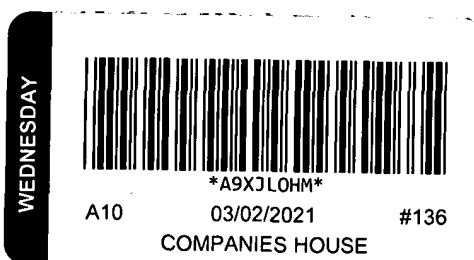


Registered number: 07552253

Myunidays Limited

Annual report and consolidated
financial statements

For the year ended 30 April 2020



Myunidays Limited

Company information

Directors

R Rathour
J Hawley
G Rathour
S Bains
M Atkinson
M Magecha (appointed 1 August 2019)
A Bullock (resigned 8 January 2020)
S Rathour (resigned 12 May 2020)

Registered number

07552253

Registered office

2 Castle Boulevard
Nottingham
Nottinghamshire
NG7 1FB

Independent auditor

KPMG LLP
St Nicholas House
31 Park Row
Nottingham
NG1 6FQ

Myunidays Limited

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Myunidays Limited

Strategic report for the year ended 30 April 2020

The directors present their strategic report for the year ended 30 April 2020.

Principal activities

The group's principal activity continues to be student verification and marketing services.

Review of the business and future developments

Group turnover increased to £36,361,433. This growth was driven by developing new and existing geographical markets, entering new partnerships with some of the largest brands in the world and further developing the group's range of products.

The group continues to invest heavily in its technology to ensure that its verification and supporting software remains market leading. Additionally, the group continues to invest in international expansion, growing its presence in a number of countries, including the USA, Australia, Germany and France.

As of December 2020 the group was successfully benefiting from strategic initiatives that support the development of new audiences, products and markets. Furthermore, the impact of COVID-19 has seen increased investment by brand partners in digital ecommerce and performance marketing which has directly benefited the group. As a result the group has seen a significant increase in turnover and profits year-on-year.

Technology

The group's key market strength is its continued position at the forefront of verification technology. The technology allows near instantaneous verification of student status and seamless integration into partners' transaction processes. The group preserves this position by investing heavily in further enhancing its technology products and evolving its offerings to meet consumers' changing habits.

Key performance indicators ('KPIs')

The group monitors and analyses performance using a range of KPIs, which are reviewed periodically. The following KPIs were used in the year:

- Turnover increased by 14% from £31,836,181 to £36,361,433;
- Operating profit increased from a loss of £5,997,090 to a profit of £10,514,781; and
- Total worldwide members are 13 million (2019: 10 million).

Principal risks and uncertainties

The directors consider a key risk to be the management of the fast pace of growth of the group. This includes challenges in operating in new countries, growing through partnerships with high quality partners and employee recruitment and retention.

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due. The group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation. Prudent liquidity risk management requires the maintenance of sufficient cash and the availability of funding through an agreed overdraft facility.

The group derives revenue from the consumer spend of students and the directors therefore consider a key risk to be adverse changes to tertiary education policy by the governments of the countries in which it operates. The directors believe that the group is well positioned to manage the impact of such changes given its diversity in geographical and product markets.

Myunidays Limited

Strategic report (continued) for the year ended 30 April 2020

Principal risks and uncertainties (continued)

The full outcome and impact of Brexit is still uncertain across all industries, with the main areas of concern for the group being tax, employment, currency and data privacy. In terms of tax, the group has reviewed as part of business planning, requirements internally within the group and with external stakeholders and this work is ongoing. With respect to currency, there is a risk of fluctuating exchange rates and revaluation losses, however, the group mitigates most of the risk through a "natural hedge" strategy whereby expenses are incurred in the same currency that their revenues are generated thereby reducing exchange rate risk. The group is also adopting appropriate mitigations through its cash and liquidity policy. The group has employees in a few countries and has HR processes and procedures in place to ensure any movement of employees or employment of foreign nationals is managed appropriately. In terms of data privacy, we have implemented OneTrust across the business and our Data Protection Officer and Legal team are working closely with external advisers to ensure we are fully compliant with all Global and EU data protection rules and regulations as appropriate.

Coronavirus pandemic

At the date of signing these financial statements, the directors have considered the effect of the ongoing Coronavirus pandemic on the group with the information available to it, and do not believe it will adversely affect the group's ability to continue to trade. The adverse impact of the Coronavirus pandemic has largely been concentrated around partners in a few specific industry sectors (e.g. hospitality), whilst the majority of partners have increased activity as businesses move investment online and focus on performance marketing to drive sales. The result being the group has exceeded its expectations for the current year and whilst we expect to see continued pressure on cash management, as with all our suppliers and customers, the group is well positioned to continue to benefit from recent growth in all markets.

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

DocuSigned by:

Ravinder Rathour

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R Rathour

Director

Date: 29/1/2021

Myunidays Limited

Directors' report

for the year ended 30 April 2020

The directors present their report and the consolidated audited financial statements of Myunidays Limited (the 'company') and its subsidiary undertakings (the 'group') for the year ended 30 April 2020.

Directors' responsibilities statement

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 they have elected to prepare the group and parent company financial statements in accordance with United Kingdom Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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 group and parent company and of their profit or loss for that period. In preparing each of the group and parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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;
- assess the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

Research and development (R&D)

The group has developed highly advanced verification technology for the purposes of delivering its omni-channel (web based, mobile and tablet) student acquisition and retention platform. In addition, the group develops and delivers a range of content via social media platforms and digital media channels. The group services over 600 retail brands and has a student consumer base of 13 million users.

Technological innovation is at the core of the business. R&D effort, carried out by a dedicated team of highly skilled developers and software engineers, is key to delivering this technological innovation. Increasingly complex customer requirements and the fast changing nature of the industry means that group will have to continue its investment in R&D activity.

Results and dividends

The profit for the year, after taxation, amounted to £8,951,464 (2019: £5,139,410).

There were no dividends paid during the year (2019: £100,000).

Directors

The directors who served during the year are stated on the company information page.

Myunidays Limited

Directors' report *(continued)* for the year ended 30 April 2020

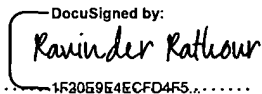
Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the group's auditor is unaware and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the group's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

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

DocuSigned by:

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R Rathour
Director

Date: 29/1/2021



Independent auditor's report to the members of Myunidays Limited

Opinion

We have audited the financial statements of Myunidays Limited ("the company") for the year ended 30 April 2020 which comprise the consolidated profit and loss account and other comprehensive income, the consolidated balance sheet, the company balance sheet, the consolidated statement of changes in equity, the company statement of changes in equity, the consolidated cash flow statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 April 2020 and of the group's profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the group or the company or to cease their operations, and as they have concluded that the group and the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the group's business model and analysed how those risks might affect the group and company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the group or the company will continue in operation.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.



Independent auditor's report to the members of Myunidays Limited (*continued*)

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group and parent 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 they either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.

Gareth Woods

.....
Gareth Woods (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
St Nicholas House
31 Park Row
Nottingham
NG1 6FQ

Date: 29 January 2021

Myunidays Limited

Consolidated profit and loss account and other comprehensive income for the year ended 30 April 2020

	Note	2020 £	2019 £
Turnover	3	36,361,433	31,836,181
Cost of sales		(8,979,637)	(18,395,016)
Gross profit		27,381,796	13,441,165
Administrative expenses		(16,867,015)	(18,378,268)
Administrative expenses - exceptional	8	-	(1,059,987)
Total administrative expenses		(16,867,015)	(19,438,255)
Operating profit/(loss)		10,514,781	(5,997,090)
Other interest receivable and similar income	9	107,020	-
Other interest payable and similar expenses	10	(76,841)	(233,755)
Profit/(loss) before taxation		10,544,960	(6,230,845)
Tax on (profit)/loss	11	(1,593,496)	1,091,435
Profit/(loss) for the financial year		8,951,464	(5,139,410)
Other comprehensive income			
Foreign exchange (losses)/gains on consolidation		(252,507)	185,340
Total comprehensive income for the year		8,698,957	(4,954,070)

All amounts relate to continuing activities.

Myunidays Limited**Consolidated balance sheet
at 30 April 2020**

	Note	2020	2019
		£	£
Fixed assets			
Intangible assets	12	1,126,361	677,246
Tangible assets	13	337,833	598,317
		<u>1,464,194</u>	<u>1,275,563</u>
Current assets			
Debtors	15	8,271,588	9,766,328
Cash at bank and in hand		8,085,387	49,971
		<u>16,356,975</u>	<u>9,816,299</u>
Creditors: amounts falling due within one year	16	<u>(5,474,048)</u>	<u>(8,252,838)</u>
Net current assets		<u>10,882,927</u>	<u>1,563,461</u>
Total assets less current liabilities		<u>12,347,121</u>	<u>2,839,024</u>
Provisions for liabilities			
Deferred tax liability	17	(140,498)	(81,630)
Net assets		<u>12,206,623</u>	<u>2,757,394</u>
Capital and reserves			
Called up share capital	18	203	203
Share premium	19	25,134	25,134
Other reserves	19	793,845	43,573
Profit and loss account	19	11,387,441	2,688,484
Shareholders' funds		<u>12,206,623</u>	<u>2,757,394</u>

These financial statements were approved by the board and were signed on its behalf by:

DocuSigned by:

Ravinder Rathour

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R Rathour
Director

Company registered number: 07552253

Myunidays Limited**Company balance sheet
at 30 April 2020**

	Note	2020	2019
		£	£
Fixed assets			
Intangible assets	12	1,126,361	677,246
Tangible assets	13	250,688	428,198
Investments	14	137,857	137,757
		1,514,906	1,243,201
Current assets			
Debtors	15	10,038,198	10,131,469
Cash at bank and in hand		7,755,717	30,918
		17,793,915	10,162,387
Creditors: amounts falling due within one year	16	(5,366,809)	(7,471,942)
Net current assets		12,427,106	2,690,445
Total assets less current liabilities		13,942,012	3,933,646
Provisions for liabilities			
Deferred tax liability	17	(153,369)	(94,501)
Net assets		13,788,643	3,839,145
Capital and reserves			
Called up share capital	18	203	203
Share premium	19	25,134	25,134
Other reserves	19	793,845	43,573
Profit and loss account	19	12,969,461	3,770,235
Shareholders' funds		13,788,643	3,839,145

As permitted by section 408 of the Companies Act 2006, a separate profit and loss account of the parent company has not been presented. The parent company's profit for the financial year is £9,199,226 (2019: loss £1,197,006).

These financial statements were approved by the board and were signed on its behalf by:

DocuSigned by:
Ravinder Rathour

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R Rathour
Director

Company registered number: 07552253

Myunidays Limited

Consolidated statement of changes in equity for the year ended 30 April 2020

	Called up share capital £	Share premium £	Other reserves £	Profit and loss account £	Total shareholder equity £
Balance at 1 May 2018	200	-	42,805	7,699,749	7,742,754
Total comprehensive income for the year					
Loss for the financial year	-	-	-	(5,139,410)	(5,139,410)
Other comprehensive income	-	-	-	185,340	185,340
Total comprehensive income for the year	-	-	-	(4,954,070)	(4,954,070)
Transactions with owners, recorded directly in equity					
Allotment of shares	3	25,134	-	-	25,137
Equity-settled share based payments	-	-	768	42,805	43,573
Dividends paid	-	-	-	(100,000)	(100,000)
Total contributions by and distributions to owners	3	25,134	768	(57,195)	(31,290)
Balance at 30 April 2019	203	25,134	43,573	2,688,484	2,757,394
Total comprehensive income for the year					
Profit for the financial year	-	-	-	8,951,464	8,951,464
Other comprehensive income	-	-	-	(252,507)	(252,507)
Total comprehensive income for the year	-	-	-	8,698,957	8,698,957
Transactions with owners, recorded directly in equity					
Equity-settled share based payments	-	-	750,272	-	750,272
Balance at 30 April 2020	203	25,134	793,845	11,387,441	12,206,623

Myunidays Limited

Company statement of changes in equity for the year ended 30 April 2020

	Called up share capital £	Share premium £	Other reserves £	Profit and loss account £	Total shareholder equity £
Balance at 1 May 2018	200	-	42,805	5,024,436	5,067,441
Total comprehensive income for the year					
Loss for the financial year	-	-	-	(1,197,006)	(1,197,006)
Transactions with owners, recorded directly in equity					
Allotment of shares	3	25,134	-	-	25,137
Equity-settled share based payments	-	-	768	42,805	43,573
Dividends paid	-	-	-	(100,000)	(100,000)
Total contributions by and distributions to owners	3	25,134	768	(57,195)	(31,290)
Balance at 30 April 2019	203	25,134	43,573	3,770,235	3,839,145
Total comprehensive income for the year					
Profit for the financial year	-	-	-	9,199,226	9,199,226
Transactions with owners, recorded directly in equity					
Equity-settled share based payments	-	-	750,272	-	750,272
Balance at 30 April 2020	203	25,134	793,845	12,969,461	13,788,643

Myunidays Limited

Consolidated statement of cash flows for year ended 30 April 2020

	2020 £	2019 £
Cash flows from operating activities		
Profit/(loss) for the year	8,951,464	(5,139,410)
Adjustments for:		
Depreciation, amortisation and impairment	1,063,655	933,442
Foreign exchange losses	-	111,690
Interest receivable and similar income	(12)	-
Interest payable and similar expenses	76,841	122,065
Equity settled share based payment expenses	750,272	43,573
Taxation charge	1,593,496	(1,091,435)
Decrease/(increase) in debtors	270,995	(798,466)
(Decrease)/increase in creditors	(2,733,492)	2,973,751
Corporation tax recovered/(paid)	1,460,209	(155,891)
Net cash from/(used in) operating activities	11,433,428	(3,000,681)
Cash flows from investing activities		
Interest received	12	-
Acquisition of tangible fixed assets	(67,884)	(292,674)
Acquisition of other intangible assets	(1,181,503)	(1,013,563)
Net cash used in investing activities	(1,249,375)	(1,306,237)
Cash flows from financing activities		
Interest paid	(76,841)	(122,065)
Dividends paid	-	(100,000)
Issue of shares	-	25,134
Net cash used in financing activities	(76,841)	(196,931)
Net increase/(decrease) in cash at bank and in hand	10,107,212	(4,503,849)
Cash and cash equivalents at 1 May 2019	(1,735,119)	2,655,145
Effect of exchange rate fluctuations on cash held	(286,706)	113,585
Cash and cash equivalents at 30 April 2020	8,085,387	(1,735,119)
Cash and cash equivalents comprise:		
Cash at bank and in hand	8,085,387	49,971
Overdraft	-	(1,785,090)
	8,085,387	(1,735,119)

Myunidays Limited

Notes to the financial statements

for year ended 30 April 2020

1 Accounting policies

Myunidays Limited (the 'company') is a limited liability company incorporated and domiciled in the United Kingdom. The address of its registered office is as shown on the company information page.

These financial statements are prepared in Sterling (£), which is the functional currency of the group. The financial statements are for the year ended 30 April 2020 (2019: year ended 30 April 2019).

1.1 Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with Financial Reporting Standard (FRS) 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The parent company is included in the consolidated financial statements, and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The company has taken advantage of the following exemptions in its individual financial statements;

- from preparing separate statement of cash flows for the company, on the basis that the consolidated statement of cash flows includes the company's cash flows;
- from disclosing company share based payment arrangements, required under FRS 102 paragraphs 26.18(b), 26.19 to 26.21 and 26.23, concerning its own equity instruments, as the company financial statements are presented with the consolidated financial statements and the relevant disclosures are included therein;
- the disclosures required by FRS 102 Section 11 Basic Financial Instruments and FRS 102 Section 12 Other Financial Instrument Issues in respect of the company; and
- from disclosing company key management personnel compensation, as required by FRS 102 paragraph 33.7.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the group's accounting policies. Judgements made by the directors in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 2.

1.2 Going concern and Coronavirus

The group has net current assets of £10,882,927 as at 30 April 2020 and made a profit before tax of £10,544,960 for the year then ended. The group and company have not experienced a detrimental impact as a result of COVID-19. To date adverse impact has been focused on a few partner sectors such as food & hospitality, whereas in general brands have increased investment online and into performance marketing during this period benefitting the group and company. The group continues to have access to a £1.2m on-demand overdraft facility which was undrawn as at 31 October 2020.

The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides and the anticipated impact of COVID-19 on the operations and its financial resources, the group and company will have sufficient funds to meet its liabilities as they fall due for that period.

Myunidays Limited

Notes to the financial statements *(continued)* for year ended 30 April 2020

1 Accounting policies *(continued)*

1.2 Going concern and Coronavirus *(continued)*

Given the uncertainty surrounding the impact of COVID-19 in the future, the group and company maintains an amount of cash reserves, based on a minimum working capital target metric - a multiple of forward average month costs - assessed against current market conditions and reviewed quarterly by the directors. The downside scenarios included in the cash flow consider the impact of a material reduction in revenues from a downturn in demand of c.30% compared to current forecast, and extended collection periods and increased bad debt provisions resulting from potential changes in the ability of partners to pay debts when due. The downside scenarios do not reflect any of the significant cost reduction measures and mitigating actions that have been identified and would be available to the group and company in the event of a downturn in revenues. The downside scenario cash flow forecasts indicate that the group will remain above the current minimum working capital target metric and has sufficient liquidity throughout the going concern period, such that it is able to continue to meet its liabilities as they fall due.

Consequently, the directors are confident that the group and company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

1.3 Basis of consolidation

The consolidated financial statements include the results of the company and its subsidiary undertakings (the 'group') as if they formed a single entity. Intercompany balances and transactions are therefore eliminated in full. The results of subsidiary undertakings are included in the consolidated profit and loss account from the date that control commences until the date that control ceases. Control is established when the company has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the group takes into consideration potential voting rights that are currently exercisable.

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own profit and loss account in these financial statements. The profit after tax of the parent company for the year was £9,199,226 (2019: loss £1,197,006).

1.4 Foreign currencies

Transactions in foreign currencies are translated into the functional currency using the foreign exchange rate ruling at the date of the transaction. Foreign exchange differences arising on translation are recognised in the profit and loss account, except those on consolidation.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated into the functional currency using the closing rate. Non-monetary assets and liabilities denominated in foreign currencies measured at fair value are retranslated using the exchange rate when the fair value was determined.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are retranslated into the group's presentational currency, Sterling (£), at the closing rate. The revenues and expenses of foreign operations are translated at an average rate for the year. Foreign exchange differences arising on this retranslation are recognised in other comprehensive income.

Myunidays Limited

Notes to the financial statements (continued) for year ended 30 April 2020

1 Accounting policies (continued)

1.5 Turnover

Turnover represents amounts receivable from external partners as a result of transactions generated by the group, student verification and acquisition services, partner management services, subscriptions to the Student Affinity Network and other advertising services, all excluding value added tax and other sales taxes.

Verification and acquisition service turnover is recognised in the financial statements as and when the services are provided to external partners, to the extent it is probable that future economic benefits will flow to the group and that turnover can be reliably measured.

For subscription, advertising and management services which are provided over a period of time, income is accrued evenly over the period that the services are provided.

Where a management service relates to a one-off deployment or development, income is recognised when the project is substantially complete and ready for operation.

1.6 Exceptional items

The group classifies certain one-off charges or credits that have a material impact on the group's financial results as 'exceptional items'. These are disclosed separately to provide further understanding of the financial performance of the group.

1.7 Intangible fixed assets

Intangible assets are stated at historical cost less any accumulated amortisation and accumulated impairment losses. The assets are reviewed annually for impairment.

Research and other expenditure is written off as incurred except where development expenditure incurred on an individual project or product can be capitalised as an intangible asset.

Expenditure on development activities may be capitalised if the product or process is technically and commercially feasible and the group intends and has the technical ability and sufficient resources to complete development, future economic benefits are probable and if the group can measure reliably the expenditure attributable to the intangible asset during its development. Development activities involve design for, construction or testing of the production of new or substantially improved products or processes. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads and capitalised borrowing costs. The capitalised development expenditure is then amortised over the anticipated useful life of the asset.

Expenditure on internally generated goodwill and brands is recognised in the profit and loss account as an expense as incurred.

The cost of intangible assets acquired in a business combination are capitalised separately from goodwill if the fair value can be measured reliably at the acquisition date.

Amortisation is charged to administrative expenses in the profit or loss account on a straight-line basis over the estimated useful lives of intangible assets. Intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

- | | |
|--------------------------|------------|
| - Patents and trademarks | - 10 years |
| - Domain names | - 5 years |
| - Software development | - 3 years |

Myunidays Limited

Notes to the financial statements (continued) for year ended 30 April 2020

1 Accounting policies (continued)

1.8 Tangible fixed assets

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

Repairs and maintenance expenditure is recognised in administrative expenses in the profit and loss account during the period in which they are incurred.

The group reviews at each reporting date whether tangible fixed assets (including those leased under a finance lease) are impaired. If any such impairment is identified, the recoverable cost is estimated in order to determine the impairment loss, if any. Where it is not possible to identify the recoverable cost, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Depreciation is charged to administrative expenses in the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. The estimated useful lives are as follows:

- | | |
|--------------------------|--------------------------|
| - Leasehold improvements | - Over term of the lease |
| - IT equipment | - 3 years |
| - Furniture and fixtures | - 5 years |

Depreciation methods, useful lives and residual values are reviewed and adjusted if there is an indication of a significant change since the last annual reporting date in the pattern by which the group expects to consume an asset's future economic benefits.

1.9 Investments

Investments in subsidiaries are initially valued at cost and are then reviewed annually for signs of impairment. If an impairment loss is identified, this is recorded immediately in the profit and loss account.

1.10 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and deposits with financial institutions repayable without penalty on notice. Bank overdrafts that are repayable on demand and form an integral part of the group's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

1.11 Provisions

A provision is recognised in the balance sheet when the group has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Legal advice is sought where appropriate. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

1.12 Financial instruments

All financial assets and liabilities are initially measured at transaction price. Subsequently they are measured at amortised cost using the effective interest method, less any impairment losses on financial assets.

If the arrangement constitutes a financing transaction, for example if a payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market value rate.

Myunidays Limited

Notes to the financial statements (continued) for year ended 30 April 2020

1 Accounting policies (continued)

1.13 Leases

Leases in which the group assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. All other leases are classified as operating leases.

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation, in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised on a straight-line basis in the profit and loss account over the term of the lease to reduce the lease expense.

1.14 Employee Benefits

Share based payments

The group operates share based payment arrangements for certain employees. Equity-settled arrangements are measured at fair value (excluding non-market based vesting conditions) at the date of the grant.

The fair value of the awards granted is measured based on using an option valuation model, taking into account the terms and conditions upon which the awards were granted. The fair value is expensed on a straight-line basis over the vesting period.

The amount recognised as an expense is adjusted to reflect the actual number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date.

Pensions

The group operates a defined benefit pension scheme for its employees which is held in a separately administered fund. Contributions payable are charged to the profit and loss account as they accrue.

1.15 Current and deferred taxation

The tax charge in the profit or loss account for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the income tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustments in respect of previous years.

Deferred tax arises on temporary timing differences from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is not recognised on permanent differences. Deferred tax assets are 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.

1.16 Dividends

Equity dividends are recognised when they become legally payable.

Myunidays Limited

Notes to the financial statements (continued)

for year ended 30 April 2020

2 Accounting estimates and judgements

Revenue recognition

The group provides a number of services to partners. There are significant judgements in relation to the period over which revenue is recognised or how much revenue is allocated against specific services.

Recognition of accrued income includes estimates by the group on expected revenue based on transactions that have completed and for which the group expect to receive fees but has not yet been paid. This includes estimated commission fees, where purchases by members have taken place but commission fees have not been confirmed or invoiced.

Development expenditure

Initial capitalisation of development expenditure is based on management's judgement that technical and economic feasibility is confirmed. In determining the amounts to be capitalised management make assumptions regarding the expected future cash generation of assets and the expected period of benefits.

Depreciation, amortisation and residual values

The directors have reviewed the asset lives and associated residual values of all fixed asset classes, and have concluded that the asset lives and residual values are appropriate. These are assessed annually and factors such as technological innovation, product life cycles, and maintenance programmes are taken into account. Residual value assessments also consider issues such as future market conditions, remaining life of the asset and disposal values.

Impairment of fixed assets

The directors assess the impairment of fixed assets subject to depreciation or amortisation whenever events or changes in circumstances indicate the carrying value may not be recoverable. Factors that may indicate impairment include significant underperformance relative to historic or projected future operating results, significant changes in the use of acquired assets or negative industry or economic trends.

Recoverability of trade debtors

The group makes an estimate of the recoverable value of trade and other debtors. When assessing impairment, management consider factors including the credit rating of the debtor, the ageing profile and historic experience.

Myunidays Limited

Notes to the financial statements (continued) for year ended 30 April 2020

3 Turnover

	2020	2019
	£	£
Rendering of services	36,361,433	31,836,181
By geographical market:		
- Europe	30,416,762	21,296,934
- United States of America	2,657,130	7,533,062
- Asia-Pacific	3,236,588	3,006,185
- Rest of World	50,953	-
	<u>36,361,433</u>	<u>31,836,181</u>

4 Research and development

Included in profit and loss account are the following:

	2020	2019
	£	£
Research and development	717,274	1,637,800

Research and development costs expensed are those of staff salaries, software costs and utilities. The research and development element of these costs remain within the relevant cost headings and are not split out.

5 Auditor's remuneration

	2020	2019
	£	£
Auditor's remuneration	39,500	36,000

Myunidays Limited

Notes to the financial statements (continued)

for year ended 30 April 2020

6 Staff numbers and costs

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

	2020 No.	2019 No.
Executive	5	5
Operations	176	247
Administrative	24	35
	<hr/> 205	<hr/> 287

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

	2020 £	2019 £
Wages and salaries	13,293,907	17,473,066
Social security costs	1,198,181	3,754,121
Pension costs	452,452	718,751
Share based payment expense	750,272	43,573
	<hr/> 15,694,812	<hr/> 21,989,511

7 Directors' remuneration

	2020 £	2019 £
Directors' remuneration	1,038,929	689,170
Pension costs	47,198	30,338
	<hr/> 1,086,127	<hr/> 719,508

The highest paid director received remuneration of £406,824 (2019: £251,350). The value of the company's contributions to a defined contribution pension scheme in respect of the highest paid director amounted to £19,500 (2019: £11,100).

8 Administrative expenses - exceptional

	2020 £	2019 £
Restructuring costs	-	873,907
Legal costs	-	186,080
	<hr/> -	<hr/> 1,059,987

The directors have presented exceptional expenses separately in the profit and loss account as these are considered to be one-off in nature and material in value.

Myunidays Limited

Notes to the financial statements (continued) for year ended 30 April 2020

9 Other interest receivable and similar income

	2020	2019
	£	£
Bank interest received	12	-
Foreign exchange gain	107,008	-
	<u>107,020</u>	<u>-</u>

10 Other interest payable and similar expenses

	2020	2019
	£	£
Bank interest	76,841	122,065
Foreign exchange loss	-	111,690
	<u>76,841</u>	<u>233,755</u>

11 Taxation

Total tax expense recognised in the profit and loss account, other comprehensive income and equity:

	2020		2019
	£	£	£
Current tax			
Current tax on income for the period	1,687,848		(882,257)
Adjustments in respect of prior periods	(178,561)		(394,539)
Foreign tax payable	25,341		68,343
	<u>1,534,628</u>		<u>(1,208,453)</u>
Deferred tax (note 17)			
Origination and reversal of timing differences	58,880		132,378
Adjustments in respect of prior periods	(12)		(15,360)
	<u>58,868</u>		<u>117,018</u>
Total tax		1,593,496	(1,091,435)

Analysis of current tax recognised in the profit and loss account

	2020	2019
	£	£
UK corporation tax	1,509,287	(1,276,796)
Foreign tax	25,341	68,343
	<u>1,534,628</u>	<u>(1,208,453)</u>

Myunidays Limited

Notes to the financial statements *(continued)* for year ended 30 April 2020

11 Taxation (continued)

Reconciliation of effective tax rate

	2020 £	2019 £
Profit for the year excluding taxation	10,544,960	(6,230,845)
Tax using the UK corporation tax rate of 19% (2019: 19%)	2,003,542	(1,183,861)
Effects of:		
Effect of tax rates in foreign jurisdictions	(9,962)	(47,240)
Deferred tax assets not recognised	56,194	729,069
Expenses not deductible for tax purposes	160,005	77,022
Fixed asset differences	9,803	9,461
Additional deduction for research and development expenditure	(458,629)	(730,727)
Surrender of tax losses for research and development tax credit refund	-	269,052
Losses carried back	-	202,008
Adjustments in respect of prior periods	(167,457)	(416,219)
Total tax expense included in profit or loss	1,593,496	(1,091,435)

Factors that may affect future tax charges

A change to the main UK corporation tax rate, announced in the Budget on 11 March 2020, was substantively enacted on 17 March 2020. The rate applicable from 1 April 2020 now remains at 19 percent, rather than the previously enacted reduction to 17 percent.

Myunidays Limited

Notes to the financial statements (continued) for year ended 30 April 2020

12 Intangible fixed assets

Group and company	Patents and trademarks	Domain names	Software development	Total
	£	£	£	£
Cost				
At 1 May 2019	1,350	3,236	1,013,545	1,018,131
Additions	-	-	1,181,503	1,181,503
At 30 April 2020	1,350	3,236	2,195,048	2,199,634
Amortisation and impairment				
At 1 May 2019	945	2,091	337,849	340,885
Charge for the year	135	570	731,683	732,388
At 30 April 2020	1,080	2,661	1,069,532	1,073,273
Net book value				
At 30 April 2020	270	575	1,125,516	1,126,361
At 30 April 2019	405	1,145	675,696	677,246

Amortisation and impairment expense

The amortisation and impairment expenses are recognised in the following line items in the profit and loss account:

	2020	2019
	£	£
Administrative expenses	732,388	338,632

Myunidays Limited

Notes to the financial statements (continued) for year ended 30 April 2020

13. Tangible fixed assets

Group	Leasehold improvements £	IT equipment £	Furniture and fixtures £	Total £
Cost				
At 1 May 2019	1,244,110	1,319,307	205,191	2,768,608
Additions	12,271	49,207	6,406	67,884
Effect of movements in foreign exchange	-	6,552	1,274	7,826
At 30 April 2020	1,256,381	1,375,066	212,871	2,844,318
Depreciation and impairment				
At 1 May 2019	1,244,110	819,783	106,398	2,170,291
Charge for the year	683	290,132	40,452	331,267
Effect of movements in foreign exchange	-	4,364	563	4,927
At 30 April 2020	1,244,793	1,114,279	147,413	2,506,485
Net book value				
At 30 April 2020	11,588	260,787	65,458	337,833
At 30 April 2019	-	499,524	98,793	598,317
Company				
Cost				
At 1 May 2019	1,244,110	1,018,251	172,343	2,434,704
Additions	12,271	40,695	5,700	58,666
At 30 April 2020	1,256,381	1,058,946	178,043	2,493,370
Depreciation and impairment				
At 1 May 2019	1,244,110	668,031	94,365	2,006,506
Charge for the year	683	201,847	33,646	236,176
At 30 April 2020	1,244,793	869,878	128,011	2,242,682
Net book value				
At 30 April 2020	11,588	189,068	50,032	250,688
At 30 April 2019	-	350,220	77,978	428,198

Myunidays Limited

Notes to the financial statements *(continued)* for year ended 30 April 2020

14 Fixed asset investments

Company	Investments in subsidiary undertakings £
Cost	
At 1 May 2019	137,757
Additions	100
At 30 April 2020	<u>137,857</u>
Net book value	
At 30 April 2020	<u>137,857</u>
At 30 April 2019	<u>137,757</u>

The following were subsidiary undertakings of the company;

Name	Country of incorporation	Principal activity	Registered Office	Class and holding of shares
UNiDAYS Inc.	United States of America	Student verification and marketing	28 Liberty Street, New York, 10005	100% Ordinary
UNiDAYS Australia Pty Limited	Australia	Student verification and marketing	Level 38, Tower Three, International Towers Sydney, 300 Barangaroo Avenue, Sydney NSW 2000	100% Ordinary
UNiDAYS GmbH	Germany	Student verification and marketing	Pariser Platz 4 A, 10117 Berlin	100% Ordinary
UNiDAYS China Limited	China	Student verification and marketing	Room 504-03S, No. 1376 Nan Jing West Road, JingAn District, Shanghai	100% Ordinary
UNiDAYS Projects Limited	United Kingdom	Dormant	2 Castle Boulevard, Nottingham, Nottinghamshire, NG7 1FB	100% Ordinary

UNiDAYS Projects Limited was incorporated on 16 April 2020.

Myunidays Limited

Notes to the financial statements (continued) for year ended 30 April 2020

15 Debtors

	Group 2020 £	2019 £	Company 2020 £	2019 £
Trade debtors	3,482,671	4,092,029	3,259,593	3,543,354
Amounts owed by group undertakings	-	-	2,413,569	1,477,191
Corporation tax	-	1,254,497	-	1,276,418
Prepayments and accrued income	4,788,917	4,419,802	4,365,036	3,834,506
	<u>8,271,588</u>	<u>9,766,328</u>	<u>10,038,198</u>	<u>10,131,469</u>

Trade debtors written off in the year included within administrative expenses in the profit and loss account in relation to bad debts amounted to £476,343 (2019: £193,713).

16 Creditors: amounts falling due within one year

	Group 2020 £	2019 £	Company 2020 £	2019 £
Bank overdraft	-	1,785,090	-	1,785,090
Trade creditors	707,700	2,966,223	611,335	2,589,204
Amounts owed to group undertakings	-	-	304,104	-
Corporation tax	1,738,806	-	1,693,078	-
Taxation and social security	998,932	1,355,634	968,484	1,307,715
Other creditors	-	109,400	-	109,508
Accruals and deferred income	2,028,610	2,036,491	1,789,808	1,680,425
	<u>5,474,048</u>	<u>8,252,838</u>	<u>5,366,809</u>	<u>7,471,942</u>

Myunidays Limited

Notes to the financial statements *(continued)* for year ended 30 April 2020

17 Deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Group	Assets		Liabilities		Net	
	2020	2019	2020	2019	2020	2019
	£	£	£	£	£	£
Accelerated capital allowances	-	-	190,375	112,312	190,375	112,312
Short term timing differences	(49,877)	(30,682)	-	-	(49,877)	(30,682)
Net tax (assets) / liabilities	(49,877)	(30,682)	190,375	112,312	140,498	81,630

The group has accumulated tax losses which are unrecognised on the basis that the recoverability of the asset is uncertain. The value of the unrecognised asset is £1,182,313 (2019: £1,126,119).

Company	Assets		Liabilities		Net	
	2020	2019	2020	2019	2020	2019
	£	£	£	£	£	£
Accelerated capital allowances	-	-	190,375	112,312	190,375	112,312
Short term timing differences	(37,006)	(17,811)	-	-	(37,006)	(17,811)
Net tax (assets)/liabilities	(37,006)	(17,811)	190,375	112,312	153,369	94,501

18 Share capital

Group and company	2020	2019
	£	£
Allotted, called up and fully paid		
10,329,300 Ordinary shares of £0.00001 each	103	103
100 Preferred ordinary shares of £1 each	100	100
	203	203

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

The holders of the preferred ordinary shares shall be entitled to receive a preferred dividend of the first £100,000 of any dividend declared, with the balance available for distribution amongst other shareholders. The preferred ordinary shares do not carry any voting rights, but are able to attend and speak at any general meeting of the company.

Myunidays Limited

Notes to the financial statements (continued) for year ended 30 April 2020

19 Reserves

Share premium

Share premium was created due to share options exercised as per note 20.

Other reserves

Other reserves were created due to share options granted as per note 20.

Profit and loss account

Retained earnings represents accumulated comprehensive income for the year and prior periods, less dividends paid.

20 Share based payments

The terms and conditions of the grants are as follows:

Group and company

Grant date / employees entitled	Method of settlement accounting	Vesting conditions	Contractual life
Equity settled awarded, granted by parent on 4 July 2017	Equity	Options become exercisable the date of an 'exit' after a 4 year service condition	10 years from grant date
Equity settled awarded, granted by parent on 31 December 2018	Equity	Options become exercisable on the date of an 'exit' after a 2 - 4 year service condition	10 years from grant date
Equity settled awarded, granted by parent on 19 July 2019	Equity	Options become exercisable on the date of an 'exit'	10 years from grant date

The number and weighted average exercise prices of share options are as follows:

	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
	2020		2019	
	£	No.	£	No.
Outstanding at the beginning of the year	1.93	542,500	125.19	925
Granted during the year	2.00	76,229	1.89	648,575
Forfeited during the year	(1.97)	(120,500)	(1.83)	(87,000)
Exercised during the year	-	-	(1.25)	(20,000)
Outstanding at the end of the year	2.00	498,229	1.93	542,500
Exercisable at the end of the year	-	-	-	-

The company is unable to directly measure the fair value of the employee services received. Instead, the fair value of the share options granted during the year is determined using the Black-Scholes model. The model is internationally recognised as being appropriate to value employee share schemes.

Myunidays Limited

Notes to the financial statements (continued) for year ended 30 April 2020

20 Share based payments (continued)

The total expense recognised for the year and the total carrying amount at the end of the year arising from share based payments are as follows:

	2020 £	2019 £
Total share based payment expense	750,272	43,573
Total carrying amount included within equity	793,845	43,573

21 Analysis of changes in net debt

	At 1 May 2019 £	Cash flows £	At 30 April 2020 £
Cash at bank and in hand	49,971	8,035,416	8,085,387
Overdraft	(1,785,090)	1,785,090	-
Cash and cash equivalents	(1,735,119)	9,820,506	8,085,387

22 Operating leases

At 30 April 2020 the group and company had non-cancellable operating lease rentals as follows:

	Group 2020 £	2019 £	Company 2020 £	2019 £
Less than one year	743,195	765,331	634,255	433,785
Between one and five years	787,850	928,616	787,850	826,509
	1,531,045	1,693,947	1,422,105	1,260,294

During the year, £936,021 (2019: £825,322) was recognised as an expense in the profit and loss account in respect of operating leases.

Myunidays Limited

Notes to the financial statements *(continued)* **for year ended 30 April 2020**

23 Related parties

The group has taken advantage of the exemption contained in FRS 102 33.1A and has therefore not disclosed transactions or balances with wholly owned entities.

During the year the company paid £436,965 (2019: £182,646) to Celebration Properties Limited, a company in which G Rathour and S Rathour are also directors. Throughout the year a total of £380,970 (2019: £146,975) was paid for rent of the Nottingham property, and £Nil (2019: £35,671) for project management fees in relation to the refurbishment of the Nottingham property. The total amount owed to Celebration Properties Limited included within trade creditors as at 30 April 2020 was £20,250 (2019: £76,245).

Total compensation of key management personnel (including the directors) in the year amounted to £1,472,247 (2019: £1,576,819).

24 Ultimate controlling party

The ultimate controlling party is director and majority shareholder, R Rathour.