

Registered number: 06879861

**AMITY GLOBAL EDUCATION LTD
ANNUAL REPORT AND FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

AMITY GLOBAL EDUCATION LTD

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AMITY GLOBAL EDUCATION LTD
COMPANY INFORMATION

Directors	Atul Chauhan Aseem Chauhan
Company secretary	Vistra Company Secretaries Limited
Registered number	06879861
Registered office	Suite 1, 3rd Floor 11-12 St. James Square London SW1Y 4LB
Independent auditor	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 2019

Introduction

Strategic views

The University's core purpose is to transform lives, through the creation, sharing and application of knowledge. Some of the guiding principles in achieving this purpose are:

To be led by the discovery of new knowledge and aim to maximise the impact of that knowledge through education, innovation and delivering value to society.

To be an independent and autonomous organisation that will work to uphold rigorously the principles of freedom of thought and speech, and encourage tolerance of diverse views and beliefs.

To be agile, flexible and adaptable.

To be an accessible organisation, committed to advancing equality and diversity.

To respond to the full range of students' needs and expectations through innovative delivery of excellent teaching and learning and everything that supports it.

We are committed to equality of opportunity, to engendering inclusivity, and to supporting staff and student wellbeing; ensuring that the very best students and staff can flourish in our community. We believe that a diverse staff and student body strengthens our research and enhances our students' learning experience.

AMITY GLOBAL EDUCATION LTD

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

Business review

Review/progress on the university strategy for 2018/2019

Investing in students

The University continues to make a substantial investment in student-facing services and facilities, including outstanding teaching resources, and state-of-the-art facilities for our students and exchange programmes through the renewal of our strategic agreement with Birkbeck College and University of London. Investing in services for our international students supports our overall strategic goals of recruiting the best students from around the world and preparing students for a global workplace. This investment has led to a 25% percent increase in international recruitment for exchange programmes over the last four years. Moreover, all our students are encouraged to broaden their cultural horizons and enhance their employability through the global opportunities we offer for students to work. We have also made a significant investment in student mental health and increased investment in alumni relations.

Student recruitment

Over the last five years there have been significant shifts in the sector with regard to the number of students enrolling. The University has experienced sustained growth in student recruitment over the last academic year but recognizes the ongoing uncertainty in the sector on student recruitment. The University continues to respond robustly to these challenges by exploring other opportunities to grow student numbers.

Student experience

The University, in collaboration with the student body, aims to deliver an outstanding student experience that enriches the lives of all students, fosters a culture of wellbeing and values their voices.

The working partnership between the University Executive Team and the student representatives ensures the students are part of any decision process. The Student Committee provides a valuable forum for gaining feedback on specific proposals aimed at enhancing the student experience. Amity University and student body work continue to ensure that the student voice is at the heart of decision making.

The University undertakes a range of exercises to gather student feedback, and as a result an Annual Integrated Student feedback is produced. Action plans are created with students as a result of their feedback, published online and reviewed on an ongoing basis.

Based on the data collected from students, overall, 95% of students are satisfied or very satisfied with the quality of teaching on the course. The NUS reports 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 84% of the students are happy with the quality of teaching at their institutions. With a satisfaction rate of 95%, Amity is confident that the necessary processes are in place to ensure the maintenance of teaching standards.

The last year saw a strong focus on improving the student experience of assessment and feedback. In several of these aspects, the 2019 score is the highest achieved in recent years (93% of students are very happy with their feedback on assessments and work, and the feedback timeframe), which is a very encouraging result and provides clear evidence of an improvement in how students' work is assessed by teaching staff. Overall satisfaction with Assessment and Feedback went up 8% on the last academic year. Amity continues to maintain its position above the benchmark of the NUS data for the last 5 years.

In response to student feedback, the University signed an agreement with the University of London Student Union and following this agreement Amity students have access to more than 30 clubs and societies, and sport facilities. Furthermore, a significant range of opportunities is now available for students and staff who do not want to engage in competitive sports to become more active.

Another significant investment was made in the redesign of learning resources available online, and developments in the virtual learning environment.

AMITY GLOBAL EDUCATION LTD

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

The University recognizes the importance of the wellbeing of our students and, to address this, the University has invested significantly in providing support for mental health, including: a new Councillor role to coordinate all provision, revised policies and practices on supporting students with a mental health issue, and a cross-campus campaign to raise awareness of where to seek support.

Learning, teaching and student success

In the last academic year, the University developed and launched new Business Management courses at levels 6 and 7. The programmes were validated by the University of Bolton in April 2018 and provide students with multiple choices of specializations within the broader subject area. The first students are already enrolled in these new programmes. 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. Our academic programmes support students to tackle real-work problems with a research-informed approach and critical analysis of complex information. Students are able to communicate their ideas clearly and effectively and look for ways to continually develop their performance.

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.

Currently, 90% of teaching staff hold recognized higher education teaching qualifications awarded by the Higher Education Academy (now Advance HE). The University has also committed to support academic staff with pursuing externally-accredited academic professional development programmes. These programmes support academics new to teaching as well as colleagues looking to apply for more senior levels and provide a wide range of continuous professional development aimed at addressing the challenges of higher education learning and teaching at the University today.

The University is focused on developing graduates who are able to thrive in a complex and rapidly changing world. The University's aim is that students become the sort of graduate most valued by employers; confident, critical thinkers, adaptable, open to new ideas, able to work well with people from all walks of life, and with first-class communication skills. Student employability, for both UG and PG graduates, for the last academic year, is 100%, this figure exceeds the national benchmark of 92% presented by HESA.

A clear priority area has been to address attainment gaps that exist in the student population shaped by class, ethnicity and age. As a condition of registration with the Office for Students in 2018, the University submitted an Access and Participation Plan. After the approval of the registration, the University submitted another Access and Participation plan that highlights the Amity access and participation strategy for the next five years. This will now form a framework for how the University will improve equality of opportunity for underrepresented groups, to improve access, success and progression. In order to provide wider career support for students, the University has introduced or enhanced the following initiatives: (a) Amity Graduate Loyalty Scheme; (b) Entrepreneurship Club and Business Support; (c) Digital Skills Support; (d) Amity Internship Programme.

As a result of our research-led education, our students leave us with important intellectual capabilities, enhanced employment skills and the capacity for independent learning and problem solving.

Research

We are committed to ensuring that each of our students receives an education shaped by knowledge at the forefront of professional and pedagogic practice and by the latest academic research. We aspire to embed high-quality research and scholarship across our academic base.

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 facilities, we have developed an environment where we provide our researchers with the freedom to investigate problems of significance, whether

AMITY GLOBAL EDUCATION LTD

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

their work be curiosity-driven or challenge-led.

In the last academic year, we have developed and secured funds for a research project developed for the NHS. We worked closely with Deloitte to develop a "Centre for Economic Innovation and Investment" and a customized executive MBA to provide the skills and knowledge demanded of the managers of today. We intend to continue to develop strong research collaborations with industry and other national and international universities.

Principal risks and uncertainties

Changes in higher education

2018-2019 has been a year of change for higher education in the UK. Following the Higher Education and Research Act of 2017, the Office for Students has taken over the student facing responsibilities of the Higher Education Funding Council for England (HEFCE). HEFCE's research responsibilities have been passed to a new funding body, United Kingdom Research and Innovation. With the separation of oversight for teaching and research, the Office for Students is expected to maintain a focus on value for money and teaching outcomes. Its key objectives are to ensure that students from all backgrounds can access, succeed in, and progress from higher education; receive a high-quality academic experience.

Brexit

Uncertainty persists surrounding the consequences of withdrawing from the EU. The government's commitment to extend the freeze on tuition fees to EU students suggests that there is an understanding that the inclusion of international students is central to the global reputation of higher education in the UK. The government has also granted the right to remain to EU staff already living and working in the UK. We will actively seek to manage these risks and will model different scenarios for the financial consequences of withdrawing from the EU.

Managing Risk and Uncertainty

The University has established a Risk Working Group (RWG) to review the University's risk management processes and to define the University's appetite for risk. The Executive Team recognizes that the University operates in an increasingly uncertain environment, with a range of extraneous factors that may affect key aspects of the University Strategy, so operating with a degree of risk is inevitable. However, in general, the University does not have an appetite for high exposure risks, but we recognize that a degree of risk taking is required in order to deliver change across some of our core areas of activity. The Risk Working Group has produced a clear Risk Management Policy, Strategy and Assurance framework. The Executive Teams has established a Risk Register to identify core areas of work required to be undertaken to ensure adequate and effective risk management. Departments map out their planned actions in relation to each of these key areas of work. This enables the Executive Team to maintain a greater level of control in relation to risk and to be more certain about its future direction and, crucially, the extent to which its mission can be achieved.

AMITY GLOBAL EDUCATION LTD
STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

Financial key performance Indicators

The University had income of £1,524,284 for the year. Income is derived principally from student fees and the results reflect the increase 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.

Direct costs of running the courses rose in line with the increase in student numbers and the increased emphasis on the value of the student experience. The gross margin is fairly consistent with the previous year (79% vs 81%).

Administration costs remain a focus for control with no significant increase in costs. The company has generated a profit before tax of £480,912 compared to £336,235 in the previous year.

The company's balance sheet at 31 March 2019 reflects the increase 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. Fixed assets are shown at an amount of £8,444 (2018:£23,511). The balance sheet reflects the trading position with group companies and external parties with net current assets of £1,337,545 reflecting share capital of £1,000,000 and retained earnings of £336,545.

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

Key performance indicators

The company's key performance indicator remains earnings before interest, depreciation and tax. This was £495,990 compared to £500,632.

Other key performance indicators

The other KPI is the number of students on roll. There were 723 students who attended an exchange programme in 2018/19 compared to 455 in the previous year and 19 (2018 :21) FTE students on other programmes.

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



Atul Chauhan
Director

Date: 9/1/2020

AMITY GLOBAL EDUCATION LTD
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2019

The directors present their report and the financial statements for the year ended 31 March 2019.

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

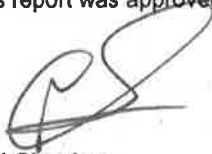
Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- 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: 9/11/2020

AMITY GLOBAL EDUCATION LTD
DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2019

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 United Kingdom 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 2019

Opinion

We have audited the financial statements of Amity Global Education Ltd (the 'company') for the year ended 31 March 2019, which comprise the profit and loss account, the balance sheet, the statement of cash flows, the statement of changes in equity and the notes to the financial statements, 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 2019 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

AMITY GLOBAL EDUCATION LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AMITY GLOBAL EDUCATION LTD (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

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 2019

Responsibilities of directors

As explained more fully in the directors' responsibilities statement on page 8, 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.

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. 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.


Mark Hart FCA CTA (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: 9 January 2020

AMITY GLOBAL EDUCATION LTD
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019

		2019 £	2018 £
Turnover	3	1,524,284	1,507,062
Cost of sales		(312,908)	(278,235)
Gross profit		<u>1,211,376</u>	<u>1,228,827</u>
Administrative expenses		(730,453)	(743,790)
Interest charge on discounted liability		-	(148,789)
Operating profit	4	<u>480,923</u>	336,248
Interest payable and similar expenses	6	(11)	(13)
Profit before taxation		<u>480,912</u>	336,235
Tax on profit	7	(66,118)	-
Profit for the financial year		<u><u>414,794</u></u>	<u><u>336,235</u></u>

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 2019**

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	8	8,444	23,511
Current assets			
Debtors: amounts falling due after more than one year	9	116,250	116,250
Debtors: amounts falling due within one year	9	2,602,077	1,216,383
Cash at bank and in hand	10	643,439	137,614
		<u>3,361,766</u>	<u>1,470,247</u>
Creditors: amounts falling due within one year	11	(2,032,665)	(571,007)
Net current assets		<u>1,329,101</u>	<u>899,240</u>
Total assets less current liabilities		<u>1,337,545</u>	<u>922,751</u>
Net assets		<u><u>1,337,545</u></u>	<u><u>922,751</u></u>

AMITY GLOBAL EDUCATION LTD**BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2019**

	Note	2019 £	2018 £
Capital and reserves			
Called up share capital	13	501,000	501,000
Share premium account	14	500,000	500,000
Other reserves	14	-	-
Profit and loss account	14	336,545	(78,249)
Total equity		1,337,545	922,751

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


Atul Chauhan
Director

Date: 9/1/2020

The notes on pages 17 to 29 form part of these financial statements.

AMITY GLOBAL EDUCATION LTD
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019

	Called up share capital £	Share premium account £	Other reserves £	Profit and loss account £	Total equity £
At 1 April 2017	1,000	-	148,789	(563,273)	(413,484)
Profit for the financial year	-	-	-	336,235	336,235
Shares issued during the year	500,000	500,000	-	-	1,000,000
Movement in capital contribution	-	-	(148,789)	148,789	-
At 31 March 2018 and 1 April 2018	501,000	500,000	-	(78,249)	922,751
Profit for the financial year	-	-	-	414,794	414,794
At 31 March 2019	501,000	500,000	-	336,545	1,337,545

AMITY GLOBAL EDUCATION LTD

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2019

	2019 £	2018 £
Cash flows from operating activities		
Profit for the financial year	414,794	336,235
Adjustments for:		
Depreciation of tangible assets	15,067	15,595
Interest paid	11	13
Taxation charge	66,118	-
Increase in debtors	(787,791)	(231,851)
Increase in amounts owed by group undertakings (Decrease)/increase in creditors	(597,903)	(1,616,955)
Increase in amounts owed to group undertakings	1,751,194	-
Discounting adjustments	-	72,592
Net cash generated from operating activities	<u>505,836</u>	<u>(1,103,443)</u>
Cash flows from financing activities		
Issue of ordinary shares	-	1,000,000
Interest paid	(11)	(13)
Net cash used in financing activities	<u>(11)</u>	<u>999,987</u>
Net increase/(decrease) in cash and cash equivalents	<u>505,825</u>	<u>(103,456)</u>
Cash and cash equivalents at beginning of year	137,614	241,070
Cash and cash equivalents at the end of year	<u><u>643,439</u></u>	<u><u>137,614</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	643,439	137,614
	<u><u>643,439</u></u>	<u><u>137,614</u></u>

AMITY GLOBAL EDUCATION LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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

After making enquiries, the directors have a 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, being a period of at least twelve months from the date these financial statements were approved. 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 2019

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 the profit and loss account.

2.5 Operating leases

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

2.6 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 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, intercompany working capital balances, and intercompany financing 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.

Financial liabilities

Basic financial liabilities, including trade and other creditors and loans from 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.

AMITY GLOBAL EDUCATION LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.6 Financial instruments (continued)

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.

2.7 Share capital

Ordinary shares are classified as equity.

AMITY GLOBAL EDUCATION LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.8 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is Sterling (£).

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 the profit and loss account within 'other operating income'.

2.9 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 the profit and loss account 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.

2.10 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.11 Current and deferred taxation

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:

	2019 £	2018 £
United Kingdom	89,995	117,861
Rest of the world	1,434,289	1,389,201
	<u>1,524,284</u>	<u>1,507,062</u>

AMITY GLOBAL EDUCATION LTD
NOTES TO THE FINANCIAL STATEMENTS
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4. Operating profit

The operating profit is stated after charging:

	2019 £	2018 £
Impairment of trade debtors	-	31,687
Depreciation of tangible fixed assets	15,067	15,595
Fees payable to the company's auditor for the audit of the company's financial statements	16,604	11,000
Fees payable to the company's auditor for taxation services	1,860	2,000
Fees payable to the company's auditor for other services	3,316	14,874
Other operating lease rentals	189,290	188,416
Defined contribution pension scheme cost	2,663	1,703

During the year, no director received any emoluments (2018 - £NIL).

5. Employees

Staff costs, including directors' remuneration, were as follows:

	2019 £	2018 £
Staff salaries	229,398	246,614
Social security costs	22,554	24,345
Pension costs	2,663	1,703
	254,615	272,662

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

	2019 No.	2018 No.
Average number of employees	7	8

There were no staff (2018: 0) with a basic salary of over £100,000 in the year.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

5. Employees (continued)

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

	2019
	£
Basic salary	89,028
Pension contributions	1,700
	90,728

The head of the provider's basic salary is 3.0 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 3.0 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.

6. Interest payable and similar expenses

	2019	2018
	£	£
Bank interest payable	11	13

7. Taxation

	2019	2018
	£	£
Current tax on profits for the year	66,118	-
Total current tax	66,118	-

AMITY GLOBAL EDUCATION LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

7. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2018 - lower than) the standard rate of corporation tax in the UK of 19.0% (2018 - 19.5%). The differences are explained below:

	2019 £	2018 £
Profit on ordinary activities before tax	480,912	336,235
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.0% (2018 - 19.5%)	91,373	65,566
Effects of:		
Expenses not deductible for tax purposes	-	14,155
Capital allowances for year in excess of depreciation	2,389	2,448
Utilisation of tax losses	(27,644)	(82,169)
Total tax charge for the year	66,118	-

Factors that may affect future tax charges

A reduction to the UK corporation tax rate to 17%, effective from 1 April 2020, was substantively enacted as part of the Finance (No. 2) Act 2016 on 6 September 2016.

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8. Tangible fixed assets

	Long-term leasehold property £	Fixtures and fittings £	Total £
Cost			
At 1 April 2018	51,824	69,375	121,199
At 31 March 2019	<u>51,824</u>	<u>69,375</u>	<u>121,199</u>
Depreciation			
At 1 April 2018	38,868	58,820	97,688
Charge for the year on owned assets	12,956	2,111	15,067
At 31 March 2019	<u>51,824</u>	<u>60,931</u>	<u>112,755</u>
Net book value			
At 31 March 2019	<u>-</u>	<u>8,444</u>	<u>8,444</u>
At 31 March 2018	<u>12,956</u>	<u>10,555</u>	<u>23,511</u>

AMITY GLOBAL EDUCATION LTD
NOTES TO THE FINANCIAL STATEMENTS
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9. Debtors

	2019 £	2018 £
Due after more than one year		
Other debtors	116,250	116,250
	<u>116,250</u>	<u>116,250</u>
	2019 £	2018 £
Due within one year		
Trade debtors	-	-
Amounts owed by group undertakings	748,000	150,097
Other debtors	1,763,592	603,191
Prepayments and accrued income	90,485	463,095
	<u>2,602,077</u>	<u>1,216,383</u>

Trade debtors are stated after provision for impairment of £NIL (2018: £31,687).

10. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	643,439	137,614
	<u>643,439</u>	<u>137,614</u>

11. Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	165,712	106,148
Amounts owed to group undertakings	1,751,194	-
Corporation tax	66,118	-
Other taxation and social security	9,576	6,922
Other creditors	3,109	-
Accruals and deferred income	36,956	457,937
	<u>2,032,665</u>	<u>571,007</u>

AMITY GLOBAL EDUCATION LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

12. Financial instruments

	2019	2018
	£	£
Financial assets		
Financial assets measured at amortised cost	<u>2,627,842</u>	<u>869,538</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(1,995,709)</u>	<u>(113,070)</u>

Financial assets measured at amortised cost comprise trade debtors, amounts owed by group undertakings, and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings and other creditors.

AMITY GLOBAL EDUCATION LTD
NOTES TO THE FINANCIAL STATEMENTS
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13. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
501,000 (2018 - 501,000) Ordinary shares of £1.00 each	501,000	501,000

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 2019 the company had future minimum lease payments of £1,919,750 under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	185,375	186,379
Later than 1 year and not later than 5 years	740,000	77,500
Later than 5 years	994,375	-
	1,919,750	263,879

Subsequent to the year end, the company entered into a new lease agreement for the same premises. The company has disclosed the full commitment under the new lease to confirm its going concern commitment

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.

AMITY GLOBAL EDUCATION LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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:

Name (relationship)	Transaction	Amount		Amount due (to)/from related parties	
		2019 £	2018 £	2019 £	2018 £
Fundatia Amity Romania (common control)	Loan	-	-	136,089	136,089
Amity University, Netherlands (common control)	Loan	1,099,652	451,101	1,550,753	451,101
Amity University, Uttar Pradesh (common control)	Net income	1,523,250	-	748,000	-
Amity University, Haryana (common control)	Net income	8,750	-	3,500	-
Amity University, Lucknow (common control)	Net income	21,500	-	18,250	-
Amity University, Mumbai (common control)	Net income	16,250	-	16,250	-
Amity University, Madhya Pradesh (common control)	Net income	3,250	-	3,250	-
Amity University, Dubai (common control)	Net income	19,500	-	19,500	-
Amity University, Uttar Pradesh (common control)	Loan	-	-	(1,099,652)	-

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