

MANAGEMENT DISCUSSION AND ANALYSIS REPORT FOR THE YEAR ENDED 31ST AUGUST 2020

The management of Majan College (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

The College vision is to be a leading University that provides higher education of international standards in a dynamic environment that values cultural diversity, integrates technology, fosters knowledge creation and builds sustainable skills for employment and lifelong learning. The College mission is to provide an innovative learning environment that emphasises the intellectual disciplines required in local, regional and international contexts. The key strategic themes underlying the mission statement are to build a knowledge based learning organisation; educate students and cultivate their capacity for life-long learning; to strive for excellence in learning, teaching and research; and develop the creative potential of all staff members. In year 2020, Majan College will celebrate its Silver Jubilee anniversary as the College was established in 1995 as the first private Higher Education Institution in Oman.

Overview of Activities

Guided by our vision and mission, Majan College offers programmes at both undergraduate and postgraduate levels that address the needs of the local, regional and international markets in a competitive environment. The College has academic partnership with the University of Bedfordshire. The entire undergraduate programmes are designed and delivered by the College 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). The College is currently preparing the next strategic plans for the years 2020-2025. Majan College has developed recently new pathways for its programmes and the new master degree in Applied Linguistics.

Opportunities and Threats

The private higher education sector is growing. The College 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 regards, the College is planning to expand the range of its academic programmes. The College 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, the College continues to face the challenges posed by the novel coronavirus, Covid-19. There is a risk 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. The College is dealing with this risk by maintaining strong communication with students and providing appropriate academic and pastoral support. It also invested in two forms of training for academic staff during the summer 2020 period: three webinars were provided by a UK-based consultant, and all lecturers completed the Certified Online Educator Course offered by Hamdan bin Mohammed Smart University. These measures were taken to ensure that while the pandemic continues, students receive high quality online instruction. Given their experience of online teaching from April to August 2020, plus the training they received in August and September, the College's lecturers are well placed to promote student learning during the new semester, even though face to face classes will be impossible.

Internal Control and Quality Assurance Systems

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

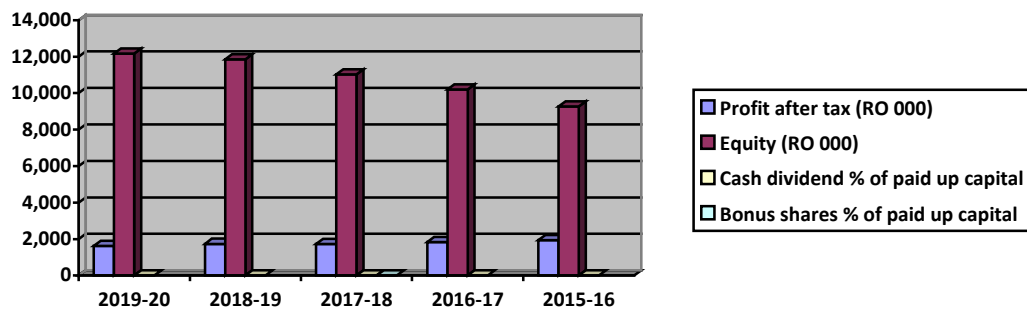
All the academic provisions and related activities are governed by its quality assurance manuals and rules and regulations. Majan is the first higher education institution to be accredited by Oman Academic Accreditation Authority (OAAA) in December 2017 for a period of five years

Financial performance

Majan financial performance was slightly affected in the core business due to increasing competition and impact of change in entry criteria of postgraduate students. However, that was counter balanced through controlling the expenses. In comparison to the previous financial year, total income was decreased by 9% to be OMR 6.23 Million mainly from decrease in new and returning postgraduate students. Total expenses have decreased by 10% to be OMR 4.32 Million mainly from the decline in postgraduate fees income and corresponding reduction in affiliation fees in addition to agreed reduction in affiliation fees rate with the academic partner for the postgraduate programmes. Tax expense has decreased by 13% to be OMR 0.29 Million mainly because of decrease in net profit before tax offset against decrease in prior years tax. Consequently, overall net profit after tax has decreased by 7% to be OMR 1.62 Million. Earning per share has decreased from 19 Baiza per share to 18 Baiza per share.

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

	2019-20	2018-19	2017-18	2016-17	2015-16
Profit after tax (RO 000)	1,618	1,737	1,733	1,835	1,941
Equity (RO 000)	12,168	11,855	11,029	10,196	9,261
Cash dividend % of paid up capital	14.5%*	14.5%	30%	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 the College is the Human Resources field. The College invests in hiring highly qualified and experienced staff to cater for the growing future prospects of the College. Majan remains committed to provide training at both the undergraduate and post graduate levels to young Omanis who work in the College. This practice has been in the College for the past 24 years. Majan enjoys high staff retention which contributes greatly to its stability and success.

Maha Kobeil
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