

Registered number: 06879861

AMITY GLOBAL EDUCATION LTD  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

# AMITY GLOBAL EDUCATION LTD

## CONTENTS

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	Page
<b>Company information</b>	1
<b>Strategic report</b>	2 - 9
<b>Statement of Governance and Internal Control</b>	10 - 12
<b>Directors' report</b>	13
<b>Directors' responsibilities statement</b>	14
<b>Independent auditor's report</b>	15 - 18
<b>Profit and loss account</b>	19
<b>Balance sheet</b>	20
<b>Statement of changes in equity</b>	21
<b>Statement of cash flows</b>	22
<b>Notes to the financial statements</b>	23 - 34

# AMITY GLOBAL EDUCATION LTD

## COMPANY INFORMATION

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<b>Directors</b>	Atul Chauhan Aseem Chauhan
<b>Company secretary</b>	Visra Company Secretaries Limited
<b>Registered number</b>	06879861
<b>Registered office</b>	Suite 1, 3rd Floor 11-12 St. James Square SW1Y 4LB
<b>Independent auditor</b>	Blick Rothenberg Audit LLP Chartered Accountants & Statutory Auditor 16 Great Queen Street Covent Garden London WC2B 5AH

# AMITY GLOBAL EDUCATION LTD

## STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2021

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### Introduction

This year report is significantly shaped by the Covid pandemic that presented higher education with an existential crisis, impacting the entire range of our activities and highlighted the importance of inter-disciplinary research and education in maintaining our position within the higher education private sector. The Covid pandemic was not the only threat the university was dealing with this year. In the last year report, we highlighted external challenges facing the University such as Brexit, the Philip Augur Report.

The actions taken by Amity Executive team in reaction to Covid and all the other threats enabled the University to maintain a good financial position. The rapid transition to delivering blended learning was enabled by Amity Virtual Learning Environment and our Information Technology strategy.

During pandemic our immediate priority was safeguarding the health and wellbeing of our staff and students and communicating continuously the government advice. As we progressed to full lockdown, our focus changed to critical task of ensuring that we could continue to deliver our programs remotely through high standards of teaching and learning. We also put measures in place to support students and staff who were struggling with access to IT and broadband, including helping students without their own laptops.

Actively responding to the crisis, has meant the University working quickly and closely with students, academic and professional staff to launch initiatives to support students and staff in achieving quality learning outcomes through the approved curriculum. The fundamentals of our business remain strong and we are confident that the medium-term prospects for the Amity University [in] London offer are robust and exciting, making a virtue of our scale of operations that enable a more personalised student experience compared with other institutions, while *still* offering access to large institutional facilities in London.

Despite the current challenges, the actions taken by the University Executive Team in reaction to Covid and all the other threats enabled the University to maintain a good financial position for the year. As part of its overall strategy, the University will maintain its financial health in the coming years, to invest in people, teaching and research, physical and virtual facilities, and the experience we offer our students to help them achieve positive learning outcomes.

While the pandemic cast a shadow over much of the year, we must not forget the achievements, milestones and successes that have occurred alongside it.

### Delivering the University's strategy during 2020-2021

#### ***Covid strategic approach***

Since the beginning of April 2020, the University has moved from management of a major incident in response to Covid to sustainable business recovery operations.

In 2020 a task force was established to oversee all the aspects of the business and day to day activities during the Covid crisis. The key areas of work were as follows; (a) undertaken a sustainable move to digital education and a blended online and on campus educational experience for academic year 2020/21 (b) reshape the student experience for academic year 2020/21 to accommodate the Covid restrictions; (c) reviewed working arrangements for staff, supporting working from home as far as possible (d) continue to provide all the support and services for staff and students; (e) continue to support and carried the research activity.

During the major incident response to the Covid pandemic a dedicated Covid risk register was created. As we have moved into business recovery mode these risks have now been assimilated into the University Risk register which is regularly reviewed by the Amity Governing Body. All our work has been guided by Government policy and national guidelines. We have mapped our actions against the Universities UK Principles and Considerations for Emerging from Lockdown to ensure that all areas are covered; and those risks are appropriately assessed and managed.

# AMITY GLOBAL EDUCATION LTD

## STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### *Investing in students*

During last year, Amity's initial priority was the continued education of its students via a successful transition to remote-only teaching and open book examinations. To support this the University has invested in its virtual learning environment and expanded its digital library access.

Throughout the pandemic our professional student support services remain accessible to all our students wherever they live. We moved services to remote working rapidly in March 2020 and continue to operate in this way with good levels of student engagement. We adapted and extended our student services to accommodate all the students needs during the Covid period.

For the new academic year, we introduced an online orientation platform which provides information on support and services across the University to students before they arrive. This includes specific information for students about Covid safety.

Our established approach to student financial support has been adapted to circumstances of remote working brought about by the pandemic. During the last year we spend on Covid related student hardship funding, including digital poverty assistance. This was largely to help students from widening access backgrounds.

Strategy for wellbeing and mental health: We continued to invest in student mental health, in strengthen our alumni relations and implementing the new strategy for student wellbeing and mental health by creating a whole new University approach, Amity continued to allocate many resources to ensure that all students thrive thanks to their relationship with the University as enrolled students and then as alumni.

### *Access and Participation programme*

The University continues to work on widening participation and improving access. The Access and participation plan approved by OFS commits the University to providing financial support to low-income students, delivering outreach work to raise attainment and aspiration, and targets to demonstrate progress on the admission of under-represented and disadvantaged groups.

The University is committed to ensuring that our undergraduate admissions processes identify students with outstanding academic potential and the ability to benefit from an Amity course whatever their background. We recognise that our main challenges lie in encouraging students from underrepresented groups to apply to Amity and in helping them to make competitive applications. We are also committed to widening access to graduate level study and will continue to progress initiatives aimed at this level.

The Covid pandemic affected many aspects of the University's outreach programme, with many events moved online. The Annual Impact Report submitted to OFS and Student Body submission highlighted the University progress we have made against certain targets of disadvantaged groups supported by the Action and Participation Plan 2019-22. This outcome was achieved because of concerted actions to increase the proportion of offers being made to these applicants, actions to improve the conversion from offer to acceptance through an enhanced guaranteed offer scheme, and the prioritisation of these applicants among near miss candidates.

We have submitted to OFS the new Action and Participation Plan for 2022-2027 which set out the University commitment for the next five-year period. The Plan contains a number of ambitious targets on admissions, to further diversify the University's intake measured by Population in Local Areas (POLAR) and Index of Multiple Deprivation (IMD) quintiles. The University committed to work in partnership with London Higher Access and Participation team to build a successful outreach programme. An active member of the New Economy Organisers Network (NEON) network, Amity University [in] London participated in online designed activities and will continue its engagement to support people from disadvantaged backgrounds through their educational journey. By working with schools and colleges, local authorities and higher education partners we are helping build a socially and culturally diverse student population.

# AMITY GLOBAL EDUCATION LTD

## STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### ***Student recruitment***

Before the Covid pandemic hit, we had been enjoying another year of good growth in the number of international students enrolled in our programmes.

Given the impact of the global Covid pandemic and Brexit there was a national concern that recruitment during 2020-2021 would be significantly reduced. The University has experienced a decreased in student recruitment.

We have committed funding to explore various approaches to marketing in countries from where we feel the University has potential to grow its intake. Amity University [in] London will continue to respond robustly to these challenges by exploring other opportunities to grow student numbers.

The University holds a licence for the recruitment of international students and its systems and processes for complying with UK Government requirements continue to be assessed as robust by the UK Visas and Immigration Service.

### ***Student experience***

The University continues to work in a successful partnership with student representatives and the entire student body to ensure that students are always part of any decision-making process. The Student Committee provides a valuable forum for gaining feedback on specific proposals aimed at enhancing the student experience. The University undertakes a range of exercises to gather student feedback, and as result Annual Integrated Student feedback is produced. Action plans are created with students because of their feedback, published online and reviewed on an ongoing basis. These reports are discussed at Academic Board and by the Governing Body.

Based on the data collected from students overall, 100% of students are satisfied or very satisfied with the quality of teaching on their course. The NUS report that quality of teaching is cited by students as the most important factor in making a good learning and teaching experience. Last year's NUS student experience report shows that 74.76% of the students are happy with the quality of teaching at their institutions. With a satisfaction rate of 100% overall Amity is confident that the necessary processes are in place to ensure the maintenance of teaching standards.

In the 2020-2021 academic year, overall student satisfaction with Assessment and Feedback remains high ((90% of the students now are very happy with their feedback on assessments and work, and the feedback timeframe), and exceed NUS sector results of 68.3% Amity University [in] London continues to maintain its position above the benchmark of the NUS data where it has been for the past five years.

During the last year we invested further in the development of our virtual learning platform. The project initiated found that student engagement was significantly improved, with the new functions designed to encourage learners to engage as peers and to work in a connected and collaborative manner. Comprehensive work to transfer course materials ahead of the wider launch took place this year, with staff and students regularly updated on progress and encouraged to get to know the new platform via dedicated sites on our staff and student portals.

Amity enhanced learning platform provides a far more intuitive, interactive, mobile-friendly and social-led learning experience, is part of a wider development programme to transform our education technology system.

### ***Learning, teaching and student success***

Our approach to teaching informed by research, is based on extensive evidence for effective practice and maintains high standards throughout each study path. It is a flexible process that changes and adapts to each annual intake of students. Ensuring that students have the skills and capabilities to be successful graduates is a core objective of the University's approach to learning and teaching. We use interactive teaching to encourage students to go beyond the retention of information through the investigation and development of concepts, subject to critical analysis.

# AMITY GLOBAL EDUCATION LTD

## STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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We develop people through their learning and help them to acquire the skills to make a more meaningful and effective contribution to society through their leadership, their enhanced abilities and knowledge, and their innovation and creativity. This helps to ensure that society, industry, commerce, and the public services have access to people with the right skills and attributes to ensure their success.

In the last year, we continue to encourage students to engage in original research and practice in their subject area through different new initiatives, which provides students with the opportunity to undertake a research project that enhances the learning experience, base of knowledge, skills and practical experience.

In line with our strategic plan, a clear priority area for the University has been to address attainment gaps that exist in the student population shaped by class, ethnicity, and age. Part of the implementation of the Access and Participation Strategy, the University continue to improve the equality of opportunity for underrepresented groups and has implemented a series of initiatives such as: Amity Graduate Loyalty Scheme; Entrepreneurship Club and Business Support; Digital Skills Club; Amity Internship Programme. The development of work experience opportunities for students, including taster days and work placements will continue to be a priority for the University as it seeks to build on its already strong position in highly skilled graduate employment outcomes.

Our interdisciplinary approach to research and teaching and our investment in resources have helped form an empowered community of staff and students who are making a real contribution to creating a fairer and more sustainable world. As a result of our research-led education, our students leave the University with important intellectual capabilities, enhanced employment skills and the capacity for independent learning and problem solving.

Student employment outcomes, for both UG and PG graduates, for the past academic year, remain high, exceed HESA national benchmark and demonstrate the transformational experience of studying at Amity University.

In the last audit, the Quality Assurance Agency has expressed full confidence in the University's processes for assuring quality and in its standards and: – commended the progress in continuing to monitor, evaluate and enhance its higher education provision and identified a number of areas of good practice- concluded that the University meets expectations in relation to academic standards, the quality of student learning opportunities and the quality of information about learning opportunities.

Recently, Amity University [in]London application to participate in the new Teaching Excellence Framework (TEF) has been approved by OFS.

### **Research**

The University continues to recognise the underpinning importance of disciplinary excellence while providing an environment that promotes cross disciplinary collaboration. By establishing interdisciplinary research themes, we have developed a distinctive capacity for tackling complex challenges of global significance. Through targeted senior academic research appointments and investment in research resources, we have developed an environment where we provide our researchers with the freedom to investigate problems of significance, whether their work be curiosity-driven or challenge-led.

During this academic year, we continued our activities within the *Research Centre for Economic Innovation and Investment*, working together in a close collaboration with Deloitte. Partners are critical to achieving our goals, and we commit to further strengthening our collaborations: working with industry to translate our innovative ideas into real-world benefits; informing decision-makers to influence policy; and disseminating information to our local community.

Our staff have continued to show commitment and dynamism while delivering the highest quality of economic, social and cultural research before, during and beyond the pandemic.

The University has demonstrated the public benefits of its research by providing advice and expertise to local authorities, small businesses and others in areas of finance, business management and education.

# AMITY GLOBAL EDUCATION LTD

## STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### People and values

Our staff are key to the University's success, and we will continue to work with them to build their capabilities and provide an environment that supports excellence.

Amity is committed to continuing to attract and retain people of highest quality by providing an environment that is open, secure, and safe and where there is a guarantee for academic freedom and equal opportunities for all.

During this year we have enhanced our Human Resources strategy to enable the university to achieve the strategic goals highlighted in Amity Strategic plan 2022-2027. The strategy has been discussed with student representatives and approved by the Governing Body. In line with the University strategic plan, Amity is committed to invest in increasing the number of academic and professional staff to ensure the University growth within the timeframe requested, the high level of compliance required by the government agencies in all aspects of the business, excellent student learning experience and support of innovative projects and research.

We have enhanced staff Annual Development Review conversations with online personal development workbooks and career pathways, encouraging individuals to take ownership of their career development and increasing the visibility of appropriate development opportunities available that will benefit them as individuals, the team and department.

We have a range of policies which reflect and promote the equality and diversity of our staff including flexible working, parental and adoption leave and Respect at Work. In response to the Covid pandemic we updated our policy on homeworking and published a range of new online resources on health and wellbeing to support our staff required to work at home.

We will continue to employ highly talented individuals in all of our academic roles and in professional services support roles who are totally committed to providing an excellent experience to all our students.

### Principal risks and uncertainties

The University follows good practice in considering risk appetite in the context of the University's academic mission, seeking to ensure an appropriate balance between risk aversion and opportunity capture. The business risk-management approach identifies and appraises risks and opportunities in a systematic manner and is integrated and embedded within the University's strategic planning, investment decision-making, and operational management processes.

The University's approach is to minimise its exposure to reputational, compliance and financial risk, while accepting a degree of risk in pursuit of its mission and objectives. It recognises that its appetite for risk varies according to the activity undertaken but that controlled risk-taking enables the taking advantage of opportunities to generate further value. The University Risk Register is formally reviewed and updated regularly by the Audit and Risk Committee and approved by the University's Governing Body.

The key areas of risk identified this year remain the same. The University's principal financial risks and uncertainties, while broadly consistent over the years, include some key strategic risk areas that have been identified as follows:

**Financial sustainability:** significant changes in the higher education business environment threaten long-term growth, and the institution's future financial sustainability.

Actions to mitigate risk: the University has established a Strategic Working Group to identify the actions needed to mitigate the impact of the changes in the HE environment and to identify other sources of income.



# AMITY GLOBAL EDUCATION LTD

## STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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**The ongoing impact of the Covid pandemic** which has the potential to affect student recruitment both domestically and internationally, as well as increasing the cost base to ensure that the University remains a secure environment for staff and students.

Actions to mitigate the risk: the University has established a Covid Strategic Working Group to identify the actions needed to mitigate the impact of Covid through pandemic; Amity University has also planned in place to secure further investment in online teaching and study-related resources.

**Brexit:** UK exit from EU determined legal and political challenges, carry high implications in securing student recruitment and research funds.

Actions to mitigate the risk: The University's Strategic Working Group reviews and develops ways to mitigate the Brexit impact and to ensure the University maintains its position as the external environment changes. Specifically, Amity University [in] London has developed a plan to support immigration costs for compliance with the new Immigration rules and focused in strengthening the relationship with industry to develop industrial research collaborations, designed to find practical solutions in response to industry needs.

**Challenge to attract the best academic and professional staff** through a failure to compete with escalating levels of reward, and high residential and other costs of living in the London area.

Actions to mitigate the risk: The University continues to review and enhance its remuneration offer considering pension and pay as a key component of a competitive employment package. The University is also introducing a defined benefits package to provide both employer and staff with better value for money and provide more flexibility in working arrangements.

**Legal /regulatory and compliance requirements:** failure to follow government regulations, OfS requirements, or to develop policies and processes adequately, could lead to failure to comply with legal and regulatory requirements.

Actions to mitigate the risk: the University is developing and implementing a new oversight process to provide an increased assurance that it is complying with all requirements. The new approved Human Resources strategy has provision for the increase of resources within the compliance department.

**Changes to UK immigration regulations:** failure to develop and implement adequate policies and procedures to comply with the new regulations leading to financial and legal penalties, reputational damage and loss of international students.

Actions to mitigate the risk: The University Compliance Team regularly reviews policies and procedures connected with the University's UKVI licence and ensures full compliance. There are plans in place to increase the number of resources within the immigration compliance team.

**Significant data breach:** failure to comply with GDPR, or major information security event (cyber security) leading to loss of confidential/commercially sensitive information or failure of IT infrastructure.

Actions to mitigate the risk: The University commits to reviewing its Cyber Security Strategy to deliver enhanced security controls across the University and to ensure these are up to date with the current digital threats.

**Strategic transformation and change:** failure to implement and achieve strategic targets leading to loss of institutional reputation and financial loss.

Actions to mitigate the risk: The University's Strategic Working Group ensures the development of comprehensive forward-planning and provision of human and financial resources, and monitoring and evaluation of individual projects.

# AMITY GLOBAL EDUCATION LTD

## STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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**Student recruitment:** failure to secure the targets of home and international students leading to the loss of financial income.

Actions to mitigate the risk: The University will continue to support student success and to invest in brand and marketing to communicate Amity University [in] London values and optimise opportunities. University has plans to secure investment for the development of a recruitment agents network to assist the university to compete in the UK highly competitive business environment.

**Inability to maintain long term investment:** failure to secure the long-term financial sustainability leading to erosion of financial health that enforces cuts in the budget to meet operational requirements, which automatically affects academic and research resourcing.

Actions to mitigate the risk: The University continues to explore new revenue streams, enhance and modernise internal processes to seek cost efficiencies, particularly in the light of investment in new systems and digital innovation, and to ensure that all commitments made by the University are supported. We will optimise new opportunities in selecting new markets and developing new partnerships with industry and we will continue to focus on transparency of resources used and their value-generating capacity.

### **Business review and key performance indicators**

The University had income of £1,106,405 (2020: £3,439,106) for the year. Income is derived principally from student fees and the results reflect the significant decrease in overseas students on exchange programmes. Turnover also includes fees from home PhD and MBA programmes. Following the University's registration with the OfS fee income from home and EU students is expected to increase.

Administration costs remain a focus for control with the no significant increase in costs aside from legal and professional fees. The company has generated a profit before tax of £54,795 compared to £2,222,986 the previous year. The reduction in profit is principally the result of the reduction in income from overseas students who were unable to travel to the UK during the pandemic.

The company's balance sheet at 31 March 2021 reflects a reduction in profitability. Given the way that courses are run utilising the facilities at Birkbeck and University of London, the company has a low level of fixed assets and fixed overheads. Fixed assets are shown at an amount of £5,404 (2020: £6,755). The balance sheet reflects the trading position with group companies and external parties with net assets of £3,156,820 (2020: £3,138,231) reflecting share capital of £1,001,000 and retained earnings of £2,155,820 (2020: £2,137,231).

The company is in a good position to continue to develop the University in the year ahead.

The company's key performance indicator remains earnings before interest, depreciation and tax. This was £56,190 compared to £2,224,708 in 2020.

### **Other key performance indicators**

The other KPI is the number of students on roll. There were 128 students who attended an exchange programme in 2020/21 compared to 691 in the previous year. The decrease was due to a fall in the number of students primarily due to the outbreak of Covid. Exchange programmes were transferred online as students were unable to travel to the UK due to the pandemic.

# AMITY GLOBAL EDUCATION LTD

## STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### Conclusion

The University recognises that its risk appetite will change continuously over time as a response to changing circumstances. Effective risk management is about ensuring that all significant relevant risks are understood and prioritised as part of normal management practices to increase the probability of successful outcomes while protecting the reputation and sustainability of the University.

The outlook for the University remains positive underpinned by a strong financial position and a pipeline of strategic investments by the University's financial guarantor, Amity Global Education Limited, despite the presence of risk and uncertainty. Financial sustainability is a key component of the University Strategy. Amity University [in] London will continue to review all activities to ensure they are sustainable, affordable and fit for purpose.

This report was approved by the board and signed on its behalf.



**Atul Chauhan**  
Director

Date: 15/11/21

# AMITY GLOBAL EDUCATION LTD

## STATEMENT OF GOVERNANCE AND INTERNAL CONTROL FOR THE YEAR ENDED 31 MARCH 2021

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The following statement is intended to provide an understanding of the governance and internal control applicable to Amity University [in] London. The University is a private higher education institution regulated by the Office for Students (OfS) in its capacity as principal Regulator.

The university has a public interest duty to conduct its affairs in transparent and responsible ways, in accordance with the Nolan principles, to meet the regulatory requirements of statutory bodies and to comply with the Higher Education Code of Governance published by the Committee of University Chairs.

### **Governance**

Amity University [in] London's governance is institutionalised through the application of clearly defined functions and responsibilities as follows:

**Amity University [in] London's Governing Body (AGB)** is responsible for the mission, character and reputation of the institution at a strategic level. AGB is responsible for the effective oversight and scrutiny of the management of the University and planning its future development. Facilitated by the University's external auditors, Blick Rothenberg Audit LLP, working in consultation with the Directors of the parent body – Amity Global Education Limited, the University's financial guarantor – AGB takes an active interest in the institution's solvency and the safeguarding of its assets. AGB comprises individuals who have significant experience at senior level both within the higher education sector and within industry and commerce. A majority of the members of AGB, including the Chair, are drawn from outside the University. Complementing these independent members, AGB membership includes the University's Principal/Accountable Officer and the President of the Student Union.

Amity University [in] London's Academic Board (AAB) is the academic authority of the University, whose role is to oversee the teaching and research of the University, be responsible for academic quality and standards, and for the admission and regulation of students on behalf of the Governing Body. Chaired by the Principal, its membership is drawn mainly from the academic staff of the University and also includes student representatives. The Academic Board reports to AGB and is required to provide assurance to AGB that academic governance is effective.

Amity University [in] London's established governance structure is a key element of its internal quality assurance and sustainability framework. The governance structure maintains a clear distinction between executive and deliberate structures with both being accountable to AGB.

### **Academic and Executive Leadership**

The Principal is the University's Chief Executive Officer and principal academic officer. The Principal is also the Accountable Officer for purposes of the Higher Education and Research Act 2017.

Under power delegated by AGB, the Principal has a key role in the development of the institutional strategy, planning new developments and development of the institutional culture. A university executive team, comprising senior academic and professional staff is appointed by and acts in an advisory capacity to the Principal. Ultimate responsibility for the management of the University and conduct of its business rests with AGB.

### **AGB and its committees**

AGB meets at least quarterly over the course of a calendar year. Reflective of the scale of Amity University [in] London's current operations, when members are assembled AGB will reconstitute itself at appropriate times to review business and make decisions under the rubric of three committees: (1) a Nominations and Remuneration Committee, providing oversight of senior appointments and their remuneration; (2) a Financial Committee, focusing on financial sustainability; and (3) an Audit and Risk Committee, assuring oversight and challenge in respect of financial and strategic risk management. When meeting to discharge the committees' formally constituted functions, membership is exclusively independent of executive management to ensure the proper separation of powers necessary to comply with corporate governance best practice.

# AMITY GLOBAL EDUCATION LTD

## STATEMENT OF GOVERNANCE AND INTERNAL CONTROL FOR THE YEAR ENDED 31 MARCH 2021

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The functions of the *Nominations and Remuneration Committee*, which meets at least once a year, include overseeing and making recommendations to the AGB on the appointment of its members and their functions, as well as of senior executive staff, taking into account skills and experience. It also determines the remuneration of the most senior academic and academic related staff, including the Principal. It seeks to ensure the promotion of equality and diversity and inclusion, reflecting both the diversity of society and the needs of the University. The committee, like AGB, operates in accordance with the CUC Higher Education Code of Governance.

The *Financial Committee* provides detailed scrutiny on behalf of AGB on matters concerning the operation and financial sustainability of the University. It meets at least three times per year and recommends the annual revenue, capital budget and monitors performance against budget during the year. In cooperation with the Audit and Risk Committee, the Financial committee recommends to AGB the University's Financial Statements for approval, annual review, budget monitor the execution of financial policies adopted.

The *Audit and Risk Committee* meets at least three times a year, with the University's external auditors in attendance. It ensures detailed scrutiny on behalf of AGB on matters concerning the operation and financial sustainability of the University, and recommends the annual capital investment and revenue budgets, monitoring performance against budget during the year. The committee recommends to AGB the University's Annual Review and Financial Statements for approval, and execution of financial policies sanctioned by AGB. The Committee considers detailed reports together with recommendations for the improvement of the University's systems of internal control, and management's responses and implementation plans. The Audit and Risk Committee oversees work by the University's external auditor to prepare an Annual Report for approval of AGB. It also receives and considers reports from external bodies that affect the University's business and monitors adherence to the regulatory requirements, making recommendations for approval by AGB. The Audit committee is responsible for making recommendations to AGB on the appointment of both internal and external auditors to the University. It operates in accordance with the CUC Higher Education Code of Governance.

Reflecting corporate governance best practice, AGB and its committees undertake an annual appraisal of their effectiveness.

### **Statement of internal control**

Within the University, AGB has the responsibility for maintaining a robust system of internal control that supports the achievements of the University's strategic objectives, and policies while making every reasonable endeavour to safeguard the public and other funds and assets in accordance with the responsibilities assigned in the regulatory framework for Higher Education in England and under the Office for Students (OfS) Terms and Conditions of funding for higher education institutions.

AGB's assurance about the effectiveness of the system of risk and internal control is informed by the work of the senior executive management team within the University, led by the Principal, who have responsibility for the development and maintenance of the internal control framework, scrutinised by the Audit and Risk Committee reporting in turn to AGB. Also, by comments made by the external auditors in their management letter associated with the annual audit.

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives. It can, therefore, provide only reasonable, and not absolute, assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify the principal risks to the achievement of policies, aims and objectives; to evaluate the nature and extent of those risks; and to manage them efficiently, effectively and economically.

The University's approach is to minimise exposure to reputational, compliance and financial risk, while accepting a degree of managed risk in pursuit of its mission and objectives. It recognises that the appetite for risk varies according to activity undertaken but that controlled risk-taking enables the University to take advantage of opportunities to generate further value for its stakeholders. The University maintains a Risk Register which is formally reviewed and updated regularly by the Audit and Risk Committee and approved by AGB.

# AMITY GLOBAL EDUCATION LTD

## STATEMENT OF GOVERNANCE AND INTERNAL CONTROL FOR THE YEAR ENDED 31 MARCH 2021

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The system of internal control has been in place throughout the year ended 31 March 2021 and up to the date of approval of the financial statements and is consistent with OfS guidance.

The key elements of the internal risk control system, designed to discharge responsibilities set out above, include the following processes:

1. Consideration at AGB quarterly meetings of the strategic direction, plans and performance of the institution.
2. Clear definitions of responsibilities of, and the authority delegated to, senior academic and professional staff.
3. Comprehensive financial regulations associated with financial controls and procedures approved by AGB.
4. Application of the University's Risk Management Strategy that is embedded in all its operational processes. Senior academic and professional staff contribute on a regular basis to the identification and mitigation of the risks which are incorporated in the Risk Register.
5. Actions by the University's Strategic Risk Working Group, chaired by the Principal, which reports to AGB via the Audit and Risk Committee. The University Executive Team receives reports on the action taken on institution-level risks along with suggestions on amendments to the risk register.
6. Maintenance of a Risk Assessment Matrix based on risk ranking.
7. Maintenance of a University Risk Register covering corporate level risks, including the ability to comply with all OfS conditions of registration.
8. Regular reviews of student recruitment, academic performance and financial results involving variance reporting and updates to the projected financial outturns.
9. A short-and medium-term planning process supplemented by details of annual income, capital and revenue expenditure, and cash flows.
10. Constant review of the University's policies, procedures and power delegated by AGB to other bodies and individuals.
11. Preparation by the University's internal audit team of a report on internal activity and the effectiveness of the internal control system, for scrutiny and approval by the Audit and Risk Committee. This report is formally presented for endorsement by AGB. The University Internal Audit team operates in accordance with standards defined by the OfS Audit Code of Practice.
12. Review of the effectiveness of the system of internal control informed by the work of Internal Audit and by the University's Accountable Officer, who has responsibility for the development and maintenance of the internal control framework. This review is supplemented by comments made by the external auditors in their management letter and other reports.

AGB has taken reasonable steps to: (a) ensure that there are appropriate financial and management controls in place to safeguard funds from all sources, subject to necessary ongoing enabling action by the University's financial guarantor; (b) safeguard the University assets and prevent and detect fraud; (c) secure the efficient and effective management of the University's resources; and (d) in cooperation with the Directors of Amity Global Education Limited ensure that funds from OfS are used only for the purposes they have been granted in accordance with the existing regulations and legislation. AGB oversees preparation of an annual report and accounts to be presented to the Directors of Amity Global Education Limited, the University's parent body and financial guarantor, which in turn lodges an annual report and accounts with Companies House. In addition to which the financial statement is presented to meet OfS requirements.

The University will undertake a review of its governance during the 2021-22 annual academic and financial cycle, to ensure that it is fit for purpose and will support the effective delivery of the current University Strategic Plan and inform the Plan in preparation for the forthcoming five-year period. The review will include an audit against any future iteration of the CUC Higher Education Code of Governance, as well as any relevant regulatory or legislative changes having effect from the time of the production of this report.



# AMITY GLOBAL EDUCATION LTD

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021

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The directors present their report and the financial statements for the year ended 31 March 2021.

### Principal activity

The principal activity of the company is the provision of educational courses to university students.

### Directors

The directors who served during the year were:

Atul Chauhan  
Aseem Chauhan

### Disclosure of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### Small companies exemptions

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



**Atul Chauhan**  
Director

Date: 15/11/21

# **AMITY GLOBAL EDUCATION LTD**

## **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2021**

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The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



# **AMITY GLOBAL EDUCATION LTD**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AMITY GLOBAL EDUCATION LTD FOR THE YEAR ENDED 31 MARCH 2021**

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### **Opinion**

We have audited the financial statements of Amity Global Education Ltd (the 'company') for the year ended 31 March 2021, which comprise the profit and loss account, the balance sheet, the statement of cash flows, the statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

# AMITY GLOBAL EDUCATION LTD

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AMITY GLOBAL EDUCATION LTD (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

### Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

### Opinion on other matters required by the Office for Students (OfS) Audit Code of Practice

In our opinion, in all material respects:

- funds from whatever source administered by the University for specific purposes have been properly applied to those purposes and, if relevant, managed in accordance with relevant legislation;
- funds provided by OfS have been applied in accordance with the Memorandum of Assurance and Accountability and any other terms and conditions attached to them; and
- the requirements of the OfS's Accounts Direction have been met.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

# AMITY GLOBAL EDUCATION LTD

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AMITY GLOBAL EDUCATION LTD (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 14, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 directors are responsible for assessing the company'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the education sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, OfS regulation, taxation legislation and data protection, anti-bribery, employment and health and safety legislation.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but are not limited to:

# AMITY GLOBAL EDUCATION LTD

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AMITY GLOBAL EDUCATION LTD (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations to our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

*Blick Rothenberg Audit LLP*

Mark Hart (senior statutory auditor)

for and on behalf of

**Blick Rothenberg Audit LLP**

Chartered Accountants  
Statutory Auditor

16 Great Queen Street  
Covent Garden  
London  
WC2B 5AH

Date: 16 November 2021

# AMITY GLOBAL EDUCATION LTD

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

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	Note	2021 £	2020 £
Turnover	3	1,106,405	3,439,106
Cost of sales		(230,750)	(354,917)
<b>Gross profit</b>		<b>875,655</b>	3,084,189
Administrative expenses		(847,059)	(861,170)
Other operating income	4	26,243	-
<b>Operating profit</b>		<b>54,839</b>	2,223,019
Interest payable and similar expenses	7	(44)	(33)
<b>Profit before taxation</b>		<b>54,795</b>	2,222,986
Tax on profit	8	(36,206)	(422,300)
<b>Profit for the financial year</b>		<b>18,589</b>	1,800,686

There are no items of other comprehensive income for either the year or the prior year other than the profit for the year. Accordingly, no statement of other comprehensive income has been presented.

**AMITY GLOBAL EDUCATION LTD****BALANCE SHEET  
AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible fixed assets	9	5,404	6,755
<b>Current assets</b>			
Debtors	10	6,349,233	5,681,142
Cash at bank and in hand	11	373,299	313,403
		<u>6,722,532</u>	<u>5,994,545</u>
Creditors: amounts falling due within one year	12	(3,571,116)	(2,863,069)
<b>Net current assets</b>		<b>3,151,416</b>	<b>3,131,476</b>
<b>Total assets less current liabilities</b>		<b>3,156,820</b>	<b>3,138,231</b>
<b>Net assets</b>		<b>3,156,820</b>	<b>3,138,231</b>
<b>Capital and reserves</b>			
Called up share capital	13	501,000	501,000
Share premium account	14	500,000	500,000
Profit and loss account	14	2,155,820	2,137,231
<b>Total equity</b>		<b>3,156,820</b>	<b>3,138,231</b>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**Atul Chauhan**  
Director

Date: 15/03/21

The notes on pages 23 to 34 form part of these financial statements.

# AMITY GLOBAL EDUCATION LTD

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

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	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
<b>At 1 April 2019</b>	<b>501,000</b>	<b>500,000</b>	<b>336,545</b>	<b>1,337,545</b>
<b>Comprehensive income for the year</b>				
Profit for the financial year	-	-	1,800,686	1,800,686
<b>At 1 April 2020</b>	<b>501,000</b>	<b>500,000</b>	<b>2,137,231</b>	<b>3,138,231</b>
<b>Comprehensive income for the year</b>				
Profit for the financial year	-	-	18,589	18,589
<b>At 31 March 2021</b>	<b>501,000</b>	<b>500,000</b>	<b>2,155,820</b>	<b>3,156,820</b>

The notes on pages 23 to 34 form part of these financial statements.

# AMITY GLOBAL EDUCATION LTD

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	18,589	1,800,686
<b>Adjustments for:</b>		
Depreciation of tangible assets	1,351	1,689
Interest paid	44	33
Taxation charge	36,206	422,300
Increase in debtors	(62,499)	(85,363)
Increase in amounts owed by groups	(605,592)	(2,877,452)
Increase in creditors	671,841	17,472
Increase in amounts owed to groups	-	456,750
Corporation tax paid	-	(66,118)
<b>Net cash generated from operating activities</b>	<b>59,940</b>	<b>(330,003)</b>
<b>Cash flows from financing activities</b>		
Interest paid	(44)	(33)
<b>Net cash used in financing activities</b>	<b>(44)</b>	<b>(33)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>59,896</b>	<b>(330,036)</b>
Cash and cash equivalents at beginning of year	313,403	643,439
<b>Cash and cash equivalents at the end of year</b>	<b>373,299</b>	<b>313,403</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	373,299	313,403
	<b>373,299</b>	<b>313,403</b>

The notes on pages 23 to 34 form part of these financial statements.



# AMITY GLOBAL EDUCATION LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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### 1. General information

The principal activity of the company is the provision of educational courses to university students.

The company is a private company limited by shares and is incorporated and registered in England and Wales. The address of its principal place of business is 24 Bedford Square, London, WC1B 3HN.

The financial statements are presented in Sterling (£).

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006, FEHE SORP 2015 and OfS Regulatory advice 9: Accounts direction.

The following principal accounting policies have been applied:

#### 2.2 Going concern

The university attracts a number of students from overseas, and restrictions placed on travel and necessary changes to teaching methods as a result of the pandemic deterred new students from joining in the FY21 academic year and reduced the number of foreign exchange students coming to the UK. Notwithstanding this inherent uncertainty regarding future student numbers and its impact on fee income, the university has successfully implemented measures to ensure courses can continue to run in line with government guidance on health and safety. The company has received a letter of support from its parent company confirming its intention to support the company for a period of at least twelve months from the date of approval of these financial statements. After making enquiries, the directors have reasonable expectation that the company has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements.

#### 2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Revenue represents tuition fees in relation to courses delivered during the year and is recognised evenly over the period of the relevant courses. Amounts invoiced for the courses which will be provided in future periods are held at the balance sheet date within deferred income. Where tuition has been provided to funded students but the funding has not yet been received the income is recognised as accrued income.

#### 2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

# AMITY GLOBAL EDUCATION LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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### 2. Accounting policies (continued)

#### 2.4 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

- Short-term leasehold property - Over the term of the lease
- Fixtures, fittings and equipment - 20% on the reducing balance basis

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit and loss account.

#### 2.5 Operating leases: the company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

#### 2.6 Financial instruments

The company has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

The component parts of compound instruments issued by the company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. On initial recognition the financial liability component is recorded at its fair value. The fair value of the liability component is estimated using the prevailing market interest rate for a similar instrument without equity features. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised in equity and not subsequently remeasured.

The company's policies for its major classes of financial assets and financial liabilities are set out below.

##### Financial assets

Basic financial assets, including trade and other debtors, cash and bank balances and intercompany working capital balance are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

# AMITY GLOBAL EDUCATION LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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### 2. Accounting policies (continued)

#### Financial instruments (continued)

##### Financial liabilities

Basic financial liabilities, including trade and other creditors and balances with fellow group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

##### Impairment of financial assets

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the company would receive for the asset if it were to be sold at the reporting date.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### Derecognition of financial assets and financial liabilities

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

##### Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

# AMITY GLOBAL EDUCATION LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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### 2. Accounting policies (continued)

#### 2.7 Cash

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

#### 2.8 Share capital

Ordinary shares are classified as equity.

#### 2.9 Foreign currency translation

##### Functional and presentation currency

The company's functional and presentational currency is GBP.

##### Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'administrative expenses'.

#### 2.10 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the profit and loss account in the same period as the related expenditure.

#### 2.11 Pensions

##### Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

**AMITY GLOBAL EDUCATION LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**2. Accounting policies (continued)**

**2.12 Holiday pay accrual**

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

**2.13 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**3. Turnover**

All turnover relates to the company's sole primary activity.

Analysis of turnover by country of destination:

	<b>2021</b>	2020
	£	£
United Kingdom	<b>442,180</b>	413,421
Rest of the world	<b>664,225</b>	3,025,685
	<b><u>1,106,405</u></b>	<u>3,439,106</u>

**4. Other operating income**

	<b>2021</b>	2020
	£	£
Government grants receivable	<b>26,243</b>	-
	<b><u>26,243</u></b>	<u>-</u>

**AMITY GLOBAL EDUCATION LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**5. Operating profit**

The operating profit is stated after charging:

	<b>2021</b>	2020
	<b>£</b>	£
Depreciation of tangible fixed assets	<b>1,351</b>	1,689
Fees payable to the company's auditor for the audit of the company's financial statements	<b>23,070</b>	20,000
Fees payable to the company's auditor for taxation services	<b>6,000</b>	3,300
Fees payable to the company's auditor for other services	<b>6,000</b>	6,000
Other operating lease rentals	<b>239,267</b>	217,936
Defined contribution pension scheme cost	<b>5,696</b>	5,056
	<b>=====</b>	<b>=====</b>

**6. Employees**

	<b>2021</b>	2020
	<b>£</b>	£
Staff salaries	<b>231,260</b>	249,420
Social security costs	<b>20,923</b>	24,177
Pension costs	<b>5,696</b>	5,056
	<b>=====</b>	<b>=====</b>
	<b>257,879</b>	278,653
	<b>=====</b>	<b>=====</b>

The average monthly number of employees, including the directors, during the year was as follows:

	<b>2021</b>	2020
	<b>No.</b>	No.
Employees	<b>6</b>	6
	<b>=====</b>	<b>=====</b>

There were no staff (2020: 0) with a basic salary of over £100,000 in the year.

**AMITY GLOBAL EDUCATION LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**Employees (continued)**

The total remuneration package for the head of provider was as follows:

	2021 £	2020 £
Basic salary	85,000	89,028
Pension contributions	2,550	2,550
	<u>87,550</u>	<u>91,578</u>

The head of the provider's basic salary is 3.1 (2020: 3.5) times the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the salaries paid by the provider to its staff.

The head of the provider's total remuneration is 3.1 (2020: 3.5) times the median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the provider of its staff.

**7. Interest payable and similar expenses**

	2021 £	2020 £
Bank interest payable	<u>44</u>	<u>33</u>

**8. Taxation**

	2021 £	2020 £
<b>Corporation tax</b>		
Current tax on profits for the year	36,206	422,300
<b>Total current tax</b>	<u>36,206</u>	<u>422,300</u>

**AMITY GLOBAL EDUCATION LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**8. Taxation (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2020 -lower than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	<b>2021</b>	2020
	£	£
Profit on ordinary activities before tax	<b>54,795</b>	2,222,986
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 -19%)	<b>10,411</b>	422,367
<b>Effects of:</b>		
Expenses not deductible for tax purposes	<b>25,857</b>	-
Capital allowances for year in excess of depreciation	<b>(62)</b>	(67)
<b>Total tax charge for the year</b>	<b>36,206</b>	422,300

**Factors that may affect future tax charges**

In the Spring Budget 2021 on 3 March 2021, the Government announced that from 1 April 2023 the corporation tax rate would increase to 25% for companies with profits of over £250,000. A small profits rate will also be introduced for companies with profits of £50,000 or less so that they will continue to pay corporation tax at 19%. From this date companies with profits between £50,000 and £250,000 will pay tax at the main rate reduced by a marginal relief providing a gradual increase in the effective corporation tax rate. This new law was substantively enacted on 24 May 2021.



**AMITY GLOBAL EDUCATION LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**9. Tangible fixed assets**

	Long-term leasehold property £	Fixtures and fittings £	Total £
<b>Cost</b>			
At 1 April 2020 and 31 March 2021	51,824	69,375	121,199
<b>Depreciation</b>			
At 1 April 2020	51,824	62,620	114,444
Charge for the year	-	1,351	1,351
At 31 March 2021	<u>51,824</u>	<u>63,971</u>	<u>115,795</u>
<b>Net book value</b>			
At 31 March 2021	<u>-</u>	<u>5,404</u>	<u>5,404</u>
At 31 March 2020	<u>-</u>	<u>6,755</u>	<u>6,755</u>

**10. Debtors**

	2021 £	2020 £
<b>Due after more than one year</b>		
Other debtors	116,250	116,250
<b>Due within one year</b>		
Trade debtors	15,678	-
Amounts owed by group undertakings	5,978,636	5,373,044
Other debtors	-	16,185
Prepayments and accrued income	238,669	175,663
	<u>6,349,233</u>	<u>5,681,142</u>

**11. Cash and cash equivalents**

	2021 £	2020 £
Cash at bank and in hand	<u>373,299</u>	<u>313,403</u>

**AMITY GLOBAL EDUCATION LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**12. Creditors: Amounts falling due within one year**

	2021 £	2020 £
Trade creditors	105,336	157,135
Amounts owed to group undertakings	2,207,944	2,207,944
Corporation tax	458,506	422,300
Other taxation and social security	5,570	7,280
Other creditors	16,429	-
Accruals and deferred income	777,331	68,410
	<u>3,571,116</u>	<u>2,863,069</u>

**13. Share capital**

	2021 £	2020 £
<b>Allotted, called up and fully paid</b>		
501,000 (2020 - 501,000) Ordinary shares of £1.00 each	<u>501,000</u>	<u>501,000</u>

**14. Reserves**

**Share premium account**

The share premium reserve includes any premiums received on issue of share capital. Any transaction costs associated with the issue of shares are deducted from share premium.

**Profit and loss account**

The profit and loss account includes all current and prior period retained profits and losses.

**15. Commitments under operating leases**

At 31 March 2021 the company had future minimum lease payments of £1,549,375 under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	185,000	185,000
Later than 1 year and not later than 5 years	740,000	740,000
Later than 5 years	624,375	809,375
	<u>1,549,375</u>	<u>1,734,375</u>

# AMITY GLOBAL EDUCATION LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 16. Ultimate parent undertaking and controlling party

The immediate and ultimate parent undertaking is Amity Global Varsity Private Limited, a company incorporated in India and the registered office of which is E-27, Defence Colony, New Delhi, 110024, India. The directors are not aware of any ultimate controlling party. Consolidated financial statements are prepared but are not available to the public.

### 17. Related party transactions

The company has taken advantage of the exemption contained in FRS 102 section 33 "Related Party Disclosures" from disclosing transactions with entities which are a wholly owned part of the group.

Transactions with other related parties are as follows:

Relationship	Transaction	Amount due (to)/from related parties			
		2021 £	2020 £	2021 £	2020 £
Fundatia Amity Romania (common control)	Working capital	<b>136,089</b>	-	-	136,089
Amity Global Education, Netherlands (common control)	Working capital	<b>741,681</b>	3,686,202	<b>5,978,636</b>	5,236,955
Amity University, Uttar Pradesh (common control)	Net income	<b>(636,225)</b>	(1,118,900)	<b>(1,077,225)</b>	(441,000)
Amity University, Haryana (common control)	Net income	<b>(2,000)</b>	(3,500)	-	-
Amity University, Lucknow (common control)	Net income	<b>(3,000)</b>	(18,250)	-	-
Amity University, Mumbai (common control)	Net income	<b>(1,000)</b>	(16,250)	-	-
Amity University, Madhya Pradesh (common control)	Net income	-	(3,250)	-	-
Amity University, Dubai (common control)	Net income	-	(19,500)	-	-
Amity University, Uttar Pradesh (common control)	Working capital	-	-	<b>(1,099,652)</b>	(1,099,652)
Amity University, Rajasthan (common control)	Net income	-	5,250	-	-

Amounts owed to related parties are unsecured, interest free and due for repayment within one year.

**AMITY GLOBAL EDUCATION LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**18. Analysis of net debt**

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	313,403	59,896	373,299
	<u>313,403</u>	<u>59,896</u>	<u>373,299</u>

**19. Details of grant and fee income**

	2021 £	2020 £
Grant income from the Ofs	26,243	-
Fee income for taught awards (exclusive of VAT)	462,180	413,421
Fee income from non-qualifying courses (exclusive of VAT)	644,225	3,025,685
<b>Total grant and fee income</b>	<u>1,132,648</u>	<u>3,439,106</u>

**20. Access and participation investment**

	2021 £	2020 £
Access investment	34,940	41,650
Financial support investment	51,000	45,000
Research and evaluation investment	6,720	5,550
	<u>92,660</u>	<u>92,200</u>

The access and participation costs reported above include staff costs amounting to £25,000 (2020: £25,000) which are also included within the total staff costs in Note 6. Details of the company's Access and Participation Plan can be found at: <https://www.amity.ac.uk/widening-participation-in-higher-education>.

AMITY GLOBAL EDUCATION LTD  
DETAILED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2021

**These pages do not form part of the financial statements**

**AMITY GLOBAL EDUCATION LTD**  
**DETAILED PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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	2021 £	2020 £
Turnover	1,106,405	3,439,106
Cost of sales	(230,750)	(354,917)
<b>Gross profit</b>	<b>875,655</b>	<b>3,084,189</b>
Other operating income	26,243	-
<b>Less: overheads</b>		
Administrative expenses	(847,059)	(861,170)
<b>Operating profit</b>	<b>54,839</b>	<b>2,223,019</b>
Interest payable	(44)	(33)
<b>Profit before taxation</b>	<b>54,795</b>	<b>2,222,986</b>

**AMITY GLOBAL EDUCATION LTD**  
**SCHEDULE TO THE DETAILED ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 £
<b>Turnover</b>		
Tuition fees - Rest of the world	664,225	3,025,685
Tuition fees - UK	442,180	413,421
	<u>1,106,405</u>	<u>3,439,106</u>
	2021 £	2020 £
<b>Cost of sales</b>		
Tutors and teaching staff	175,738	226,843
Classroom hire	31,643	22,917
Accommodation fees	-	6,375
University fees	27,200	68,939
Student tours	(3,831)	29,843
	<u>230,750</u>	<u>354,917</u>
	2021 £	2020 £
<b>Other operating income</b>		
Government grants receivable	26,243	-
	<u>26,243</u>	<u>-</u>

**AMITY GLOBAL EDUCATION LTD**  
**SCHEDULE TO THE DETAILED ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 £
<b>Administrative expenses</b>		
Staff salaries	231,260	249,420
Staff national insurance	20,923	24,177
Staff pension costs	5,696	5,056
Staff welfare	869	794
Hotels, travel and subsistence	94	651
Printing and stationery	9,750	23,502
Telephone	10,845	11,370
Computer costs	4,509	1,859
Advertising and promotion	33	1,494
Trade subscriptions	7,823	17,627
Charity donations	-	2,000
Legal and professional	23,233	140,617
Auditor's remuneration	23,070	25,320
Accountancy fees	22,200	21,400
Bank charges	545	726
Bad debts	152,089	-
Rent	220,767	211,561
Rates	79,073	77,716
Light and heat	20,398	17,881
Cleaning	1,079	12,158
Insurances	6,748	6,871
Repairs and maintenance	4,704	7,281
Depreciation	1,351	1,689
	<u>847,059</u>	<u>861,170</u>
	2021 £	2020 £
<b>Interest payable</b>		
Bank overdraft interest payable	<u>44</u>	<u>33</u>