香港《公司條例》註冊成立為一間有限擔保公司。

本學院在二零一二年二月十五日根據《專上學院條例》(第三百二十章)註冊成為認可專上學院。通過香港學術及職業資歷評審局認可，提供全日制四年自資學士學位課程。首批學生於二零一二年九月入學。

本學院也被確認為一間慈善機構而可根據香港《稅務條例》第八十八條獲豁免利得稅。

本學院之註冊地址為香港薄扶林道香港大學。

倘若本學院需要清盤，其設立章程定下每一位成員在需要時須向院方的資產資助不多於港幣一百元。在二零二零年六月三十日，本院有四名成員。

為配合香港社會期望三三四學制教育改革後得到更多高等教育機會及響應香港政府鼓勵發展私立大學的政策，本學院經大學批准成立。本學院在港島南校舍提供三個學位課程：專業會計(榮譽)課程，文學士(榮譽)課程及社會科學(榮譽)課程。文學士(榮譽)課程提供九個主修範疇，包括「博雅商業管理學」，「中國研究」，「性別、媒體及文化」，「環球研究」，「綜合商業」，「語言及傳意」，「通博管理學」，「媒體、文化及創意」，及「社會與可持續發展」。社會科學(榮譽)課程提供三個主修範疇，包括「中國及環球研究」，「社會行為及公共政策」，及「科技社會與可持續發展」。

於二零一七至二零一八年，本學院計劃與具潛力的合資企業夥伴合作，旨在於博雅教育基礎上提供新的職業專才教育。這將為學院帶來重大的新投資，並為校園將來在用地問題上提供長遠解決方案。由於這些計劃最終未能實行，除非情況有所變更，本學院已決定於二零一九至二零二零年度暫停招生。

CENTENNIAL COLLEGE (LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
明德學院(有限擔保公司)
財務報表附註(續)

2. Principal Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(i) Basis of Preparation

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") under the historical cost convention.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the College's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2(xv).

As note 1 refers, admissions have been suspended from 2019/20 unless circumstances change, the financial implications for the College are explained in note 3(i)(c) and on that basis the Governors believe the College remains a going concern.

At 30 June 2020, the College had deficit of reserve fund of HK\$68,746,000 (2019: HK\$51,036,000). HKU School of Professional and Continuing Education, a fellow subsidiary, has confirmed its intention to provide continuing financial support to the College until the expiry of the current validation period by HKCAAVQ (2021/22) so as to enable the College to meet its liabilities as and when they fall due and continue its operation for the foreseeable future. Consequently, the Governors have prepared the financial statements on a going concern basis.

(ii) The adoption of new, revised and amendments to existing standards and interpretations

The College has adopted the following new, revised standards and amendments to existing standards and interpretations which are relevant to the College's operations and mandatory for the financial year ended 30 June 2020:

HKFRS 16	Leases
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments
HKICPA's annual improvements to HKFRSs 2015-2017 cycle	
HKAS 19 (Amendments)	Plan Amendment, Curtailment or Settlement
HKAS 28 (Amendments)	Long-term Interest in Associates or Joint Ventures
HKFRS 9 (Amendments)	Prepayment Features with Negative Compensation

Apart from the above, no other new standards, amendments and improvement or existing standards that are mandatory for the financial year ended 30 June 2020 are relevant and applicable to the College.

The College has assessed the impact of the adoption of the above new standards, amendments and improvement to standards and considered that there were no significant impact on the College's financial performance and financial position and no substantial changes in the College's accounting policies and preparation of these financial statements.

主要會計政策

本學院編製此等財務報表所採用之主要會計政策列載如下。除另有說明外，主要會計政策在所列報的所有年度內貫徹應用。

編製基準

本財務報表乃按照香港會計師公會公佈之《香港財務報告準則》(「財務報告準則」)，並依據歷史成本法編製。

編制符合香港財務報告準則的財務報表需要使用若干關鍵會計估計。這亦需要管理層在應用本學院會計政策過程中行使其判斷，涉及高度的判斷或高度複雜性的範疇，或涉及對財務報表屬重大假設和估計的範疇，在附註2(xv)披露。

根據附註1所述，除非情況有所變更，本學院已決定由二零一九至二零二零年度起暫停收生。而這對學院的財務影響將在附註3(i)(c)中說明，校董相信學院仍然能夠持續經營。

截至二零二零年六月三十日，本學院的儲備基金赤字為港幣六千八百七十四萬六千元(二零一九年：港幣五千一百零三萬六千元)。香港大學專業進修學院是一間同系子公司，已確認有意向本學院提供持續的財政支持至香港學術及職業資歷評審局通過之當前有效期屆滿(二零二一至二零二二年度)，以使本學院能夠在到期時履行其責任，並在可預見的將來繼續運作。因此，校董按持續經營基準編制了財務報表。

採納新訂、修訂及對現行準則的改進

在二零二零年六月三十日財政年度，本學院採納下列與其業務相關之新訂、修訂及已改進的財務報告準則：

香港財務報告準則第16號	租賃
香港(國際財務報告解釋委員會) – 解釋公告第23號	所得稅務處理之不確定性
香港會計師公會公佈對財務報告準則2015-2017週期年度改進	
香港會計準則第19號(修訂)	計劃修改、削減或結算
香港會計準則第28號(修訂)	於聯營和合營企業的長期權益
香港財務報告準則第9號(修訂)	反向賠償的提前還款特徵

除此之外，在二零二零年六月三十日年度並沒有其他相關之新訂、修訂及改進的財務報告準則適用於本學院。

本學院已經就以上新公佈或經修訂之準則及現有準則之修訂及改進對本學院財務表之影響作出評估並對基本會計政策之改變與財務報表呈報之結果沒有重大影響。

CENTENNIAL COLLEGE (LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 明德學院(有限擔保公司)
 財務報表附註(續)

2. Principal Accounting Policies (Continued)

(iii) New, revised and amendments to existing standards and interpretations not yet effective

The following new standards and amendments to standards relevant to the College's operation have been published that are mandatory for accounting periods beginning on or after 1 July 2020 or later periods but which the College has not early adopted:

		Effective for accounting periods beginning on or after
HKAS 1 and HKAS 8 (Amendments)	Definition of Material	1 January 2020
HKFRS 3 (Amendments)	Definition of a Business	1 January 2020
Conceptual Framework for Financial Reporting 2018	Revised Conceptual Framework for Financial Reporting	1 January 2020
HKAS 39, HKFRS 7 and HKFRS 9 (Amendments)	Interest Rate Benchmark Reform	1 January 2020
HKFRS 17	Insurance Contracts	1 January 2021
HKFRS10 and HKAS28 (Amendments)	Sale or Contribution of Assets between and Investor and its Associate or Joint Venture	To be determined

Management is currently assessing the impact of the above new standards and amendments to standards on the College's financial statements and is not yet in a position to state whether substantial changes to accounting policies and presentation of the financial statements will result.

(iv) Foreign Currency Translation

(a) Functional and presentation currency

Items included in the financial statements of the College are measured using the currency of the primary economic environment in which the College operates ("the functional currency"). The financial statements are presented in Hong Kong dollar ("HK dollar"), which is the College's functional and presentation currency.

主要會計政策(續)

尚未生效的新公佈之準則及現有準則之修訂及改進

本學院並未提前採納以下與本學院有關並於二零二零年七月一日或以後生效的新公佈之準則及現有準則之修訂：

		Effective for accounting periods beginning on or after	於下列日期或以 後會計年度生效
香港會計準則 第1號(修訂)及 香港會計準則 第8號(修訂)	重大的定義	1 January 2020	二零二零年 一月一日
香港財務報告準則 第3號(修訂)	業務的定義	1 January 2020	二零二零年 一月一日
財務報告之觀念架 構2018	修改財務報告之觀 念架構	1 January 2020	二零二零年 一月一日
香港財務報告準則 第9號(修訂)及 香港會計準則 第39號(修訂)及 香港財務報告準則 第7號(修訂)	基準利率改革	1 January 2020	二零二零年 一月一日
香港財務報告準則 第17號	保險合約	1 January 2021	二零二一年 一月一日
香港財務報告準則 第10號及 香港會計準則 第28號(修訂)	投資者與其聯營或 合營企業之間的資 產出售或注資	To be determined	待確定

管理層現正就以上新公佈之準則及現有準則之修訂及改進對本學院財務報表之影響作出評估但並未能陳述對基本會計政策之改變與財務報表呈報之結果。

外幣換算

功能及呈報貨幣

本學院的賬目內所包括的項目，乃按本學院經營所在的主要經濟環境的貨幣「功能貨幣」計算。本賬目以港幣呈列，而本學院的功能及呈報貨幣均為港幣。

**CENTENNIAL COLLEGE (LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**明德學院(有限擔保公司)
財務報表附註(續)**

2. Principal Accounting Policies (Continued)

(iv) Foreign Currency Translation (Continued)

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

(v) Revenue Recognition

Tuition fees are recognised on an accrual basis. Unearned tuition fees are treated as fee income received in advance.

Interest income is recognised using the effective interest method, taking into account the principal amounts outstanding and the effective interest rates applicable.

Donations are recognised as income in the statement of comprehensive income when the right of collection is established by the College. Outstanding pledges are not recognised as income unless a legal obligation on the donor is established by the College. Donations designated by the donor for specific purposes within a fixed period of time are recognised as income to the extent of the related expenditure incurred during the year.

Government grants and scholarship grants are recognised in the statement of comprehensive income when there is reasonable assurance that the College will comply with the conditions attached with them and that the subventions will be received.

(vi) Plant and Equipment

Plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the College and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in the statement of comprehensive income during the financial period in which they are incurred.

Plant and equipment are depreciated at their cost less accumulated impairment losses over their estimated useful lives on a straight-line basis. The estimated useful lives of each category of plant and equipment are as follows:

主要會計政策(續)

外幣換算(續)

交易及結餘

外幣交易乃按交易當日的現行匯率或項目重新計量的估值日期的匯率換算為功能貨幣。因上述交易結算而產生的匯兌損益，以及因按年終匯率兌換以外幣列值的貨幣資產及負債而產生的匯兌損益，一概於綜合收益表內確認。

收益確認

學費按應計制確認，而所有預繳學費均以預收學費列賬。

利息收入在考慮本金結餘及適用之實際利率後按實際利率法按時間比例基準確認。

本學院獲得之捐助均在確立本學院的收賬權後入賬。而未兌現的承諾捐獻，則在本學院確立捐贈人有法定義務實現所許下的承諾後確認為年度的收益。經捐贈人指定於固定期間內用作特定用途之外界捐助以年內發生之支出金額為限列賬。

若本學院能合理地保證會遵從所附條件和可收取撥款，政府補助金及獎學金資助則在綜合收益表確認入賬。

機器及設備

機器及設備以歷史成本值減累積折舊及累積減值虧損列賬(如適用)。歷史成本值包括購入該項目之直接費用。

如未來經濟效益很可能流入學院而項目成本可能計量時，與已確認固定資產有關的其後支出便會加入資產的賬面金額，或確認為一項獨立資產。所有其他維修及保養支出則在產生的期間於綜合收益表內確認為支出。

機器及設備以直線法按其預計之使用年限將其成本值減累積減值虧損撇銷，其所採用之預計使用年限如下：

**CENTENNIAL COLLEGE (LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**明德學院(有限擔保公司)
財務報表附註(續)**

2. Principal Accounting Policies (Continued)

(vi) Plant and Equipment (Continued)

Plant and Equipment	5 years
Computer Equipment	5 years
Leasehold Improvement	the shorter of 7 years and the lease term
Motor Vehicle	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposal of plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in the statement of comprehensive income.

(vii) Financial Assets

Classification

The College classifies its other financial assets to be measured at amortised cost. The classification depends on the entity's business model for managing the financial investments and other financial assets and the contractual terms of the cash flows.

The College reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and measurement

(a) Financial assets at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. They are included in current assets, except for maturities greater than 12 months after the end of reporting period. These are classified as non-current assets.

(b) Impairment of financial assets

Assets classified at amortised cost

The College assesses at the end of each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

主要會計政策(續)

機器及設備(續)

機器及設備	五年
電腦設備	五年
租賃物業裝修	七年或租賃期，以較短者為準
車輛	五年

於每個年結日，評估該等資產之剩餘價值及使用年限有否變動，並作合適調整。如該資產出現減值，則估算其可收回價值，及將減值虧損入賬以將資產減至其可收回價值。

處置機器及設備之收益或損失乃處置所得收入淨額與有關資產賬面值之差額，並於綜合收益表入賬。

財務資產

分類

本學院將其其他財務資產分類按攤銷成本列賬的財務資產。分類取決於實體管理財務投資和其他財務資產的業務模式以及現金流量的合同條款。

本學院只限於當管理該等資產之業務模式改變時重新分類債務投資。

確認及計量

按攤銷成本列賬的財務資產

就持有作收回合約現金流量的資產而言，倘有關資產的現金流量純粹為支付本金及利息，則按攤銷成本計量。這些資產會列入流動資產內，惟於報告期末十二個月以後到期的資產，則列作非流動資產。

財務資產減值

以攤銷成本列賬的資產

本學院於每個資產負債表日評估是否存在客觀證據證明某一財務資產或某一財務資產組出現減值。只有當存在客觀證據證明於因為首次確認資產後發生一宗或多宗事件導致出現減值（「損失事項」），而該宗（或該等）損失事項對該項或該組財務資產的估計未來現金流量構成的影響可以合理估計，有關的財務資產或財務資產組才算出現減值及產生減值虧損。

**CENTENNIAL COLLEGE (LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**明德學院(有限擔保公司)
財務報表附註(續)**

2. Principal Accounting Policies (Continued)

(vii) Financial Assets (Continued)

(b) Impairment of financial assets (Continued)

Assets classified at amortised cost (Continued)

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

The College assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Impairment on other receivables is measured as either 12-month expected credit losses or lifetime expected credit losses, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime expected credit loss.

When there is a significant increase in credit risk or the receivables are not settled in accordance with the terms stipulated in the agreements, management considers these receivables as underperforming or non-performing and impairment is measured as lifetime expected credit loss.

When the College considers that there is no reasonable expectation of recovery, the financial assets measured at amortised cost will be written off.

(viii) Prepayments and Other Receivables

Prepayments and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment.

The College measures the loss allowance using a lifetime expected loss for other receivables. The expected loss rates are based on the historical observed default rates adjusted for forward-looking estimates.

Impairment losses on receivables are recognised within operating result. Receivables are written off (either partially or in full) when there is no reasonable expectation of recovery.

主要會計政策(續)

財務資產(續)

財務資產減值(續)

以攤銷成本列賬的資產(續)

減值證據可包括債務人或一組債務人出現重大財政困難、逾期支付或拖欠利息或本金、可能破產或進行其他財務重組，以及有明顯的資料顯示估計之未來現金流量出現可計算的跌幅，例如欠款變動或與拖欠相關聯的經濟狀況。

本學院按前瞻基準評估與按攤銷成本列賬的債務工具相關的預期信貸虧損。適用減值方法取決於信貸風險有否顯著增加。

其他應收款項的減值視乎信貸風險自首次確認後有否顯著增加，按十二個月預期信貸虧損或就使用年期預計虧損計量。倘若應收款項的信貸風險自首次確認後顯著增加，則減值按使用年期預計虧損計量。

當信貸風險大幅增加或應收款項未按協議規定的條款結算時，管理層認為該等應收款項表現不佳或不良，而減值則按終身預期信貸虧損計量。

當本學院沒有合理預期收回的指標，以攤銷成本計量的財務資產將被沖銷。

預付款及其他應收賬款

預付款及其他應收賬款初步以公平值確認，其後利用實際利息法按攤銷成本扣除減值撥備計量。

本學院使用其他應收賬款的全期預期損失來衡量撥備。預期損失率基於根據前瞻性估計調整的歷史觀察違約率。

減值虧損於營運業績內確認。當沒有合理預期的收回時，應收款項會被撇銷(部分或全部)。

**CENTENNIAL COLLEGE (LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**明德學院(有限擔保公司)
財務報表附註(續)**

2. Principal Accounting Policies (Continued)

主要會計政策(續)

(ix) Cash and Cash Equivalents

In the statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts (if any).

現金及等同現金

在現金流量表中，現金及等同現金包括庫存現金、銀行通知存款、原到期日為三個月或以下的銀行存款及其他短期高流動性投資及銀行透支(如適用)。

(x) Provisions

Provisions are recognised when there is a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Where a provision is expected to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

撥備

當因過往事件須承擔現有之法律性或推定性的責任，而解除這些責任時可能需要付出有一定可靠估計金額則需確立撥備。當預計準備可獲償付，則將償付金確認為一項獨立資產，惟只能在償付金可實質確定時確認。

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

如有多項類似責任，其需要在結算中有資源流出的可能性，則可根據責任的類別整體考慮。即使在同一責任類別所包含的任何一個項目相關的資源流出的可能性極低，仍須確認撥備。

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate, that reflects current market assessments of the time value of money and the risk specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

撥備採用稅前預期需償付有關責任的開支的現值計量。該現值反映當時市場對金錢時間值和有關責任固有風險的評估。隨時間過去而增加的撥備確認為利息費用。

(xi) Loans

Loans are recognised initially at fair value, net of transaction costs incurred. Loans are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the loans using the effective interest method.

貸款

貸款按公平價值並扣除產生的交易費用為初始確認。貸款其後按攤銷成本列賬；所得款(扣除交易成本)與贖回價值的任何差額，利用實際利率法於貸放期間內在綜合收益表確認。

Loans are classified as current liabilities unless the College has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

除非本學院可無條件將負債的結算遞延至結算日後最少十二個月，否則借款分類為流動負債。

(xii) Deferred Income

Funds earmarked for specific purposes are recognised in the statement of comprehensive income to the extent of the related expenditure incurred during the year. Funds received but not yet recognised as income are recorded as deferred income on the balance sheet.

遞延收益

有指定用途的收益在綜合收益表中記賬。而已收款項但並未確認為收益則在資產負債表列賬為遞延收益。

(xiii) Reserves

Endowment fund

The endowment fund represents scholarship fund, research and development fund which is being invested and the income generated will be used to support recurrent expenditure of the College.

儲備

留本基金

該留本基金為獎學基金、研究及發展基金，其投資收益用於本學院定期發生的費用。

**CENTENNIAL COLLEGE (LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**明德學院(有限擔保公司)
財務報表附註(續)**

2. Principal Accounting Policies (Continued)

(xiv) Employee Benefits

(a) Employee leave entitlements

Employee entitlements to annual leave and long leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(b) Accruals for untaken annual leave

Accruals for untaken annual leave is equal to the product of the number of untaken annual leave days and the latest salary rate, provided that payment for each financial period of annual leave shall not exceed the maximum leave carried forward to the next financial period.

(c) Retirement Benefits Schemes

The College's contributions to the retirement schemes, which are operated by The University of Hong Kong, are recognised as staff cost expense when they are due and are not reduced by contributions forfeited by those employees who leave the retirement schemes prior to vesting fully in the contributions. The College has no further payment obligation once the contributions have been paid.

(d) Accruals for gratuity

Accruals for gratuity payable to fixed term contract staff are recognised upon payment of monthly salary. It is based on 10% to 15% of the staff salary that has been earned during the employment period, subject to the rules and regulations of the respective retirement schemes.

(xv) Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The College makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

主要會計政策(續)

僱員福利

僱員應享假期

僱員年假和長假之權利在確定僱員應享有時確認。本學院為截至結算日止僱員已提供之服務而產生之年假和長假列為估計負債。

僱員之病假及產假不予確認，直至僱員正式休假時為止。

應計未休年假

應計未休年假乃按照僱員之所有未休年假及最近期發放之薪金而作出，但此撥備最多不能超過該財政年度之可攜年假。

退休計劃

本學院之各退休計劃由香港大學操作。學院向該等退休計劃作出之供款於應付時作為員工費用支銷，而員工在全數取得既得之利益前退出計劃而被沒收之僱主供款將不會用作扣減此供款。本學院作出供款後，即無進一步付款責任。

應計約滿酬金

本學院之合約制僱員於聘僱合同期約滿之後，便獲得約滿酬金。按照退休計劃之規則及條例，僱員在職期間所獲取每月之薪金的百分之十至百分之十五將會列為應計約滿酬金。

關鍵之會計估計和判斷

估計和判斷乃根據過往經驗及其他因素作出持續評估，包括對未來事件在有關情況下視為合理的預期。

本學院對於未來作出估計和假設。按定義，所得出之會計估計難免偏離實際結果。有重大風險可能會導致須對下個財政年度資產和負債賬面值作出重要調整的估計和假設論述如下：

**CENTENNIAL COLLEGE (LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

明德學院(有限擔保公司)
財務報表附註(續)

2. Principal Accounting Policies (Continued)

主要會計政策(續)

(xv) Critical Accounting Estimates and Judgements (Continued)

關鍵之會計估計和判斷(續)

Depreciation of plant and equipment

機器及設備之折舊

The College determines the estimated useful lives and related depreciation charges for plant and equipment. Management will revise the depreciation charges where useful lives are different from previously estimated.

本學院就機器及設備釐定預計使用年限和折舊。如使用年限與之前估計的有所不同，管理層會修訂有關之折舊。

3. Financial Risk Management

財務風險管理

(i) Financial Risk Factors

財務風險因素

The College's activities expose it to a variety of financial risks: market risk (including foreign exchange risk), credit risk and liquidity risk. The College's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the College's financial performance.

本學院的活動承受著多種的財務風險：市場風險（包括外匯風險）、信貸風險及流動資金風險。本學院的整體風險管理計劃專注於財務市場的難預測性，並尋求儘量減低對本學院財務表現的潛在不利影響。

(a) Market risk

市場風險

(i) Foreign exchange risk

外匯風險

The College mainly operates in Hong Kong and therefore has limited exposure to foreign exchange risk arising from foreign currency exposures.

本學院主要在香港營運，故此承受不同貨幣產生的外匯兌換港幣的風險有限。

The College's financial investments include cash and cash equivalents and the details of the exposure are as follows:

本學院之金融投資包括現金及等同現金，其外匯風險詳情表列如下：

		2020	2019
		HK\$'000	HK\$'000
Hong Kong dollar	港幣	11,660	27,659
US dollar	美元	271	3,296
Renminbi	人民幣	6	2,052
		<u>11,937</u>	<u>33,007</u>

All other financial assets and liabilities are mainly denominated in Hong Kong dollar.

其他財務資產及負債主要以港幣計值。

(b) Credit risk

信貸風險

The College's exposure to credit risks is represented by the carrying value of cash and cash equivalents, bank deposits, prepayment and other receivables. The credit risks on liquid funds is limited because counterparties have good credit ratings. Prepayments and other receivables arise from the ordinary activities of the College and there are ageing controls to limit the exposure. Management does not expect any losses from non-performance by the counterparties and management perceives the credit risk of other receivables to be low.

本學院面對的信貸風險主要來自現金及等同現金、銀行存款、預付款及其他應收賬項。流動資金要承擔的信貸風險是有限的，因為交易方皆為信貸評級良好的財政機構。預付款及其他應收賬款來自本學院的日常營運，以到期日管理控制有關投放額度。管理層並不預期因不良信貸評級的交易方招致任何損失和管理層認為應收賬項的信貸風險較低。

The table shows the credit quality of cash and cash equivalents with reference to Moody's credit ratings.

附表顯示之現金及等同現金是根據穆迪信貸評級釐訂。

		2020	2019
		HK\$'000	HK\$'000
Group	組別		
Aa	Aa	3,825	12,411
A	A	8,107	20,591
No ranking	無等級	5	5
		<u>11,937</u>	<u>33,007</u>

**CENTENNIAL COLLEGE (LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

明德學院(有限擔保公司)
財務報表附註(續)

3. Financial Risk Management (Continued)

(i) Financial Risk Factors (Continued)

(b) Credit risk (Continued)

The College's maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash. Funding is available through an adequate amount of bank balances, cash and marketable securities.

In addition, as at 30 June 2020, the College had an available loan facility of HK\$25 million from HKU School of Professional and Continuing Education (2019: HK\$25 million).

Moreover, a condition of the re-accreditation of the College by the Hong Kong Council for Accreditation of Academic and Vocational Qualifications for the period of five years from 1 September 2017 to 31 August 2022 was that HKU School of Professional and Continuing Education gave a financial pledge to sustain the operation of the College until 2022. The HKU School of Professional and Continuing Education Board of Directors gave this pledge in February 2017.

Accounts payable and accruals as at 30 June 2020 and 2019 are due less than 12 months from the balance sheet date.

(ii) Capital Management

The College's primary objective of capital management is to safeguard the College's ability to continue as a going concern in order to provide tertiary education programmes and to maintain an optimal capital structure to reduce the cost of capital.

The College manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its activities.

The committed loan facility of HK\$100 million is available for the College from HKU School of Professional and Continuing Education. No loan (2019: Nil) has been drawn down during the year. Accumulated loan of HK\$75 million has been drawn as at 30 June 2020. Interest is charged at a "no-gain-no-loss" rate to be determined by the Hong Kong SAR Government and the loan will be repaid in ten annual instalments. The first instalment is payable on the earlier of the 21st anniversary of the first drawn down date and 1 September immediately following the first financial year during which the College generates more cash than it is obliged to spend.

4. Taxation

The College has been granted exemption from Hong Kong profits tax under Section 88 of the Inland Revenue Ordinance.

財務風險管理(續)

財務風險因素(續)

信貸風險(續)

在本學院之資產負債表內各財務資產的賬面值已反映了每項財務資產所承受之最高信貸風險。

流動資金風險

審慎的流動資金風險管理指維持充足的現金。透過備有足夠額的銀行存款、現金和有價證券提供資金。

於二零二零年六月三十日，香港大學專業進修學院提供港幣二千五百萬元可動用之貸款設施予本學院以支持本學院(二零一九：港幣二千五百萬元)。

此外，香港大學專業進修學院向香港學術及職業資歷評審局承諾於二零一七年九月一日至二零二二年八月三十一日五年期間向學院提供財務資助，以助學院運作至二零二二年。香港大學專業進修學院董事會於二零一七年二月通過此項承諾。

於二零二零年及二零一九年六月三十日，應付賬款和應計項目賬齡少於十二個月。

資本管理

本學院的資本管理宗旨是保障本學院有能力持續經營及提供高等教育課程，並維持最佳資本結構，以減低資本成本。

本學院因應經濟情況的變化和其活動的風險特徵來管理其資本結構並作出相應調整。

香港大學專業進修學院已向本學院承擔可動用之港幣一億元貸款設施。本年度沒有動用該項貸款(二零一九：無)。截至二零二零年六月三十日，已累計提供港幣七千五百萬元的貸款。有關利息將以香港特區政府提供之成本利率計算，分十年攤還。第一期還款會在首貸款日的二十一週年或學院第一個盈餘財政年度後的九月一日(取較早日)攤還。

稅項

根據香港《稅務條例》第八十八條，本學院獲得豁免繳交香港利得稅。

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5. Tuition and Other Fees

學費及其他收費

		2020	2019
		HK\$'000	HK\$'000
Tuition fees	學費	5,525	10,867
Other fees	其他收費	13	36
		<u>5,538</u>	<u>10,903</u>

The following is an analysis of the College's revenue by timing of satisfaction of performance obligations:

以下為按履行履約責任之時間劃分之本學院收入分析：

		2020	2019
		HK\$'000	HK\$'000
Revenue from contracts with students	學生合約收益		
At a point in time	在某一時點	13	36
Over time	在一段時間內	5,525	10,867
		<u>5,538</u>	<u>10,903</u>

6. Interest / Investment Income

利息/投資收益

		2020	2019
		HK\$'000	HK\$'000
Interest income	利息收益	319	342
Dividend from equity investments	股息收益	-	37
		<u>319</u>	<u>379</u>

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7. Matching Grants

The Government established a Matching Grant Scheme to help enhance the fund raising capacity of the UGC-funded institutes and self-financing post secondary education institutes and develop a strong philanthropic culture in the community towards investment in education. Since the Sixth Matching Grant Scheme starting from 1 August 2012 and the Seventh Matching Grant Scheme starting from 1 August 2017, the College has been included in the beneficiary list. Details of the College's matched donations, the matching grants awards and the related expenditure are as follows:

配對補助金

政府成立配對補助金計劃以協助受大學資助委員會資助之教育機構及自資專上教育機構提昇籌募資金能力及促進社會捐助教育事業的慈善文化。計劃自二零一二年八月一日開始的第六期政府補助金及計劃自二零一七年八月一日開始的第七期政府補助金。本學院亦符合申請資格的機構之一。本學院的配對捐助、配對補助金及相應支出列載如下：

		Matched Donations	Matching Grants	Total
		配對捐助	配對補助金	總額
		HK\$'000	HK\$'000	HK\$'000
Balance as at 1 July 2018	二零一八年七月一日之結餘	20,521	1,000	21,521
Income	收益			
Amount received	已收數額	56	58	114
Income generated	產生之收益	-	-	-
		<u>56</u>	<u>58</u>	<u>114</u>
Expenditure	支出	(19,505)	(595)	(20,100)
Movement during year 2019	二零一九年之變動	<u>(19,449)</u>	<u>(537)</u>	<u>(19,986)</u>
Balance as at 30 June 2019	二零一九年六月三十日之結餘	<u>1,072</u>	<u>463</u>	<u>1,535</u>
Cumulative for the year 2019:	二零一九年度之累計:			
Income	收益			
Cumulative amount received	累計已收數額	65,557	63,353	128,910
Cumulative income generated	累計產生之收益	14,439	10,281	24,720
		<u>79,996</u>	<u>73,634</u>	<u>153,630</u>
Expenditure	支出	(78,924)	(73,171)	(152,095)
Balance as at 30 June 2019	二零一九年六月三十日之結餘	<u>1,072</u>	<u>463</u>	<u>1,535</u>
Income	收益			
Amount received	已收數額	-	-	-
Income generated	產生之收益	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>
Expenditure	支出	(47)	(44)	(91)
Movement during year 2020	二零二零年之變動	<u>(47)</u>	<u>(44)</u>	<u>(91)</u>
Balance as at 30 June 2020	二零二零年六月三十日之結餘	<u>1,025</u>	<u>419</u>	<u>1,444</u>
Cumulative for the year 2020:	二零二零年度之累計:			
Income	收益			
Cumulative amount received	累計已收數額	65,557	63,353	128,910
Cumulative income generated	累計產生之收益	14,439	10,281	24,720
		<u>79,996</u>	<u>73,634</u>	<u>153,630</u>
Expenditure	支出	(78,971)	(73,215)	(152,186)
Balance as at 30 June 2020	二零二零年六月三十日之結餘	<u>1,025</u>	<u>419</u>	<u>1,444</u>

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8. Deferred Income

The College did not participate in the Subsidy on Exchange for Post-secondary Students Scheme and the Subsidy on Exchange to "Belt and Road" Regions for Post-secondary Students Scheme and hence no deferred income is recognised for both Schemes in 2019/20. The unspent balance and interest generated of HK\$0.2 million are returned to the government this year.

(i) Subsidy on Exchange for Post-secondary Students Scheme

The HKSAR Government has launched a Subsidy on Exchange for Post-secondary Students Scheme to provide students with means-tested grants of up to HK\$15,000 to participate in exchange programmes outside Hong Kong. The Scheme commenced in January 2015 and the College was one of the participating institutions. Details of the College's subsidy and the related expenditure are as follows:

	2020 HK\$'000	2019 HK\$'000
Balance at the Beginning of the Year	101	101
Deferred Income		
Amount Received	-	100
Interest / investment Income	1	1
	1	101
Expenditure on subsidy to students	-	-
Amount returned to the Government	(102)	(101)
Movement during the year	(101)	-
Balance at the End of the Year	-	101
Cumulative for the Year :		
Deferred income		
Amount received	800	800
Income generated	5	4
	805	804
Amount returned to the Government	(805)	(703)
Balance at the End of the Year	-	101

遞延收益

在二零一九至二零二零年度，本學院未有參與專上學生海外交流資助計劃及專上學生「一帶一路」海外交流資助計劃，因此未有錄得任何資助在遞延收益中。共港幣二十萬元的未使用餘額及所產生的利息/投資收益也在本年度交還給政府。

專上學生海外交流資助計劃

政府成立專上學生海外交流資助計劃以上限港幣一萬五千元協助符合入息審查的專上學生參加海外交流計劃。計劃自二零一五年一月開始，本學院亦是符合申請資格的機構之一。本學院的資助金及相應支出列載如下：

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8. Deferred Income (Continued)

(ii) Subsidy on Exchange to "Belt and Road" (B&R) Regions for Post-secondary Students Scheme

The HKSAR Government has launched a Subsidy on Exchange to "Belt and Road" (B&R) Regions for Post-secondary Students Scheme to encourage and support local students in need to go on exchanges in the B&R regions. The scheme commenced in July 2016 and the College was one of the participating institutions. Details of the College's subsidy and the related expenditure are as follows:

遞延收益(續)

專上學生「一帶一路」海外交流資助計劃

政府成立專上學生「一帶一路」海外交流資助計劃鼓勵及協助有需要的本地學生參加「一帶一路」海外交流計劃。計劃自二零一六年七月開始，本學院亦是符合申請資格的機構之一。本學院的資助金及相應支出列載如下：

	2020	2019
	HK\$'000	HK\$'000
Balance at the Beginning of the Year	101	101
Deferred income		
Amount received	-	100
Interest / investment income	<u>1</u>	<u>1</u>
	1	101
Expenditure on subsidy to students	-	-
Amount returned to the Government	(102)	(101)
Movement during the year	(101)	-
Balance at the End of the Year	-	101
Cumulative for the Year :		
Deferred income		
Amount received	500	500
Income generated	<u>4</u>	<u>3</u>
	504	503
Amount returned to the Government	(504)	(402)
Balance at the End of the Year	-	101

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**明德學院(有限擔保公司)
財務報表附註(續)**

9. Governors' and Employees' Emoluments

校董及員工酬金

(i) Governors' Emoluments

校董酬金

The following disclosures are made pursuant to section 383(1) (a) to (f) of the Hong Kong Companies Ordinance (Cap. 622) and Parts 2 to 4 of the Companies (Disclosure of Information about Benefits of Directors) Regulation (Cap. 622G):

以下的披露乃根據香港《公司條例》(第六百二十二章)第三百八十三條第一(a)至(f)節及《公司(披露董事利益資料)規例》(第六百二十二G章)第二至四部份所作出：

During the year, no emoluments, retirement benefits, payments or benefits in respect of termination of governors services were paid or made, directly or indirectly, to the governors; nor are any payable (2019: Nil). No consideration was provided to or receivable by third parties for making available governors' services (2019: Nil).

本年度概無直接或間接向校董會成員提供酬金、退休福利、就終止校董會成員服務支付款項或提供福利或應付任何款項(二零一九年：無)。概無就獲取提供校董會成員服務而給予第三者或其應收的代價(二零一九年：無)。

During the year and at the year end, no governor of the College had or has a material interest, directly or indirectly, in any significant transactions, arrangements and contracts in relation to the College's business to which the College was or is a party (2019: Nil).

本年度及於年末，本學院並無簽訂任何涉及本學院之業務而本學院之校董會成員直接或間接在其中擁有重大權益之重要交易、安排或合同(二零一九年：無)。

During the year the College has not granted any loans, quasi-loans or other dealings in favour of governors of the College and of a holding company of the College, their controlled bodies corporate and connected entities (2019: Nil).

本年度本學院概無向董事、以及本學院的控權公司的董事、受該等董事控制的法人團體、與該等董事的有關連實體作出貸款及類似貸款，以及惠及該等人士的其他交易(二零一九年：無)。

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9. Governors' and Employees' Emoluments (Continued)

校董及員工酬金(續)

(ii) **Employees' emoluments (including Governors' emoluments)**

員工酬金(包括校董酬金)

		2020	2019
		HK\$'000	HK\$'000
Wages and salaries - full time staff	薪酬工資-全職教員	9,844	13,780
Wages and salaries - part time staff	薪酬工資-兼職教員	1,012	1,916
Movement of provision for untaken leave	未休假期撥備之變動	51	69
Gratuity	約滿酬金	1,083	1,441
Pension costs - defined contribution plans	退休成本-界定供款計劃	36	9
		<u>12,026</u>	<u>17,215</u>

The employees' emoluments can be analysed as follows:

員工酬金可另作以下分類:

		2020	2019
		HK\$'000	HK\$'000
Academic divisions / units staff	教務職員	1,145	2,644
Central academic services, administrative and support staff cost	行政職員	6,814	8,515
Teaching costs - full time staff	教學費用-全職教員	3,055	4,140
Teaching costs - part time staff	教學費用-兼職教員	1,012	1,916
		<u>12,026</u>	<u>17,215</u>

10. Accommodation and Facilities Charges

場地及設施費用

		2020	2019
		HK\$'000	HK\$'000
Payment for use of HKU School of Professional and Continuing Education campus	香港大學專業進修學院校舍使用費	381	2,473
Management fees, utilities and cleaning expenses	管理費、水電燃料及清潔費用	770	2,567
		<u>1,151</u>	<u>5,040</u>

11. General Expenses

一般費用

		2020	2019
		HK\$'000	HK\$'000
Audit fee	審計費用	173	226
Bank charges	銀行費用	75	134
Information and communication technology facilities charges	資訊及通訊科技設施費用	27	276
Insurance fee	保險費用	164	190
Professional and legal service fee	法律及專業費用	-	4
Services from HKU School of Professional and Continuing Education	香港大學專業進修學院服務費	4,858	7,449
Miscellaneous	雜費	1,599	2,328
		<u>6,896</u>	<u>10,607</u>

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12. Plant and Equipment

機器及設備

	Leasehold Improvements 租賃 物業裝修 HK\$'000	Plant and Equipment 機器 及設備 HK\$'000	Computer Equipment 電腦 設備 HK\$'000	Total 總額 HK\$'000
At cost 成本值				
As at 1 July 2018, 30 June 2019 and 30 June 2020				
於二零一八年七月一日、二零一九年六月三十日 及二零二零年六月三十日	609	299	59	967
Accumulated depreciation 累積折舊				
At 1 July 2018 於二零一八年七月一日	(231)	(216)	(46)	(493)
Charge for the year 本年度折舊	(91)	(44)	(7)	(142)
At 30 June 2019 於二零一九年六月三十日	(322)	(260)	(53)	(635)
Charge for the year 本年度折舊	(78)	(39)	(6)	(123)
At 30 June 2020 於二零二零年六月三十日	(400)	(299)	(59)	(758)
Net book value 賬面淨值				
At 30 June 2020 於二零二零年六月三十日	209	-	-	209
At 30 June 2019 於二零一九年六月三十日	287	39	6	332

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13. Amounts due to Group Entities	應付同集團實體款項	2020	2019
		HK\$'000	HK\$'000
Current accounts with:			
The University of Hong Kong	香港大學往來賬戶	1,536	1,983
HKU School of Professional and Continuing Education	香港大學專業進修學院往來賬戶	2,020	3,092
		<u>3,556</u>	<u>5,075</u>

The current accounts with The University of Hong Kong and HKU School of Professional and Continuing Education are denominated in Hong Kong dollar, interest free, unsecured and repayable on demand.

香港大學往來賬戶及香港大學專業進修學院往來賬戶以港幣列值、為免息、無抵押及接獲通知時償還。

14. Loan from a Fellow Subsidiary	同集團附屬公司貸款	2020	2019
		HK\$'000	HK\$'000
Unsecured Loans	無抵押貸款	<u>75,000</u>	<u>75,000</u>

The loan from a fellow subsidiary is the loan from HKU School of Professional and Continuing Education denominated in Hong Kong dollar and is unsecured.

同集團附屬公司之貸款為香港大學專業進修學院貸款。此貸款主要票面金額為港幣及無抵押。

The loan is interest bearing with interest charged on a "no-gain-no-loss" interest rate ranging from 1.106% to 1.231% (2019: 1.132%) which is determined by the Hong Kong SAR Government and will be repaid in ten annual instalments. The first instalment is payable on the earlier on the 21st anniversary of the first drawn down date and first September immediately following the first financial year during which the College generates more cash than it is obliged to spend (under budgets approved by the lender). Thus far, current operation budgets have not generated more cash than spent and so the loan is not yet recallable.

該貸款帶有利息，利息按香港特區政府無損益為原則由百分之一點一零六至百分之一點二三一(二零一九年:百分之一點一三二)利率釐定，分十年攤還。第一個還款期為初次借貸後第二十年或本學院經營產生淨現金盈餘(根據貸方批准的預算)後的第一個九月，以較早者為準。到目前為止，最新之營運預算並未能產生淨現金盈餘，因此貸款還未被要求償還。

15. Cash and Cash Equivalents	現金及等同現金	2020	2019
		HK\$'000	HK\$'000
Cash at banks and in hand	銀行存款及庫存現金	4,302	13,588
Short-term bank deposits	短期銀行存款	7,635	19,419
		<u>11,937</u>	<u>33,007</u>

The effective interest rate on short-term bank deposits is 1% (2019: 2.05%) and these deposits have an average maturity of 30 days (2019: 33 days).

短期銀行存款之實際利率為百分之一(二零一九年:百分之二點零五)，平均到期日為三十日(二零一九年:三十三日)。

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16. (Accumulated Losses) / Reserve Funds

(累積虧損)/儲備基金

		General Reserve	Endowment Fund	Total Reserve Funds
		一般儲備 HK\$'000	留本基金 HK\$'000	儲備基金 HK\$'000
Balance at 30 June 2018	二零一八年 六月三十日之結餘	(25,875)	1,466	(24,409)
Transfer from Statement of Comprehensive Income	轉自綜合收益表	(26,627)	-	(26,627)
Endowment funds transferred to General Reserve	留本基金轉至一般儲備	1,466	(1,466)	-
Balance at 30 June 2019	二零一九年 六月三十日之結餘	(51,036)	-	(51,036)
Transfer from Statement of Comprehensive Income	轉自綜合收益表	(17,710)	-	(17,710)
Balance at 30 June 2020	二零二零年 六月三十日之結餘	(68,746)	-	(68,746)

Note a: In 2013/14, the College received a donation of HK\$50 million to support the development of a School of Management ("the School") with the aim of promoting management as a liberal art. According to the agreement dated 2 May 2014 made between the College and the donor, a sum of up to HK\$5 million might be used in the start-up period of the School to cover its operational expenses and the balance of HK\$45 million was kept as an endowment fund for the School. As described in note 1, in 2017/18 the College made a change in strategic direction away from pure liberal arts and hence the School of Management was disestablished. Since this meant the original terms of the donation could no longer be met, the College determined to return the donation in the sum of HK\$50 million as the interest received covered the HK\$5 million setting up plus other expenses. Accordingly the original donation of HK\$50 million has been included in accounts payable and accruals at the year end, and was subsequently returned to the donor on 31 July 2018.

附註 a: 於二零一三至二零一四年，本學院收取港幣五千萬元的捐款，用於支持管理學校（「學校」）的發展，旨在推行博雅教育。根據學院與捐贈者於二零一四年五月二日達成的協議，學校可於成立初期使用港幣五百萬元的款項以支付其營運開支，並保留餘額港幣四千五百萬元作為學校的留本基金。於附註1中，本學院於二零一七至二零一八年間改變了教育方針，摒棄純博雅教育，因此管理學校已被解散。由於無法符合原定立下的捐贈條款，而從捐款所賺取之利息收入已足夠支付本已用作學院初期營運之港幣五百萬元及其他費用，本學院決定退回港幣五千萬元的捐款。該款項於二零一八年六月三十日包含在應付賬款及應計項目中。本學院於二零一八年七月三十一日已退回港幣五千萬元給捐贈者。

17. Related Party Transactions

有關連人士交易

The Board of Governors of the College consider that the College is controlled by, and therefore is a subsidiary of, The University of Hong Kong.

本學院的校董會認為本學院是由香港大學所控制，因此屬於香港大學的附屬公司。

The ultimate holding entity of the College is The University of Hong Kong. The College and HKU School of Professional and Continuing Education are fellow subsidiaries.

本學院之最終控股實體為香港大學，並與香港大學專業進修學院為同集團附屬公司。

During the year, the College undertook the following transactions with its related parties in the normal course of its business:

本學院於本年度內與關連方於正常業務下進行下列之交易：

(i) The University of Hong Kong

香港大學

		2020	2019
		HK\$'000	HK\$'000
Payment for use of facilities and services	設施使用及服務費	(821)	(1,258)

All payments to The University of Hong Kong were set by mutual agreement.

繳付香港大學之費用按雙方協議釐定。

CENTENNIAL COLLEGE (LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 明德學院(有限擔保公司)
 財務報表附註(續)

17. Related Party Transactions (Continued)

有關連人士交易(續)

(ii) HKU School of Professional and Continuing Education

香港大學專業進修學院

		2020	2019
		HK\$'000	HK\$'000
Campus usage fee (note a)	校舍使用費(附註 a)	(381)	(2,473)
Facilities management and other facilities charges (note a)	設施管理費及其他設施使用費(附註 a)	(1)	(57)
Information and Communication Technology facilities charges (note a)	資訊及通訊科技設施費用(附註 a)	(27)	(276)
Loan interest expenses	貸款利息費用	(871)	(915)
Service charges (note a)	服務費(附註 a)	(4,858)	(7,449)
		<u>(6,138)</u>	<u>(11,170)</u>

Note a: Pursuant to a 3-year service agreement ("Agreement") dated 8 June 2012 made between the College and HKU School of Professional and Continuing Education ("HKU SPACE"), HKU SPACE provides administrative, operational and support services to the College which are charged based on a cost compensation basis effective from 1 July 2011. The College and HKU SPACE extended the Agreement thrice with periods covered from 1 July 2014 to 30 June 2016, from 1 July 2016 to 30 June 2019 and from 1 July 2019 to 30 June 2022.

附註 a: 根據二零一二年六月八日本學院及香港大學專業進修學院之間所簽定的三年期服務協議(「協議」)。香港大學專業進修學院自二零一一年七月一日起向明德學院提供行政、學院營運及支援服務,收費乃根據成本補償的基礎。本學院與香港大學專業進修學院已將協議延長三次而有效期為二零一四年七月一日至二零一六年六月三十日,二零一六年七月一日至二零一九年六月三十日及二零一九年七月一日至二零二二年六月三十日。

(iii) Key Management Compensation

主要管理人員補償

		2020	2019
		HK\$'000	HK\$'000
Salaries and other short-term employee benefits	薪金及其他短期員工福利	<u>3,622</u>	<u>4,358</u>

18. Approval of Financial Statements

財務報表的核准

The financial statements set out on pages 7 to 31 were approved by the Board of Governors of the College on 21 October 2020.

本學院的校董會於二零二零年十月二十一日核准列載於第七頁至三十一頁的財務報表。

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