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Common  
 Yu, Xiqun  
 80 Heng Shan Rd.  
 Kun Lun Shopping Mall  
 Harbin, P.R. China 150090

38,050,000  
 66%

Common  
 All Officers and Directors as a Group (2)

38,050,000  
 66%

Changes in Control.

There has been a change in the majority of the directors of the Company resulting from the share exchange transition between the Company and ZHLD and, as a result, there has been a change of control of the Company within the meaning of the Securities Exchange Act of 1934, as amended (the "Securities Exchange Act"). However, since the Company is not registered under Section 12 of the Securities Exchange Act of 1934, as amended, there was no obligation on the Registrant to prepare and file with the Commission and mail to shareholders an Information Statement on Schedule 14F-1 with respect to such change of control. However, such change in control was described in a Current Report on Form 8-K, filed with the Commission on December 15, 2004, which is incorporated herein by reference. Such report contains information on, among other things, the age, background and stock ownership of the recently appointed directors of the Company.

As a result of the completion of the acquisition of ZHLD, a Form 8-K/A with audited financial statements of ZHLD and pro forma combined financial statements as required by Item 9.01 of Form 8-K was filed with the Commission on April 18, 2005.

Item 12. Certain Relationships and Related Transactions

Pursuant to and at the closing of the Plan of Exchange, dated September 15, 2004, which occurred on December 13, 2004, the Company issued the ZHLD Shareholders 55,000,000 shares of common stock of the Company, or 95% of the Company's then outstanding common stock, in exchange for all of the shares of capital stock of ZHLD owned by the ZHLD Shareholders.

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Immediately upon the closing, the Company accepted the cancellation of 11,000,000 shares of common stock from Duane Bennett, and, as a result, the Company had 2,915,000 shares of common stock issued and outstanding before the issuance of the 55,000,000 new shares of common stock.

### Item 13. Exhibits and Reports on Form 8-K

#### (a) Financial Statements

1. The following financial statements of China Education Alliance, Inc. are included in Part II, Item 7:

Report of Independent Registered Public Accounting Firm	F-1
Consolidated Balance Sheet - December 31, 2004	F-2
Consolidated Statements of Operations - August 9, 2004 (Inception) To December 31, 2004	F-3
Consolidated Statements of Stockholders' Equity - August 9, 2004 (Inception) To December 31, 2004	F-4
Consolidated Statements of Cash Flows - August 9, 2004 (Inception) To December 31, 2004	F-5
Notes to Consolidated Financial Statements	F-6-10

#### 2. Exhibits

3. Articles of Incorporation as amended and bylaws are incorporated by reference to Exhibit No. 1 of Form SB-2 as amended filed July 2001.

##### 14.1. Code of Ethics\*

31.1. Rule 13a-14(a)/15d-14(a) Certifications of Chief Executive Officer \*

31.2. Rule 13a-14(a)/15d-14(a) Certifications of Chief Financial Officer \*

32.1. Section 1350 Certifications of Chief Executive Officer \*

32.2. Section 1350 Certifications of Chief Financial Officer \*

\* Filed previously

#### (b) Reports on Form 8-K

(1) On December 15, 2004, we filed a current report on Form 8-K in order to report the completion of acquisition of Harbin Zhong He Li Da Jiao Yu Ke Ji You Xian Gong Si, a corporation organized and existing under the laws of the People's Republic of China.

(2) On January 25, 2005, we filed a current report on Form 8-K in order to report the changes in our certifying accountant.

(3) On April 18, 2005, we filed an amendment of current report on Form 8-K/A in order to publish our audited financial statements and unaudited pro forma financial statements reflecting a transaction closing on December 13, 2004.

### Item 14. Principle Accounting Fees

#### **Fees Billed For Audit and Non-Audit Services**

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The following table represents the aggregate fees billed for professional audit services rendered to Jimmy C.H. Cheung & Co., CPA, the Company's current independent auditor for the audit of the Company's annual financial statements for the period from August 9, 2004 (Inception) to December 31, 2004.

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Year Ended December 31	2004
Audit Fees <sup>(1)</sup>	\$ 20,000 <sup>(2)</sup>
Audit-Related Fees <sup>(3)</sup>	-
Tax Fees <sup>(4)</sup>	-
All Other Fees <sup>(5)</sup>	-
Total Accounting Fees and Services	\$ 20,000

- (1) *Audit Fees*. These are fees for professional services for the audit of the Company's annual financial statements, and for the review of the financial statements included in the Company's filings on Form 10-QSB, and for services that are normally provided in connection with statutory and regulatory filings or engagements.
- (2) The amounts shown for Jimmy C.H. Cheung & Co., CPA in 2004 relate to the audit of the Company's annual financial statements for the fiscal year ended December 31, 2004.
- (3) *Audit-Related Fees*. These are fees for the assurance and related services reasonably related to the performance of the audit or the review of the Company's financial statements.
- (4) *Tax Fees*. These are fees for professional services with respect to tax compliance, tax advice, and tax planning.
- (5) *All Other Fees*. These are fees for permissible work that does not fall within any of the other fee categories, i.e., Audit Fees, Audit-Related Fees, or Tax Fees.

### Pre-Approval Policy For Audit and Non-Audit Services

The Company does not have a standing audit committee, and the full Board performs all functions of an audit committee, including the pre-approval of all audit and non-audit services before the Company engages an accountant. All of the services rendered to the Company by Jimmy C.H. Cheung & Co., CPA after December 2004 were pre-approved by the Board of Directors of the Company.

The Company is presently working with its legal counsel to establish formal pre-approval policies and procedures for future engagements of the Company's accountants. The new policies and procedures will be detailed as to the particular service, will require that the Board or an audit committee thereof be informed of each service, and will prohibit the delegation of pre-approval responsibilities to management. It is currently anticipated that the Company's new policy will provide (i) for an annual pre-approval, by the Board or audit committee, of all audit, audit-related and non-audit services proposed to be rendered by the independent auditor for the fiscal year, as specifically described in

the auditor's engagement letter, and (ii) that additional engagements of the auditor, which were not approved in the annual pre-approval process, and engagements that are anticipated to exceed previously approved thresholds, will be presented on a case-by-case basis, by the President or Controller, for pre-approval by the Board or audit committee, before management engages the auditors for any such purposes. The new policy and procedures may authorize the Board or audit committee to delegate, to one or more of its members, the authority to pre-approve certain permitted services, *provided that* the estimated fee for any such service does not exceed a specified dollar amount (to be determined). All pre-approvals shall be contingent on a finding, by the Board, audit committee, or delegate, as the case may be, that the provision of the proposed services is compatible with the maintenance of the auditor's independence in the conduct of its auditing functions. In no event shall any non-audit related service be approved that would result in the independent auditor no longer being considered independent under the applicable rules and regulations of the Securities and Exchange Commission.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

CHINA EDUCATION ALLIANCE, INC.  
(Registrant)

Date: December 9, 2005

By:

/s/ Yu, Xi Qun

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Yu, Xi Qun  
President and Chief Executive Officer

