

FIRST EDUCATION HOLDING BSC (c)

**CONSOLIDATED FINANCIAL
STATEMENTS**

**FOR THE YEAR ENDED
31 AUGUST 2015**

FINANCIAL STATEMENTS
For the year ended 31 August 2015

CONTENTS

Page

Directors' report	1
Independent auditors' report to the shareholders	2-3
Consolidated statement of financial position	4
Consolidated statement of profit or loss	5
Consolidated statement of comprehensive income	6
Consolidated statement of changes in equity	7
Consolidated statement of cash flows	8
Notes to the consolidated financial statements	9 - 25

First Education Holding B.S.C (c)

DIRECTORS' REPORT

The Board of Directors of First Education Holding BSC (c) ("the Company") is pleased to present the audited consolidated financial statements of the Company for the financial year ended 31 August 2015.

Principal activity

The Company's principal activity is to act as a holding company to capitalize on investment opportunities in the growing MENA private education sector by acquiring and managing schools and other related businesses.

The Company owns and manages two schools namely Al Zuhour Private School LLC in Sharjah, U.A.E. and Al Maaref Private School LLC in Dubai, U.A.E. The Company also has a 60% stake in The Egyptian Child Care Corporation (SAE) that operates a chain of nurseries in Cairo, Egypt.

In the previous year the management entered into negotiations with a third party to sell all shares owned by them in Egyptian Child Care Corporation. The group in the process of finalizing and completing the legal formalities. Accordingly, the assets, liabilities, and results of operation of the company are being reported as held for sale.

The Company also owns a 60% stake in Education Capital Holding W.L.L., Manama, and Kingdom of Bahrain.

These, being the subsidiaries of the Company, have been accordingly consolidated in the accompanying consolidated financial statements. The Group comprises the Company and its subsidiaries (the "Group").

Financial Performance

The Group made a profit of USD 5.6 million for the year ended 31 August 2015(2014: USD 5.3 million)

Representations and Audit

The Company's activities for the year under audit have been conducted in accordance with the Bahrain Commercial Companies Law 2001 and other relevant statutes of the Kingdom of Bahrain.

There have been no events subsequent to 31 August 2015 which would in any way materially affect the consolidated financial statements.

Directors' Fees

No expenses were incurred on account of Directors' fees during the year under audit.

List of Directors:

- MrSalem Al Noaimi (Chairman)
- Mr Ahmad Tantash (Vice-Chairman)
- MrDhaidhan Al Muttairi (Managing Director)
- MrFahad Al Qassim
- MrJassemZainal
- MrHussam Elias Khoury

The Directors above served on the Board of the Company as of the reporting date, 31 August 2015.

On behalf of the Board



Salem Al Noaimi
Chairman
26 November 2015



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2

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS

First Education Holding BSC (c)
Manama, Kingdom of Bahrain

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of First Education Holding BSC (c) (the "Company") and its subsidiaries (together the "Group"), which comprise the consolidated statement of financial position as at 31 August 2015, the consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Responsibility of the board of directors for the consolidated financial statements

The board of directors is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our 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, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 management, 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 present fairly, in all material respects, the consolidated financial position of the Group as at 31 August 2015, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards.

Report on other regulatory requirements

As required by the Bahrain Commercial Companies Law, we report that:

- a) the Company has maintained proper accounting records and the consolidated financial statements are in agreement therewith;
- b) the financial information contained in the directors' report is consistent with the consolidated financial statements;
- c) we are not aware of any violations during the year of the Bahrain Commercial Companies Law or the terms of the Company's memorandum and articles of association that would have had a material adverse effect on the business of the Company or on its financial position; and
- d) satisfactory explanations and information have been provided to us by management in response to all our requests.



KPMG Fakhro
Partner Registration No. 83
26 November 2015


CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 August 2015

USD

	Notes	31 August 2015	31 August 2014
ASSETS			
Current assets			
Bank balances and cash	5	11,362,173	13,034,589
Assets held for sale	23	314,004	410,421
Fees, prepayments and other receivables	6	588,596	615,169
Inventories		1,319,491	1,463,360
Total current assets		13,584,264	15,523,539
Non-current assets			
Goodwill	7	22,923,645	22,923,645
Property and equipment	8	26,699,746	21,897,137
Total non-current assets		49,623,391	44,820,782
TOTAL ASSETS		63,207,655	60,344,321
LIABILITIES AND EQUITY			
Current liabilities			
Liabilities associated with assets held for sale	23	748,513	591,786
Bank borrowings	9	-	2,653
Trade and other payables	10	2,255,272	1,570,374
Fees received in advance		4,372,110	3,144,633
Dividend Payable	22	1,468,247	1,718,864
Total current liabilities		8,844,142	7,028,310
Non-current liabilities			
Non-current portion of retention payable		238,293	-
Provision for employees' end-of-service indemnity	12	743,692	703,830
Total non-current liabilities		981,985	703,830
Total Liabilities		9,826,127	7,732,140
Equity			
Share capital	13	37,996,797	37,996,797
Statutory reserve	14	1,901,740	1,357,210
Foreign currency translation reserve		(96,005)	(105,344)
Land revaluation reserve		8,488,881	8,488,881
Retained Earnings		4,939,909	4,539,143
Total equity attributable to equity holders of the Company		53,231,322	52,276,687
Non-controlling interests	15	150,206	335,494
Total Equity		53,381,528	52,612,181
TOTAL LIABILITIES AND EQUITY		63,207,655	60,344,321

The consolidated financial statements on pages 4 to 25 were approved and authorised for issue by the Board of Directors on 26 November 2015 and signed on its behalf by:


 Salem Al Noaimi
 Chairman


 Fahad Al Qassim
 Director


The notes on pages 9 to 25 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
for the year ended 31 August 2015


USD

	Notes	2015	2014
Continuing operations			
Revenue		17,264,794	18,509,320
Direct cost	16	(10,151,345)	(11,504,631)
Gross profit		7,113,449	7,004,689
General and administrative expenses	17	(1,641,764)	(1,951,367)
Finance cost		(20,543)	(119,413)
Other income		371,349	392,118
Profit for the year from continuing operations		5,822,491	5,326,027
Discontinued operations			
(Loss)/ profit from discontinued operations	23	(268,709)	11,837
Profit for the year		5,553,782	5,337,864
Profit attributable to:			
Equity holders of the Company		5,445,296	5,043,492
Non-controlling interests		108,486	294,372
		5,553,782	5,337,864

The consolidated financial statements on pages 4 to 25 were approved and authorised for issue by the Board of Directors on 26 November 2015 and signed on its behalf by



 Salem Al Noaimi
 Chairman



 Fahad Al Qassim
 Director

The notes on pages 9 to 25 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 August 2015

USD

	2015	2014
Profit for the year	5,553,782	5,337,864
Items that are or may be reclassified subsequently to profit or loss		
Foreign currency translation gain recognized directly in equity	15,565	3,189
Other comprehensive income for the year	15,565	3,189
Total comprehensive income for the year	5,569,347	5,341,053
Total comprehensive income attributable to:		
Equity holders of the Company	5,454,634	5,045,405
Non-controlling interests	114,713	295,648
	5,569,347	5,341,053

The notes on pages 9 to 25 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 31 August 2015

USD

2015	Total equity attributable to equity holders of the Company						Non-controlling interests	Total
	Share capital	Statutory reserve	Foreign currency translation reserve	Land revaluation reserve	Retained earnings	Total		
Balance at 1 September 2014	37,996,797	1,357,210	(105,344)	8,488,881	4,539,143	52,276,687	335,494	52,612,181
Profit for the year	-	-	-	-	5,445,296	5,445,296	108,486	5,553,782
Other comprehensive income for the year	-	-	9,339	-	-	9,339	6,226	15,565
Total comprehensive income for the year	-	-	9,339	-	5,445,296	5,454,635	114,712	5,569,347
Dividend declared	-	-	-	-	(4,500,000)	(4,500,000)	(300,000)	(4,800,000)
Transferred to statutory reserve	-	544,530	-	-	(544,530)	-	-	-
Balance at 31 August 2015	37,996,797	1,901,740	(96,005)	8,488,881	4,939,909	53,231,322	150,206	53,381,528

Note

22

2014	Total equity attributable to equity holders of the Company						Non-controlling interests	Total
	Share capital	Statutory reserve	Foreign currency translation reserve	Land revaluation reserve	Retained earnings	Total		
Balance at 1 September 2013	37,996,797	852,861	(107,257)	8,488,881	1,078,864	48,310,146	679,846	48,989,992
Profit for the year	-	-	-	-	5,043,492	5,043,492	294,372	5,337,864
Other comprehensive income for the year	-	-	1,913	-	-	1,913	1,276	3,189
Total comprehensive income for the year	-	-	1,913	-	5,043,492	5,045,405	295,648	5,341,053
Dividend declared	-	-	-	-	(1,078,864)	(1,078,864)	(640,000)	(1,718,864)
Transferred to statutory reserve	-	504,349	-	-	(504,349)	-	-	-
Balance at 31 August 2014	37,996,797	1,357,210	(105,344)	8,488,881	4,539,143	52,276,687	335,494	52,612,181

The notes on pages 9 to 25 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 August 2015

USD

	Notes	31 August 2015	31 August 2014
Cash flows from operating activities			
Profit for the year		5,553,782	5,337,864
Adjustments for:			
Depreciation of property and equipment	8	545,522	873,405
Finance cost		20,543	119,413
Interest income		(24,371)	(54,373)
Provision for bad debt	17	117,464	217,072
Provision for employees' end-of-service indemnity (net)		78,016	187,042
Operating cash flows before changes in operating assets and liabilities		6,290,956	6,680,423
Decrease in fees and other receivables		(90,891)	(214,188)
Decrease/ (increase) in inventories		143,869	(388,503)
Increase/ (decrease) in trade and other payables		684,898	(980,842)
Increase in fees received in advance		1,227,477	642,632
Assets held for sale, net		253,144	335,638
Amounts paid to employee's end of service indemnity		(38,154)	(114,637)
Change in non-current portion of retention payable		238,293	-
Net cash generated from operating activities		8,709,592	5,960,523
Cash flows from investing activities			
Acquisition of property and equipment		(5,348,132)	(317,733)
Decrease of deposits maturing after three months		152,029	664,257
Interest income		24,371	54,373
Net cash used in investing activities		(5,171,732)	400,897
Cash flows from financing activities			
Dividend Paid		(5,050,617)	-
Repayment of bank borrowings		(2,653)	(2,802,688)
Finance cost		(20,543)	(119,413)
Net cash used in generated from financing activities		(5,073,813)	(2,922,101)
Net increase in cash and cash equivalents during the year		(1,535,953)	3,439,319
Effects of exchange rate changes on the balances for subsidiary held in foreign currencies		15,565	3,189
Cash and cash equivalents at the beginning of the year	5	9,492,506	6,049,998
Cash and cash equivalents at the end of the year	5	7,972,118	9,492,506

The notes on pages 9 to 25 are an integral part of these consolidated financial statements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 August 2015**

USD

1. CORPORATE INFORMATION

First Education Holding BSC (c) ("the Company"), is a Bahraini Shareholding Company, established and registered in the Kingdom of Bahrain with the Ministry of Industry and Commerce under commercial registration number 66664.

The Group comprises the Company and its subsidiaries ("the Group") (Note 3(c)).

The Company's principal activity is to act as a holding company to capitalize on investment opportunities in the growing MENA private education sector by acquiring and managing schools and other related businesses.

The address of the registered office of the Company is P.O. Box 11168, Manama, Kingdom of Bahrain.

2. NEW INTERNATIONAL FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS**2.1 New standard, amendment and interpretations effective on or after 1 January 2015**

The following standards, amendments and interpretations, which became effective as of 1 January 2015, are relevant to the Group:

a) Annual Improvements to IFRSs 2010-2012 and 2011-2013 Cycles various standards

The annual improvements to IFRSs to 2010-2012 and 2011 -2013 cycles include a number of amendments to various IFRSs. Most amendments will apply prospectively for annual periods beginning on or after 1 July 2014; earlier application is permitted (along with the special transitional requirement in each case), in which case the related consequential amendments to other IFRSs would also apply.

The adoption of this amendment had no significant impact on the consolidated financial statements.

2.2 New standards, amendments and interpretations issued but not yet effective

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning on or after 1 January 2016, and have not been applied in preparing these consolidated financial statements. Those which are relevant to the Group are set out below. The Group does not plan to early adopt these standards.

a) IFRS 15 Revenue from Contracts with Customers

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programmes. IFRS 15 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.

The Group is assessing the potential impact on its consolidated financial statements resulting from the application of IFRS 15.

b) Annual Improvements to IFRSs 2012-2014 Cycle - various standards.

The annual improvements to IFRSs to 2012-2014 cycles include a number of amendments to various IFRSs. Most amendments will apply prospectively for annual periods beginning on or after 1 January 2016; earlier application is permitted (along with the special transitional requirement in each case), in which case the related consequential amendments to other IFRSs would also apply. The Group is assessing the potential impact on its (consolidated) financial statements resulting from the application.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 August 2015

USD

3. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and the applicable requirements of Bahrain Commercial Companies Law. These consolidated financial statements are presented in United States Dollars (USD), as it is the functional currency of the Group and the presentation currency for the consolidated financial statements.

b) Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis and accrual basis of accounting, except for the revaluation of the land under property and equipment. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The principal accounting policies adopted are set out below.

c) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). The Group controls an entity when it is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of income from the effective date of acquisition and 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 in full on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. The interests of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Details of the Company's subsidiaries as of 31 August 2015 were as follows:

Name of subsidiary	Country of incorporation	Proportion of ownership and voting power held by the group	Beneficial interest	Principal activity
The Egyptian Child Care Corporation SAE *	Arab Republic of Egypt	60%	60%	Educational services
Al Zuhour Private School LLC	United Arab Emirates	49%	100%	Educational services
Al Maaref Private School LLC	United Arab Emirates	49%	100%	Educational services
Education Capital Holding WLL	Kingdom of Bahrain	60%	60%	Management of educational companies

* In 2014 the group had entered into negotiations with a third party to sell all shares owned by them in Egyptian Child Care Corporation. The group is in process of finalizing and completing the legal formalities. Accordingly, the assets, liabilities, and results of operation of the company are being reported as held for sale.

The Group has used its beneficial interests in the subsidiaries for the purpose of preparing these consolidated financial statements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 August 2015**

USD

d) Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in the consolidated statement of income as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments. All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with relevant IFRSs. Changes in the fair value of contingent consideration classified as equity are not recognised.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are premeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in the consolidated statement of income. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date - and is subject to a maximum of one year.

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (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 reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets 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 equity interest in the acquiree (if any), the excess is recognised immediately in the consolidated statement of income as a bargain purchase gain.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

e) Assets held-for-sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 August 2015**

USD

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial

assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for-sale or held-for-distribution and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

f) Discontinued operation

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographic area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or
- is a subsidiary acquired exclusively with a view to re-sale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and OCI is re-presented as if the operation had been discontinued from the start of the comparative year.

g) Revenue recognition

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

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- (a) the amount of revenue can be measured reliably;
- (b) it is probable that the economic benefits associated with the transaction will flow to the Group;
- (c) the stage of completion of the transaction at the end of the reporting period can be measured reliably;
- and,
- (d) the costs incurred for the transaction and the costs to complete the transaction can measured reliably.

h) Interest income

Interest income is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest revenue 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.

i) Foreign currencies

The consolidated financial statements are presented in the currency of the primary economic environment in which the Group operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of the Group are expressed in United States Dollars ("USD"), which is the functional currency of the Group and the presentation currency for the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 August 2015

USD

In preparing the consolidated financial statements, transactions in currencies other than the functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at 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.

Exchange differences are recognised as profit or loss in the consolidated statement of income in the year in which they arise except for:

- Exchange differences which relate to assets under construction for future productive use, which are included in the cost of those assets where they are regarded as an adjustment to interest costs on foreign currency borrowings;
- Exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur, which form part of the net investment in a foreign operation, and which are recognised in the foreign currency translation reserve and recognised as profit or loss on disposal of the net investment.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are expressed in United States Dollars using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

j) Property and equipment

Land, held for use in the supply of services or for administrative purposes, is stated at its revalued amount, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from that which would be determined using the fair values at the end of the reporting period.

Any revaluation increase arising on the revaluation of such asset is recognised in other comprehensive income, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in the consolidated statement of income, in which case the increase is credited to the consolidated statement of income to the extent of the decrease previously charged. A decrease in the carrying amount arising on the revaluation of such land is charged to the consolidated statement of income to the extent that it exceeds the balance, if any, held in the land revaluation reserve relating to a previous revaluation of that asset. On subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the revaluation reserve is transferred directly to retained earnings. No transfer is made from the revaluation reserve to retained earnings except when an asset is derecognised.

Other property and equipment, other than land, are carried at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to write-off the cost or valuation of assets, other than land, over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at each period end, with the effect of any changes in estimate accounted for on a prospective basis.

The following useful lives are used in the calculation of depreciation:

	Years
Building	25
Furniture & Fixture	4
Office Equipment	3-4
Motor vehicles	5
Tools	10

The gain or loss arising on the disposal or retirement of an item of property and equipment is determined as

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 August 2015

USD

the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of income.

Capital work-in-progress is carried at cost. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

k) Impairment of tangible and intangible assets

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible 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). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount.

An impairment loss is recognised immediately in the consolidated statement of income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) 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 recognized for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the consolidated statement of income, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation reserve increase.

l) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the First In First Out (FIFO) method and it includes the purchase price and all other costs required to bring inventories to their present location and condition. Net realizable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

m) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

n) Provision for employees' end-of-service benefits

The entities within the Group provide end-of-service benefits to all its expatriate employees. The entitlement to these benefits is based upon the employee's final salary and length of service, subject to the completion of

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 August 2015**

USD

a minimum service period. The expected costs of these benefits are accrued over the period of the employment.

o) 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.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the year in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognized as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

p) Financial assets

All financial assets are recognised and derecognised on trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

q) Loans and receivables

Loans and receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

r) Impairment of financial assets

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's 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 receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written-off against the allowance account. Subsequent recoveries of amounts previously written-off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the consolidated statement of comprehensive income.

s) Borrowing costs

Borrowing costs are recognised in the statement of comprehensive income in the year in which they are incurred.

r) Derecognition of financial assets and financial liabilities

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks-and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 August 2015**

USD

associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities are classified as either financial liabilities or 'other financial liabilities'.

Other financial liabilities are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

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 through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

s) Statutory reserve

In accordance with the Bahrain Commercial Companies Law 2001, 10% of the net profit is appropriated to a statutory reserve, until it reaches 50% of the paid up share capital. This reserve is not normally distributable except in such circumstances as stipulated in the Bahrain Commercial Companies Law.

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgments in applying accounting policies

In the process of applying the Group's accounting policies, the management is of the opinion that there is no instance of application of judgments which is expected to have a significant effect on the amounts recognised in the consolidated financial statements, apart from those involving estimations described below.

Management has considered the detailed criteria for the recognition of revenue from rendering of services set out in IAS 18: Revenue and in particular whether the stage of the completion of the transaction at the end of the reporting period can be measured reliably. Management is satisfied that the outcome of the transactions can be estimated reliably.

Management determined the estimated useful life and related depreciation charges for one of its buildings. This estimate is based on the assumption that the Group will renew its annual leases over the estimated useful life. It could change significantly should the annual lease not be renewed. Management will increase the depreciation charge when useful life becomes less than previously estimated life.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 August 2015

USD

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

The cost of items of property and equipment are depreciated on a straight line basis over the estimated useful lives of the assets. Management has determined the estimated useful lives of each asset and or category of assets based on the following factors:

- Expected usage of the assets;
- Expected physical wear and tear, which depends on operational and environmental factors; and
- Legal or similar limits on the use of the assets

Management considers the depreciation method utilised reflects the pattern in which the assets' future economic benefits are expected to be consumed by the Group.

Management has not made estimates of residual values for any items of property and equipment at the end of their estimated useful lives.

At each reporting date the Group reviews the assets values to determine that their book values have not exceeded amounts recoverable from them. The management estimates the recoverable amount of various assets individually or based on the cash generating unit to which the individual asset belongs.

Allowance for doubtful debts is determined using a combination of factors to ensure that the fee receivables are not overstated due to uncollectability. The allowance for irrecoverable debts for all customers is based on a variety of factors, including the overall quality and ageing of receivables, continuing credit evaluation of the customers' financial conditions and collateral requirements from customers in certain circumstances. Also, specific allowances for individual accounts are recorded when the Group becomes aware of the customer's inability to meet his financial obligations.

5. BANK BALANCES AND CASH

	31 August 2015	31 August 2014
Bank current accounts	7,943,942	9,417,504
Cash on hand	28,176	75,002
Cash and cash equivalents	7,972,118	9,492,506
Fixed deposits with maturity after 3 months	3,390,055	3,542,083
Bank balances and cash	11,362,173	13,034,589

The Group earns interest on fixed deposits at the rate 0.65% per annum (2014: 1.4% per annum). Fixed deposit maturities are more than 3 months from the date of deposits.

As at 31 August 2015, fixed deposits of USD 208,277 (2014: USD 197,386) were pledged as cash collateral against the bank guarantees issued. Bank guarantees represent labour guarantees for expatriate employees' visa process (note 20).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 August 2015

USD

6. FEES, PREPAYMENTS AND OTHER RECEIVABLES

	31 August 2015	31 August 2014
Fees receivable	587,075	594,356
Less: Allowance for doubtful debts	(359,653)	(272,241)
	227,422	322,115
Other receivables	80,877	46,360
Advances and prepayments	280,297	246,694
	588,596	615,169

No interest is charged on the fees receivables if not collected after the credit period.

Allowance for doubtful debts movements were as follows:

	31 August 2015	31 August 2014
Balance at the beginning of the year	272,241	94,669
Add: Provision charged during the year	117,464	217,072
Less: Provision reversed during the year	(30,052)	(39,500)
Balance at the end of the year	359,653	272,241

In determining the recoverability of the fee and notes receivable, the Group considers any change in the credit quality of the fee and notes receivable from the date credit was initially granted up to the reporting date.

7. GOODWILL

	31 August 2015	31 August 2014
Goodwill for the acquisition of Al Zuhour Private School LLC	7,507,579	7,507,579
Goodwill for the acquisition of Al Maaref Private School LLC	14,969,378	14,969,378
Goodwill for the acquisition of Education Capital Holding WLL	446,688	446,688
	22,923,645	22,923,645

The goodwill has been assessed for impairment by evaluating the fair value of the acquisitions using several methodologies including:

- A- Discounted Cash Flows: School cash flows were projected for a period of 7 years using student growth rates based on school capacity and costs were grown at inflation. Terminal value was calculated at a conservative 1.5% perpetuity growth;
- B - Discounted Cash Flows: For Education Capital, Cash flows were projected for a period of 7 years using growth rates based on school capacity, management fee agreement etc and costs were grown at inflation. Terminal value was calculated at a conservative 1.5% perpetuity growthand;
- C - Multiplying the acquisition EBITDA multiple to current year EBITDA to arrive at fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 August 2015

USD

8. PROPERTY AND EQUIPMENT

	Land	Building	Furniture, fixture & office equipment	Computer equipment	Motor vehicles	Tools	Leasehold improvements	Building Work in progress	Total
Cost									
At 01 September 2014	15,522,603	8,185,424	1,989,871	123,211	2,124,407	148,087	102,311	7,423	28,203,337
Additions	-	-	122,271	3,341	18,536	-	-	5,203,984	5,348,132
Disposals	-	-	(980)	-	-	-	-	-	(980)
At 31 August 2015	15,522,603	8,185,424	2,111,162	126,552	2,142,943	148,087	102,311	5,211,407	33,550,489
Accumulated Depreciation									
At 01 September 2014	-	2,344,257	1,572,441	100,150	2,092,201	94,841	102,311	-	6,306,201
Charge for the year	-	317,955	184,026	11,022	32,397	122	-	-	545,522
Disposal	-	-	(980)	-	-	-	-	-	(980)
At 31 August 2015	-	2,662,212	1,755,487	111,172	2,124,598	94,963	102,311	-	6,850,743
Carrying value									
31 August 2015	15,522,603	5,523,212	355,675	15,380	18,345	53,124	-	5,211,407	26,699,746
31 August 2014	15,522,603	5,841,167	417,430	23,061	32,206	53,246	-	7,423	21,897,137

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 August 2015

USD

Land is presented at the revalued amount. The external land valuation was carried out by an independent valuer, in October 2015. The independent valuations were based on an open market basis for existing use. The difference between the carrying amount and the revaluation amount is presented under equity as land revaluation reserve.

One of the Group's buildings with carrying value of USD 3.1 million (2014: US\$ 3.4 million) is erected on a plot of land leased from Dubai Real Estate Corporation on an annual basis.

Depreciation is allocated as follows:

	Year ended 31 August 2015	Year ended 31 August 2014
Direct cost (note 16)	518,078	817,416
General and administrative expenses (note 17)	27,444	50,511
	545,522	867,927

9. BANK BORROWINGS

	31 August 2015	31 August 2014
Bank borrowings repayable as follows		
Within one year	-	2,653
	-	2,653

10. TRADE AND OTHER PAYABLES

	31 August 2015	31 August 2014
Trade accounts payable	750,799	193,934
Other payables	1,504,473	1,376,440
	2,255,272	1,570,374

11. RELATED PARTY TRANSACTIONS

The group enters into transactions with companies and entities that fall within the definition of a related party as contained in International Accounting Standard 24: Related Party Disclosures. Related parties are comprised of companies and entities under common ownership and/or common management and control and key management personnel.

Compensation to key management personnel

	31 August 2015	31 August 2014
- Salaries and other short-term employee benefits	228,372	369,573
- Provision for staff terminal benefits	20,195	20,441

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 August 2015

USD

12. PROVISION FOR EMPLOYEES' END-OF-SERVICE INDEMNITY

	31 August 2015	31 August 2014
Balance at the beginning of the year	703,830	631,425
Net charges during the year	78,016	187,042
Amount paid	(38,154)	(114,637)
	743,692	703,830

13. SHARE CAPITAL

	USD
Authorised share capital of 100,000,000 Shares of USD 1 per share	100,000,000
Paid up share capital as at 31 August 2015	37,996,797

14. STATUTORY RESERVE

As required by the Bahrain Commercial Companies Law and the Company's Articles of Association, 10% of the profit for the year is required to be transferred to a statutory reserve. The Company may resolve to discontinue such annual transfers when the reserve equals 50% of the issued share capital. The reserve is not available for distribution, except in the circumstances stipulated in the Bahrain Commercial Companies Law.

15. NON-CONTROLLING INTERESTS

	31 August 2015	31 August 2014
Balance at the beginning of the year	335,494	679,846
Non-controlling interest's share of profit for the year	108,486	294,372
Non-controlling interest's share of other comprehensive income for the year	6,226	1,276
Non-controlling interest's share of dividend declared	(300,000)	(640,000)
	150,206	335,494

16. DIRECT COST

	Year ended 31 August 2015	Year ended 31 August 2014
Salaries, wages and other benefits	7,468,580	7,964,266
Depreciation of property and equipment (note 8)	518,078	817,416
Books, uniforms and others	1,275,071	1,210,809
Other expenses	889,616	1,512,140
	10,151,345	11,504,631

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 August 2015

USD

17. GENERAL AND ADMINISTRATIVE EXPENSES

	Year ended 31 August 2015	Year ended 31 August 2014
Professional expenses	30,521	117,223
Rent	211,435	219,459
Electricity and water	276,599	243,793
Maintenance	172,172	335,322
License and legal expenses	60,410	64,769
Depreciation of property and equipment (note 8)	27,444	50,511
Provision for bad debt	117,464	217,072
Cleaning expenses	61,742	44,348
Insurance	39,797	46,825
Telephone expenses	47,248	48,596
Printing and stationery	114,979	1,040
Other expenses	481,953	562,409
	1,641,764	1,951,367

18. RISK MANAGEMENT

Risk management is an integral part of the Group's decision-making process and is ensured through an ongoing process of risk identification, measurement and monitoring subject to risk limits and other controls. The Group is exposed to credit risk, equity price risk, liquidity risk, interest rate risk and currency risk. It is also subject to operating risks. The risk control processes include business risk such as changes in the environment, technology and industry and are monitored through the Group's strategic planning process.

a) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Group manages credit risk by dealing only with recognized, creditworthy third parties. The Group also monitors credit exposures, and continually assesses the creditworthiness of counterparties and limits the duration of exposures. The Group is exposed to credit risk on its bank balances and receivables and other assets.

The table below shows the gross maximum exposure to credit risk arising from balances with Groups' receivables and other assets as at 31 August:

	Gross maximum exposure 2015	Gross maximum exposure 2014
Bank balances	11,333,997	12,959,587
Fees and other receivables	308,299	368,475
Total	11,642,296	13,328,062

b) Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk.

The Group undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise. The management undertakes suitable procedures to minimize risks associated with transactions denominated in currencies other than the functional currency.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 August 2015

USD

The Group is not exposed to interest rate risk as the Group mainly borrows funds at fixed interest rates from external parties. The funds borrowed from related parties are interest free.

The Group's exposure to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. To limit this risk, management ensures that there are sufficient liquid assets to meet its short term cash requirements and adequate bank lines are available.

The maturity profile of the financial liabilities as at 31 August 2015 based on contractual undiscounted repayment obligations is as follows:

2015	Carrying value	Gross nominal outflow	Less than 12 months	More than 12 months
LIABILITIES				
Trade and other payables	2,255,272	2,255,272	2,255,272	-
Total financial liabilities	2,255,272	2,255,272	2,255,272	-

The maturity profile of the financial liabilities as at 31 August 2014 based on contractual undiscounted repayment obligations is as follows:

2014	Carrying value	Gross nominal outflow	Less than 12 months	More than 12 months
LIABILITIES				
Bank borrowings	2,653	2,867	2,867	-
Trade and other payables	1,570,374	1,570,374	1,570,374	-
Total financial liabilities	1,573,027	1,573,241	1,573,241	-

d) Fair value versus carrying amounts

The fair value of the financial assets and liabilities of the Group approximate their carrying values.

19. 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 maximizing the return to shareholders through the optimisation of the debt and equity capital. The Group's overall strategy remains unchanged from 2011.

Capital gearing ratio

The Group reviews the capital structure on a quarterly basis. As part of this review, the Group considers the cost of capital and the risks associated with capital.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 August 2015

USD

The gearing ratio at the year-end was as follows:

	31 August 2015	31 August 2014
Debt (i)	-	(2,653)
Bank balances and cash	11,362,173	13,034,589
Net cash / (debt)	11,362,173	13,031,936
Shareholders' Equity (ii)	53,231,322	52,276,687
Net debt to equity ratio (times)	N/A	N/A

Debt is defined as bank borrowings

Shareholders' equity includes capital reserves, and retained earnings.

20. CONTINGENT LIABILITIES

	31 August 2015	31 August 2014
Bank guarantees	208,277	197,386
	208,277	197,386

Bank guarantees represent labour guarantees and are secured against 100% cash margin deposited with the banks (note 5).

21. OPERATING LEASE COMMITMENTS

Non-cancellable operating lease rentals are payable as follows:

	31 August 2015	31 August 2014
Less than one year	173,187	173,244

As described in note 8, one of the Group's buildings with carrying value of US\$ 3.1 million (2014: US\$ 3.4 million) is erected on a plot of land leased from Dubai Real Estate Corporation on an annual basis. The rental contract for the land runs from January 1 to December 31 each year and is renewable annually.

22. DIVIDEND PAYABLE

	31 August 2015	31 August 2014
Dividend payable by First Education Holding BSC (c)	1,468,247	1,078,864
Dividend payable by subsidiaries to non-controlling interests	-	640,000
	1,468,247	1,718,864

The shareholders resolved in their Annual General Meeting held on 11 March 2015 to distribute a dividend of US\$ 4,500,000 for the financial year ended 31 August 2014.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 August 2015

USD

23. ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

The assets and liabilities of Egyptian Child Care Corporation, a subsidiary of the company, are presented as held for sale following the commitment of the management, to sell these to a third party. The following are the components of assets held for sale and liabilities related to assets held for sale.

a) Assets classified as held for sale:

	31 August 2015	31 August 2014
Property Plant & Equipment	81,800	179,156
Bank balances and cash	165,341	221,779
Other assets	66,863	9,486
	314,004	410,421

b) Liabilities directly associated with assets held for sale

	31 August 2015	31 August 2015
Payroll tax	221,207	223,110
Banking facilities	119,772	133,324
Trade and other payables	407,534	235,352
	748,513	591,786

c) Result of discontinued operations

	31 August 2015	31 August 2014
Revenue	2,202,618	551,454
Expense	(2,471,327)	(539,617)
	(268,709)	11,837

d) Cash flows used in discontinued operations

	31 August 2015	31 August 2014
Net cash from operating activities	14,656	4,502
Net cash used in investing activities	(6,573)	(17,193)
Net cash used in financing activities	(45,635)	(8,065)
	(37,552)	(20,756)

24. COMPARATIVES

Certain prior year amounts have been regrouped to conform to the presentation in the current year. Such regrouping does not affect previously reported profit and total equity.