



MANAGEMENT DISCUSSION AND ANALYSIS REPORT FOR THE YEAR ENDED 31ST AUGUST 2021

The management of Majan College SAOG (Majan University College) is pleased to present to the shareholders a report covering the objectives of the institution, overview of activities, opportunities and threats, internal control and quality assurance systems, analysis of the financial performance and human resources.

Objectives of the Institution

Majan's new vision "recognising potential, engaging minds, transforming futures" guides its operations. Majan's mission is to provide an innovative learning environment that supports students in reaching their full potential in a changing world. The key strategic themes underlying the mission statement are to enhance the student experience; build teaching excellence and research; develop operational excellence; develop productive partnerships; invest in people; and promote financial and environmental sustainability. By end of year 2021, Majan will celebrate its 2020 Silver Jubilee anniversary as Majan was established in 1995 as the first private Higher Education Institution in Oman.

Overview of Activities

Guided by our vision and mission, Majan offers programmes at both undergraduate and postgraduate levels that address the needs of the local, regional and international markets in a competitive environment. Majan has an academic partnership with the University of Bedfordshire. All undergraduate programmes are designed and delivered by Majan and approved by the University of Bedfordshire. These are in the areas of Business and related fields, Information Technology and English Language. At the postgraduate level, Majan hosts four Master programmes (MBA, Computer Science and International Human Resource management and Applied Linguistics). Majan is following a new strategic plan for the years 2021-2025. New pathways were developed to further address the needs of the market. A memorandum of understanding and collaboration was signed with the University of Bradford for future cooperation in hosting postgraduate programmes.

Opportunities and Threats

The private higher education sector is growing and Majan meets the market demands. Majan continues to enjoy a well respected position among higher education institutions as an attractive place for education desired by students. The quality education offered resulted in a high percentage of self sponsored students preferring Majan. Majan is well positioned to seize growth opportunities that emerge from the local market. The postgraduate area is a key focus of the business strategy and in this regard, Majan is planning to expand the range of its academic programmes. Majan is fully aware of the competitive nature of this sector and is always exploring new directions.



Covid19: In common with all higher education institutions in the Sultanate and the wider world, Majan continues to face the challenges posed by the coronavirus, Covid-19. There was a risk during the year that some students may decide to suspend their studies until such time as face to face teaching is again possible or may not be able to cope with the online mode of delivery. Majan was dealing with this risk by maintaining strong communication with students and providing appropriate academic and pastoral support. Given the experience of online teaching during the year, plus the training students received, Majan's lecturers are well placed to promote student learning during the new semester, even if face to face classes will not be possible.

Internal Control and Quality Assurance Systems

Majan has in place internal control systems that provide a reasonable assurance of effective and efficient operations, financial controls and legal compliance. Majan receives independent reports on the adequacy and integrity of the internal controls from the internal audit of Majan and statutory external audit. These serve to strengthen the internal control systems.

All the academic provisions and related activities are governed by its quality assurance manuals and rules and regulations. Majan was the first higher education institution to be institutionally accredited by Oman Authority for Academic Accreditation and Quality Assurance of Education. It was accredited in December 2017 for a period of five years, extended to six years.

Financial performance

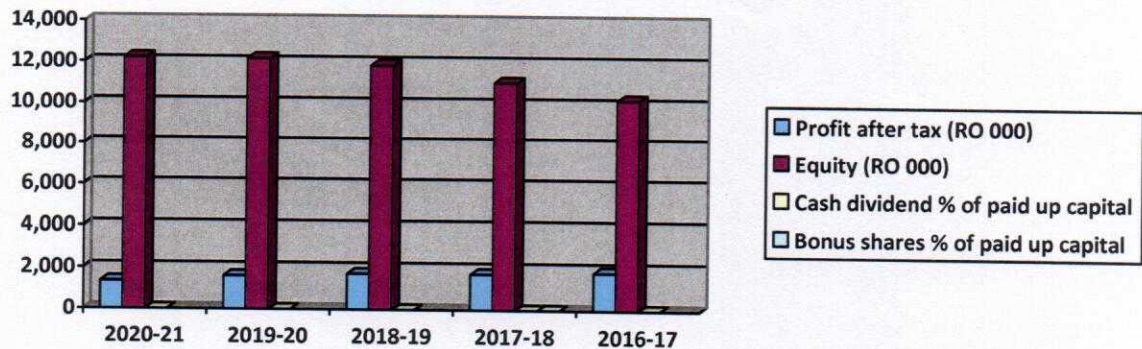
Majan financial performance was affected in the core business due to the impact of change to the entry criteria for postgraduate students. However, that was counter balanced through controlling the expenses. In comparison to the previous financial year, total income was decreased by 19% to be OMR 5.03 million mainly from decrease in new and returning postgraduate students. Total expenses have decreased by 16% to be OMR 3.61 million mainly from the decline in postgraduate fees income and corresponding reduction in affiliation fees in addition to control of salaries and related cost and general and administrative expenses offset against the impact of depreciation of the new facilities. Tax expense has decreased by 77% to be OMR 0.07 million mainly because of deferred tax income on provisions on the impairment of fee receivables & fair value adjustment of investments FVPTL. Consequently, overall net profit after tax has decreased by 17% to be OMR 1.35 million. Earnings per share has decreased from 18 Baiza per share to 15 Baiza per share.



Majan College
University College
كلية مجان
جامعة

The financial performance over the last five years was as follows:

	2020-21	2019-20	2018-19	2017-18	2016-17
Profit after tax (RO 000)	1,351	1,618	1,737	1,733	1,835
Equity (RO 000)	12,214	12,168	11,855	11,029	10,196
Cash dividend % of paid up capital	14.5%*	14.5%	14.5%	30%	30%
Bonus shares % of paid up capital				200%	



* Recommended by the board of directors for this year

Human Resources

One of the main pillars in enhancing the performance of Majan is the Human Resources field. Majan invests in hiring highly qualified and experienced staff to cater for the growing future prospects of Majan. Majan remains committed to provide training at both the undergraduate and post graduate levels to young Omanis who work in Majan. This practice has been in Majan for the past 25 years. Majan enjoys high staff retention which contributes greatly to its stability and success.

Maha Kobeil
Dean