

NYU IN LONDON
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

Registered Charity Number: 1079555
Registered Company Number: 03755048

NYU IN LONDON

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

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NYU IN LONDON

TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2019

The trustees present their annual report and the audited financial statements of NYU in London ("NYUL") for the year ended 31 August 2019. The report includes both the requirements of a Directors' Report and the Strategic Report as required by UK company law.

REFERENCE AND ADMINISTRATIVE DETAILS

The trustees of the charity, who are also the directors of the company for the purposes of company law, as of August 31 2019 are as follows:

Dr. Linda Mills
Ms Caroline Guen
Mr. Bing-Le Wu

Dr. Mills, Ms Guen, and Mr. Le Wu were reappointed as trustees on June 27, 2019 for a three year term. The trustees have made the following professional appointments:

Solicitor:	Bates, Wells & Braithwaite, 2-6 Cannon Street, London, EC4M 6YH
Payroll Management:	KPMG LLP, 1 Puddle Dock, London, EC4V 3PD
Independent Auditors:	PricewaterhouseCoopers LLP 1 Embankment Place, London, WC2N 6RH
Bankers:	Citibank, Citigroup Centre, Canary Wharf, London E14 5LB

The following key members of staff were responsible for the day-to-day management of the charity: Professor Catherine Robson, Director NYU London; Mr. Eric Sneddon, Associate Director (retired February 28th, 2019), Ms. Ruth Tucker, Acting Associate Director; Dr. Amy Rowe, Assistant Director for Academic Affairs; Mr. Nigel Freeman, Assistant Director for Student Life; and Acting Assistant Director for Finance and Operations Simon Coleman.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status & History

NYUL is a registered charity, and a company limited by guarantee, not having share capital. Every member undertakes to contribute an amount not exceeding £1 to the assets of the charity in the event of the charity being wound-up during the period of membership, or within one year thereafter.

The sole company law member of the charity is New York University, 70 Washington Square South, New York, NY 10003, United States of America.

The charity was set up in 1999 to support and promote education including, without limitation, the provision of services to students of New York University studying in the United Kingdom as part of their university programme of education.

NYUL was incorporated on 16 April 1999 and became a registered charity on 25 February 2000. The charity is governed by the rules and regulations set down in its company Memorandum and Articles of Association originally dated 16 April 1999, and as subsequently amended.

Organizational Structure

The overall strategic direction of the charity is determined by the trustees, who meet at least twice each year to monitor the progress of the charity in fulfilling its objectives and to take all the key high level operational decisions.

NYU IN LONDON

TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT)

(continued) FOR THE YEAR ENDED 31 AUGUST 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organizational Structure (continued)

NYU in London, located at 6 Bedford Square, Bloomsbury, London, is a private company limited by guarantee, registered with Companies House in England and Wales (no. 03755048), and a registered charity (no. 1079555) with the Charity Commission in England and Wales. Management is delegated by the trustees and consists of a single Director, assisted by an Associate Director and three Assistant Directors. There is a permanent staff office staff of 32, of whom 2 are part time and teaching staff of 62. Some services such as cleaning and security are outsourced. The staff is structured into three primary departments - Academic Affairs, Student Life, and Finance & Operations - although there is some overlap in duties and responsibilities.

There are no subcommittees, management boards, or other groups that assist in the management of the charity.

Relationships with Related Parties

NYUL is closely related to NYU, which is the sole company law member of the charity. NYU is the principal funder of NYUL. One of the Trustees is also an employee of NYU.

Method of Recruitment, Appointment, Election, Induction & Training of Trustees

Recruitment

There are no formal procedures for board recruitment. Trustee candidates are recommended to the board by those persons thoroughly familiar with the organization.

Appointment & Election

Under the terms of the Memorandum and Articles of Association, trustees are appointed by the member for a 3-year term and may be reappointed. The President of New York University, acting under delegated authority from its Board of Trustees, makes appointments on behalf of New York University, the sole member of NYUL.

Induction & Training

Trustees are provided with a copy of the Memorandum and Articles of Association and on-going information and advice including legal advice where necessary. Formal training will be arranged for Board members as and when a need arises, although each of the current Board members is extremely mature and experienced in relation to academic and governance matters.

Remuneration and Benefits Received by Key Personnel

Key Personnel

The key personnel are identified as those having responsibility for the programmes of NYUL on a day-to-day basis and who are closely involved in planning, directing and controlling the activities of the programmes in liaison with senior managers at NYU and on-site managers. During 2018-9 these employees were: Director Catherine Robson; Acting Associate Director Ruth Tucker; Assistant Director for Academic Affairs Dr Amy Rowe; Assistant Director for Student Life Nigel Freeman; and Acting Assistant Director for Finance and Operations Simon Coleman

NYU IN LONDON

TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

FOR THE YEAR ENDED 31 AUGUST 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Remuneration and Benefits Received by Key Personnel (continued)

Pay policy for Senior Staff

All trustees, including the Chair, give of their time freely and no trustee received remuneration or benefit in the year from NYUL.

The pay of the senior staff is reviewed annually and normally increased in accordance with the Annual Merit Increase awarded to administrative staff of the university following an annual performance review. Senior staff salaries are benchmarked on appointment and reviewed regularly against equivalent roles in the UK such as at public universities, Study Abroad programmes of other US universities, and other commercial and charity providers. The aggregate remuneration of the senior staff is disclosed in note 5 to the financial statements.

OBJECTIVES AND ACTIVITIES

Charitable Objectives

The charitable objective for which the charity is established is as follows:

The advancement of education, in particular (without prejudice to the generality) through the provision of educational programmes in the United Kingdom to students of New York University.

The charity fully embraces the mission of New York University as a Global Network University that celebrates the opportunities for New York University students to study abroad in as seamless a way as possible. The New York University system is designed to allow faculty and students to enrich their research and learning by offering participation locally in some of the world's leading idea capitals without compromising connectivity to the rest of New York University. Although NYUL has a distinctive place within the Global Network University and has rigorous local responsibilities of management of the student experience, it also operates as part of a greater whole of high quality university education.

In pursuance of the overall goal of its charitable objectives, NYUL's principal activity is supporting and promoting education, which is primarily focused on providing educational courses to meet the demand of students from New York University and other United States colleges and universities (who subscribe to the New York University Global programmes) studying in the UK.

NYUL strives to provide research-led undergraduate and graduate education of the highest possible quality and the opportunity to experience a foreign, English-language, but culturally diverse, society. NYUL's study abroad programme extends beyond the classroom, recognizing that combining experiential and formal learning in an integrated way is educationally most effective. In addition to undergraduate programmes and one postgraduate programme, NYUL has a Global Research Institute ("GRI") as part of its Academic Centre, which provides opportunities for faculty and graduate students to come to London to carry out research activities in the city and the UK for periods of between one month and one semester.

NYUL aims for its course offerings to be of an equivalent standard to those available at New York University, and engages experienced and well-qualified faculty from United Kingdom universities to provide taught courses in their respective fields of expertise.

NYUL also aims to provide wide-ranging co-curricular activities which complement the students' coursework, as well as enhancing their understanding of the society and culture in which they are staying.

NYU IN LONDON

TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

FOR THE YEAR ENDED 31 AUGUST 2019

OBJECTIVES AND ACTIVITIES (continued)

The curriculum is developed as a response to various categories of students (for example, pre-medical, business, and teacher training) and the sort of courses they need while in London to both broaden their horizons and fulfil requirements.

NYUL also hosts public events such as lectures, seminars, workshops and book launches that support and promote education within the broader community. There is also an extensive programme of extracurricular and cultural activities and trips organized for the students to enable them to develop a fuller understanding of the geography, history and culture of London and the UK.

Over 15 years ago, NYU Tisch London forged a relationship with the Royal Academy of Dramatic Art ("RADA") to offer students training that is not available in the United States. This relationship continues today as an exclusive learning opportunity immersing NYUL students in the world of Shakespeare. The conservatory training of RADA focuses on skills necessary for the performance of Elizabethan and Jacobean drama. This bespoke NYU Tisch sponsored curriculum provides students with the unique occasion to learn about British culture by working with British arts professionals in specialized arts training.

Indicators, Milestones & Benchmarks

The trustees monitor a range of measures by which to try to determine the success of the charity in meeting its objectives. These measures include: level of student enrollment; student demand for courses; feedback from students on their experience with NYUL through regular evaluations of courses, the programme as a whole and particular aspects of the provision such as residences; peer review of the NYUL programme from the academic departments of New York University; feedback on the implementation of new programmes; and interest expressed in public programming initiatives and events. NYUL's programme is also validated locally by the Quality Assurance Agency for Higher Education ("QAA").

Enrollment is mainly managed by New York University, but its through high quality programmes that NYU in London maintains high interest by students to attend NYUL given they have the choice of where to study abroad. Enrollment at NYUL remains strong with 893 students during the 2018-2019 academic year, (917 during the 2017-2018 academic year). The overall student satisfaction rate was approximately 90% for the past two academic years as compiled from student satisfaction surveys. Over 70% of NYU in London courses received a course evaluation of 4.0 or higher (out of 5.0) for the past two academic years, as compiled from student evaluations.

We welcomed the QAA for a 1-day Monitoring Visit in May 2019, during which we were able to demonstrate the continued high-quality academic standards and student learning opportunities at NYUL. Following this visit, we were deemed to be making commendable progress. The full report of this visit can be viewed [here](#).

Following this visit, the QAA have confirmed in October 2019 that they will be conducting a full review of NYUL during their next cycle, including a 2-day visit to us in May 2020.

Public Benefit

The trustees, in compliance with section 17 of the Charities Act 2011, have had regard to the Charity Commission's guidance on public benefit in determining the activities of the charity.

Benefits & Beneficiaries

In accordance with its charitable objectives, the charitable company strives to support and promote education, principally of those participating in the courses, lectures and wider programmes of study and public events run by the charity.

NYU IN LONDON

TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT)

(continued) FOR THE YEAR ENDED 31 AUGUST 2019

OBJECTIVES AND ACTIVITIES(continued)

Public Benefit (continued)

The charitable company's beneficiaries are therefore those being educated, and benefits are provided through continuing to maintain a high standard of education throughout the organization.

Trustees' Assessment of Public Benefit

In relation to the assessment of public benefit, the trustees regularly monitor the types of activities reported by the Directors and other staff which are wholly or partly for public benefit. Trustees also review the level of involvement in these activities through programme statistics and evaluations to assess success in reaching out beyond the main programme participants. Trustees also discuss with the Directors and other staff ways and means of expanding existing activities and developing new ones to ensure public benefit is being addressed.

Grant Making Policy

NYUL awards discretionary grants to eligible faculty to engage with colleagues in New York or at other sites, to promote their research and involvement in professional conferences.

Representation on Other Bodies

NYUL does not currently further its charitable objectives through representation on any other bodies.

ACHIEVEMENTS AND PERFORMANCE

Activities and Events

NYU in London's primary objective is to maintain high quality programs and ensure stable or growing enrollment, and to this end, NYU in London continues to meet objectives. Strong student numbers once again reflected London as a popular site for NYU students wishing to study away. For the 2018-19 academic year we welcomed 893 undergraduates and 13 MA students. Programme evaluations have also been very positive, with particular praise for the rigour of the academic programme, the support available to students by the on-site staff, security provision and the wide variety of events and activities to support the holistic experience. The site has also continued to support opportunities for the student voice to be heard through the Liberal Studies Student Council, holding regular Student Forums and welcoming Student Ambassadors representing the NYU Student Senate based in New York City.

The site saw a number of new, sometimes innovative classes and programmes being introduced during the academic year, aimed at attracting new cohorts of students who previously might have been unable to study abroad, or created to take advantage of the opportunities offered by multiple sites worldwide. Two new courses were delivered during 2018-19: *Food, Culture & Globalization* and *Reading as a Writer*. These were designed to have broad appeal as electives and/or to freshmen. NYU Tisch continued to offer its highly successful group of core and elective courses in London, again working closely with RADA, and we also collaborated with colleagues across the University to develop and host 3 new programmes from Spring 2019; *Directing the Actor*, a 3-credit course in a new collaboration between NYU and the National Film and Television School; in collaboration with the NYU Tandon School of Engineering, two new Physics courses, *Linear Algebra and Differential Equations* and *Waves, Optics and Thermodynamics*; and a collaboration between NYU Abu Dhabi and Birkbeck College, a legal studies track for legal studies majors. Students across all programmes also benefited from a wide variety of distinguished speakers and practitioners who visited their classes.

As our enrollment numbers continue to outpace the number of beds we have available in our residences, we again contracted for extra bed space at Urbanest residence at Kings Cross for the academic year and with Scape housing during Spring 2019. Our residence apartments continue to receive favourable comment from students, parents and visitors. The Urbanest option has significantly increased the availability of single en-suite rooms for students which are in high demand and we were pleased to again receive favourable evaluations of this option.

NYU IN LONDON

TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

FOR THE YEAR ENDED 31 AUGUST 2019

ACHIEVEMENTS AND PERFORMANCE (continued)

Activities and Events (continued)

During summer months when we have less enrollment, apartments in our Byron Court residence are let to Higher Education groups and several NYU summer programme groups in our Guilford Street residence. We also host a variety of study groups from NYU's Abu Dhabi campus, NYU's College of Global Public Health, and from NYU's Steinhardt School during the January intersession.

The year was again rich in academic and cultural activity outside of the classroom, either organised by faculty and students, or co-sponsored by the site. During the 2018-19 academic year, NYUL hosted a number of talks and events at our Academic Centre.

On-site academic events have included Graduate Panels where members of our GRI community share their experiences and practical advice related to undertaking a PhD with undergraduate students, as well as the NYUL Literary Club Reading Nights that take place each semester, with visiting speaker, performance poet and transgender activist Jay Hulme and novelist Vayu Naidu this year.

NYUL has hosted a number of public facing events such as 'London Migration Research Group' seminars in collaboration with NYU politics professor Eiko Thielemann and SOAS, University of London faculty, and a talk by Professor Emily Gee (NYUL lecturer and Head of London Planning at Historic England), entitled 'From Scipio Africanus to Edward Colston: Evaluating, Protecting and Managing the Heritage of Slavery in England'. Three of our faculty members also delivered lectures as part of orientation week at the start of each semester; in Fall 2018, these were:

- UK Hot Topics Part 1: Unique quirks of British Identity and Politics, and Understanding Brexit
- UK Hot Topics Part 2: Current events of this week!
- Introduction to London's Architecture Tour: an introduction to London's historic core, the 'City of London' within the capital's ancient defensive walls.

And in Spring 2019:

- UK Hot Topics: Unique quirks of British Identity and Politics, and Understanding Brexit
- Introduction to London Theatre

In September 2018 and February 2019, a staff member from NYU visited the site for three days to provide individual and group career counselling sessions. NYU Admissions colleagues hosted several events at our centre for school counsellors, parents and pupils about opportunities and the process for applications to US universities in general, and to NYU campuses in particular.

In line with NYU President Hamilton's initiatives NYUL targeted diversity awareness, local engagement and affordability as priorities during 2017-18 (and ongoing). Amongst the many actions taken in furtherance of these initiatives, NYUL did the following:

- As part of our goal to increase awareness of modern and historic diversity issues we introduced Cultural Programming trips from Fall 2018 onwards to the Slavery Museum in Liverpool and an LGBTQ+ themed tour of Brighton. IDBE themes are also interwoven into our Ally Week organized by Student Affairs e.g. films, walking tours.
- The Spring 2019 semester began with LGBTQ+ History Month and Women's History Month programming, which included International Women's Day tabling and student-led excursions. Along with this, the team ran a Diversity Social where they spoke to students and signposted resources. We also planned programming for the 50th anniversary of the Stonewall Riots. Throughout the semester, students attended films, plays and exhibitions that celebrated the effects of Stonewall in Britain. Programming ended with a student clothes swap where donations were made to trans youth charity Mermaids, and a 'Know Your Queeroes' exhibition on campus. The Diversity Team also ran a 'Queeroes' art workshop, and the exhibition has also been added to various NYU in London social media.

NYU IN LONDON

TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT)(continued)

FOR THE YEAR ENDED 31 AUGUST 2019

ACHIEVEMENTS AND PERFORMANCE (continued)

Activities and Events(continued)

- In Fall 2018 we were delighted to welcome our first Global Equity Fellow, Johileny Menon, who was then followed by Raymond Reyes in Spring 2019. Both Fellows made an impressive impact in their work on the Diversity Team and working with our staff liaisons, they led excursions and discussion sessions. Spring 2019 saw our largest number of applications to join the Diversity Team, as well as our largest team thus far.
- Many of our cultural, academic and volunteering activities bring students into contact with local people and organisations and give them experience of local events.
- Each semester we organize orientation seminar events to advise students about careful budgeting and savings they can make across a range of their expenses, including food, entertainment and travel. Our Student Fairs also features local gyms who offer bargain membership deals. We organize charity sales of academic books contributed by former students at the start of each semester and have arranged a Buy Back service with our local book provider. We continue to try to help students with their day-to-day expenses by offering a wide range of free or low-cost activities; by serving food at Student Life and RA-led events; by providing public transport cards loaded with credit; and we by encouraging our lecturers to make course readings available on NYU Classes whenever possible. From Spring 2019, the Student Affairs team have also been working with the Liberal Studies Student Council to deliver a food security programme for first year students in the Byron Court residence.

Cultural Programming continues to be a strong element of the overall programme offered to NYUL students; including a wide variety of attending events, trips and experiences which combine to give students a broad experience of British culture and geography, ranging across visits to sites and towns of historical and cultural interest, country walks, ballet, musicals, theatre, sports events and comedy shows. As in past years there was a high rate of student participation in these opportunities and excellent feedback in programme evaluations.

We continue to field a growing number of requests from NYU departments and other educational organisations for use of our facilities and support systems; such requests are reviewed carefully and may be approved when the proposed use furthers NYUL's charitable purposes and the facilities are not otherwise being utilized for NYUL's own programmes e.g. NYU's Dentistry department's annual conference; a seminar hosted by Rt Hon Gordon Brown on Globalisation; plus numerous book launches for members of NYUL faculty. Our Academic Centre room use by local charity organisations included Nightline, Papyrus (a suicide prevention charity), The Society for Court Studies, and the Twentieth Century Society.

We have continued to invest in all of our facilities – the Academic Centre and two residences that accommodate over 300 students - to ensure they meet all safety, security and compliance requirements and the needs of teaching to the student body. Local staff and the Department of Public Safety at NYU work closely and regularly meet with our outsourced providers of physical and electronic security systems. Throughout our three facilities, we have continued a rolling programme of redecoration, refurbishment and replacement. During the summer, our Facilities team worked on projects including redecoration, bathroom floor upgrades and the replacement of the apartment access system with a simple lock and key solution. We have also renovated another apartment in our Byron Court residence for student occupation, including trialing some alternative furniture options for student use, adding to the maximum student occupancy by 4 beds.

We again welcomed more scholars into the GRI at Bedford Square during 2018-19 - a total of 30 graduate students and 6 faculty members (2017-18 28 graduate students and 5 faculty members) - who have stayed for periods ranging from one month to an entire semester. We have held regular meetings with the group to exchange information and update peers on the development of their research, as well as held lunch time sessions for GRI fellows to interact with NYUL faculty and undergraduate students to discuss graduate studies options, sessions which have proved hugely popular. In addition, during the summer of 2019, the site hosted an intensive six-week writing and research programme for nine students completing their PhDs, mentored by a member of the NYUL faculty.

TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT)(continued)

FOR THE YEAR ENDED 31 AUGUST 2019

ACHIEVEMENTS AND PERFORMANCE (continued)

Public Benefit

During the year 2018-19, the trustees gathered the following evidence that demonstrates to their satisfaction that the charitable company continues to benefit the public through its activities targeted to achieve its charitable objectives:

- NYUL continues to promote civic responsibility amongst its student body by organising opportunities for its students to participate in charitable activities to enable fuller integration with and contributions to their new community. For example, during the past year students have volunteered at many non-profit organizations in and around London to provide support to local young and old, and environmental and homeless charities e.g. Help Refugees, Action Tutoring, Student Action for Refugees, Nurture Academy, Rhythms of Life, Church Urban Fund, SHINE tutoring, Just Like Us, Dragon's Hall Trust, Snowdonia National Park and Opening Doors London. This academic year also saw students take part in weekend environmental based outdoors volunteering activities in Snowdonia and travel to Calais to assist with subsistence supplies for refugees (in collaboration with peers at NYU Paris).
- A new informal lending library of much-used NYUL course texts was created at the beginning of the academic year; a sale of books donated by departing fall students both supplied incoming spring students with bargain texts and raised over £600 for Centrepoin, a local charity for homeless young people
- NYUL continued to cooperate with SOAS, in reciprocal class arrangements which allow SOAS students to study NYUL classes and NYUL students to select from a range of course options taught at SOAS. This is a valued sharing of academic resources and experience.
- NYU London also organized extracurricular opportunities that provide an educational benefit for its students while also providing a benefit for their counterparts at other institutions and others in the community. These activities include trips to historical and cultural sites, attendance at cultural and sporting events, engagement with student unions and participation in home stay programs. NYUL students have membership at Senate House Library and are members of Student's Union UCL.
- NYUL has provided free use of its facilities to local charitable organisations and educational groups when in furtherance of NYUL's own charitable objects.
- As an affiliate of New York University, NYUL is committed to broadening access to its programmes to students from diverse backgrounds and experiences. NYUL is proud that among its student population during 2018-2019, 272 were recipients of scholarships and awards to specifically assist with their participation in the study abroad experience; NYU's Global Pathways bursary awards and various university scholarships contributed \$826,337 in support to students attending the NYUL programmes. In addition, some students also received awards from their departments and schools.
- NYU London continues to offer a programme in conjunction with an outstanding public institution RADA, through which valuable academic resources and experiences are shared.

FINANCIAL REVIEW

Financial Results of Activities & Events

The total income of NYUL was £15,271,614 for the year ended 31 August 2019 (2018: £15,003,157). The total expenditure was £16,545,044 (2018: £14,904,135). Total current assets at 31 August 2019 were £1,293,209 (2018: £2,789,894) and total current liabilities were £987,963 (2018: £1,925,491). Total charity funds at 31 August 2019 were £672 (2018: £1,274,102). There was a negative net movement in funds for the year ended 31 August 2019 of £(1,273,430). This is mainly the result of the USS triennial actuarial valuation as well as a reduction of cash funding from New York University to more closely align with expenses, and deplete existing large cash balances of NYUL. The USS triennial actuarial valuation as at 31 March 2017 has resulted in a material increase in the scheme deficit, with the cost of future service benefits substantially higher than in the previous valuation. For the purposes of the Financial Statements, the calculation of the liability for the obligation to fund the USS deficit uses the modeller shared by the British Universities Finance Directors Group for the Higher Education sector, and reflects the Schedule of Contributions put in place in January 2019 following the finalisation of the 2017 valuation, as updated for current discount rate information. This has led to a substantial increase in the USS provision at 31 August 2019, with an increased charge of £496,631 and a year end provision of £780,537. As a consequence of this our net assets fell to £672 at 31 August 2019.

However, the 2018 actuarial valuation was finalised after the year end and a new deficit recovery plan has been agreed

TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT)(continued)

FOR THE YEAR ENDED 31 AUGUST 2019

FINANCIAL REVIEW (continued)

which will materially reduce NYU in London's liability under the scheme by £343,443. This revision to the recovery plan is deemed a non-adjusting post balance sheet event and so whilst disclosures of the impact of the change under the 2018 valuation have been reflected in the financial statements in the post balance sheet event note this has not resulted in a change to the actual financial position for the year ended 31 August 2019 reported under the 2017 valuation.

NYU continues to support NYUL and therefore the negative movement of funds is not a concern.

Reserves Policy

Given the nature of the relationship between NYUL and NYU which involves a detailed annual budgeting and funding approval process, the trustees believe that NYUL should continue to maintain its practice of aiming to hold free reserves of £Nil (2018: £Nil). The management of both NYUL and NYU as principal funder of NYUL will continue to evaluate the appropriate level and frequency of funding from NYU to maintain this reserve policy of £Nil. Any reserve in excess of this amount at year-end is simply due to the timing of the Charity's funding and spending.

Investments Policy

In accordance with the Memorandum and Articles of Association, the trustees have wide-ranging powers to invest the funds of NYUL as they see fit.

In practice and in view of the trustees' current reserves policy, any surplus funds of NYUL are held as short-term cash balances in interest bearing bank accounts.

PLANS FOR FUTURE PERIODS

The trustees' plans for development of the site and programme include the following:

- The further development of summer and intersession (January) programmes at NYUL.
- To expand the diversity of undergraduate course offerings at NYUL in order to increase opportunities for students from different disciplines to study abroad in London. NYUL will work in full cooperation with the three NYU degree awarding campuses to fulfil the mission of the Global Network University that ensures an integrated curriculum structure open to all students but rooted strongly in the academic strength of the site and the uniqueness of the location. In particular it will coordinate site academic development with a dedicated committee (the Site Specific Advisory Committee) in New York to ensure prioritisation of needs and that standards are maintained and validated by the UK QAA and internal NYU monitoring and evaluations.
- To expand local academic connections through contracting with prestigious local institutions for the delivery of appropriate courses for our students.
- To plan through the academic programme and student support provision for increasing numbers from NYU's two portal campuses in Abu Dhabi and Shanghai.
- To introduce further ways of trying to address the issues of diversity awareness, inclusion and equality and affordability in collaboration with colleagues throughout the NYU community.
- To further develop and improve the technological support for lecturers in the classrooms.
- To develop further the range of extra-curricular and volunteering activities available to students to promote better cultural understanding.
- To continue to develop and promote academic programming designed for the benefit of the public in the United Kingdom including public lectures, symposia, workshops, events and other initiatives.
- Increasing use of the residences during out of semester months through expansion of NYU programmes or contracting with suitable organisations or institutions that further NYUL's charitable purposes.

TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT)(continued)

FOR THE YEAR ENDED 31 AUGUST 2019

PLANS FOR FUTURE PERIODS (continued)

Public Benefit

In the future, the trustees intend to ensure that the charity continues to benefit the public by its commitment to its established activities of public programmes, book launches, voluntary and charitable activities and other opportunities for public and cross-cultural engagement by students; a bursary policy that supports a diverse student population; and building on partnerships with public institutions such as RADA, and reciprocal arrangements with SOAS for the delivery of academic courses.

In addition, NYUL will seek to promote the opportunities for voluntary and charitable activities through pre-arrival and orientation information, on-site publicity and newsletters. NYUL is also seeking new opportunities for reciprocal academic arrangements through discussions with other prestigious London universities. NYUL will also seek to promote the increased use of its Academic Centre and other facilities as a site for public educational events.

PRINCIPAL RISKS AND UNCERTAINTIES

Disclosure of principal risks and uncertainties

The major risks faced by NYUL include the risks of failure to meet its educational objectives or to achieve the high standards expected by NYU. The organizational structure, strategic framework and operational management processes of NYUL are set up to meet its objectives and to achieve these standards. As set out on page 4 (Indicators, Milestones and Benchmarks), inspection and accreditation exercises undertaken in the year demonstrate the effectiveness of the current arrangements and the fact that these risks are properly addressed.

From a financial perspective, NYUL is reliant on ongoing funding from NYU. The risk of funding being withdrawn is considered low given the University's commitment to its global programmes and by the fact that NYU is a co-party in NYUL's significant contractual commitments. Operational uncertainties arise in respect of the cost of operating in London. The largest costs incurred by NYUL relate to rented premises which are subject to market variations and to staff costs including pensions. These risks are considered manageable within the broader context.

Risk & Corporate Governance Matters

Risk review procedures are in place and trustees have enacted controls to mitigate against major risks.

Financial risk management is a priority for NYUL. Payroll is managed by KPMG in liaison with senior management at NYUL who conduct cross-checking. All expenditures are submitted to a review and approval process and are cross-checked and reconciled by NYU management. Appropriate receipts and documentation are required for all cash disbursements. All cheques above the value of £7,500 are countersigned by two appropriately authorised individuals approved by Trustees.

Insurance coverage is provided in coordination with NYU's Insurance & Risk Management Department to ensure adequate insurance coverage for NYUL's assets, staff and students. NYU uses Marsh Insurance Brokerage Services to facilitate the procurement of appropriate insurance coverage on behalf of NYUL. NYUL and the NYU Insurance & Risk Management Department continue to evaluate insurance requirements on an on-going basis to ensure appropriate coverage.

NYUL continues to work with NYU on the creation and implementation of a coordinated health and safety policy. A risk register is updated regularly by NYUL's senior management.

NYUL's legal advisers actively provide updates to the trustees and the senior management of NYUL on relevant legal issues. These updates are coordinated through the NYU's Office of General Counsel.

NYUL has formal policies describing the terms and conditions of service of NYUL employees, and rules regarding the academic performance and general conduct of students.

TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT)(continued)

FOR THE YEAR ENDED 31 AUGUST 2019

PRINCIPLE RISKS AND UNCERTAINTIES (continued)

The trustees have delegated day-to-day administration of the charity to the senior management team of NYUL, who report periodically to the trustees. In addition, senior management of NYU has certain consultation, reporting and approval rights with respect to the decisions of NYUL's senior management pursuant to an Affiliation and Services Agreement between NYUL and NYU. Academic courses taught by NYUL are subject to approval and regular oversight by the departments and schools of NYU to ensure compliance with the university's standards and accrediting requirements

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Trustees' & Directors' Responsibilities in the Preparation of Financial Statements

The trustees (who are also directors of NYU in London for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with applicable law and regulation.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice: Accounting and Reporting by Charities (2015);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The trustees are responsible for the maintenance and integrity of the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to Disclosure of Information to the Auditor

The trustees at the date of approval of this trustees' annual report confirm that, so far as the trustee is aware, there is no relevant audit information of which the company's auditors are unaware, and the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report, including both the Directors' Report and Strategic Report, was approved by the trustees on and was signed for and on behalf of the board by


Linda Mills
Trustee

December 13, 2019

Independent auditors' report to the members of NYU in London

Report on the audit of the financial statements

Opinion

In our opinion, NYU in London's financial statements (the "financial statements"):

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure, and cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 August 2019; the statement of financial activities (including an income and expenditure account) and the cash flow statement for the year then ended; the accounting policies; and the notes to the financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable 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.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the charitable company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the charity's activities, beneficiaries, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Trustees' Report

In our opinion, based on the work undertaken in the course of the audit the information given in the Trustees' Report, including the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Strategic Report and the Trustees' Report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Trustees' Report. We have nothing to report in this respect.

Responsibilities for the financial statements and the audit

Responsibilities of the trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities set out on page 11, the trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also 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.

In preparing the financial statements, the trustees are responsible for assessing the charitable 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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 auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

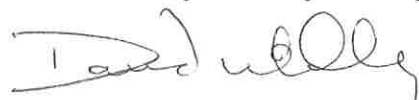
Other required reporting

Companies Act 2006 exception reporting

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



David Wildey (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
January 29, 2020

NYU IN LONDON

STATEMENT OF FINANCIAL ACTIVITIES
(including an Income and Expenditure Account)

FOR THE YEAR ENDED 31 AUGUST 2019

	Note	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
INCOME FROM:					
<i>Donations</i>	1	-	350,838	350,838	712,081
<i>Charitable activities:</i>					
Supporting and promoting education	2	14,920,776	-	14,920,776	14,291,076
TOTAL		<u>14,920,776</u>	<u>350,838</u>	<u>15,271,614</u>	<u>15,003,157</u>
EXPENDITURE ON:					
<i>Charitable activities</i>					
Supporting and promoting education	3	16,194,206	350,838	16,545,044	14,904,135
TOTAL		<u>16,194,206</u>	<u>350,838</u>	<u>16,545,044</u>	<u>14,904,135</u>
Net movement in funds		<u>(1,273,430)</u>	<u>-</u>	<u>(1,273,430)</u>	<u>99,022</u>
RECONCILIATION OF FUNDS					
Fund balances brought forward		1,257,502	16,600	1,274,102	1,175,080
FUND BALANCES CARRIED FORWARD	10	<u>(15,928)</u>	<u>16,600</u>	<u>672</u>	<u>1,274,102</u>

The net movement in funds for the year arises from the charity's continuing activities.

No separate statement of total recognised gains and losses has been presented as all such gains and losses are included in the statement of financial activities.

NYU IN LONDON

Company Number: 03755048

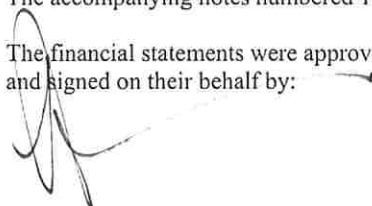
BALANCE SHEET

AS AT 31 AUGUST 2019

	Note	2019 £	2018 £
FIXED ASSETS			
Tangible assets	6	475,963	693,605
CURRENT ASSETS			
Debtors	7	658,832	1,003,511
Cash at bank and in hand		634,377	1,786,383
		<u>1,293,209</u>	<u>2,789,894</u>
LIABILITIES			
Creditors: amounts falling due within one year	8	987,963	1,925,491
NET CURRENT LIABILITIES		<u>305,246</u>	<u>864,403</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>781,209</u>	<u>1,558,008</u>
Provisions for liabilities and charges	9	780,537	283,906
NET ASSETS		<u><u>672</u></u>	<u><u>1,274,102</u></u>
THE FUNDS OF THE CHARITY			
Restricted income funds			
NYU Support Fund	10	16,600	16,600
Unrestricted income funds			
General fund	10	(15,928)	1,257,502
TOTAL CHARITY FUNDS	11	<u><u>672</u></u>	<u><u>1,274,102</u></u>

The accompanying notes numbered 1 to 15 form part of these financial statements.

The financial statements were approved and authorised for issue by the trustees on December 13, 2019 and signed on their behalf by:



Linda Mills
Trustee / Director

NYU IN LONDON

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
Net cash used in operating activities	A	(1,136,365)	(1,079,844)
Cash used in investing activities			
Payments to acquire tangible fixed assets		(15,641)	(20,112)
Change in cash		(1,152,006)	(1,099,956)
Cash brought forward		1,786,383	2,886,339
Cash carried forward		634,377	1,786,383

Notes to the cash flow statement

A.	Reconciliation of net movement in fund to net cash used in operating activities	2019 £	2018 £
	Net movement in fund	(1,273,430)	99,022
	Depreciation	233,283	246,926
	Increase in debtors	344,679	(156,965)
	Decrease in creditors	(594,083)	(1,221,085)
	Increase/(Decrease) in provisions	153,186	(47,742)
	Fixed asset disposals	-	-
	Net cash used in operating activities	(1,136,365)	(1,079,844)

NYU IN LONDON

ACCOUNTING POLICIES

YEAR ENDED 31 AUGUST 2019

ENTITY STATUS

NYU in London is a private company limited by guarantee and registered with Companies House in England and Wales (no. 03755048) and also a registered charity (no. 1079555) with the Charity Commission in England and Wales.

BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with Financial Reporting Standard 102 ('FRS 102') – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and with the Statement of Recommended Practice 'Accounting and Reporting by Charities' FRS 102 as revised in 2015 ('the SORP 2015').

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

GOING CONCERN

A going concern basis has been adopted in the preparation of the financial statements. The charitable company is dependent on New York University as the source of the majority of its funding. The Trustees are content that New York University is willing to provide ongoing funding for the foreseeable future and have had regard to a period of not less than 12 months from the date of the approval of the financial statement in making this assessment.

INCOME

Income is brought into account when receivable and donated income is included gross of any attributable tax recoverable, where relevant. Income is derived from support to NYU in London from New York University to carry out NYU in London's charitable activities. Revenue is recognized as support is received. Support received in advance of incurring related costs is recognized as income received in advance with creditors: amounts falling due within one year on the balance sheet. Donation income is recognized as support is received.

EXPENDITURE

Expenditure is allocated to the charity's direct charitable activity where the costs can be identified as being directly related to that activity. All costs that cannot be identified as relating directly to the charity's direct activity are categorised as support costs which include governance costs. Support costs are allocated to total charitable expenditure in the statement of financial activities.

TANGIBLE FIXED ASSETS

All the tangible assets purchased that are over the equivalent of GBP \$2,467 (USD \$3,000) and that have an expected useful economic life that exceeds one year are capitalised and classified as fixed assets. Tangible fixed assets are stated at historical cost less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life as follows:

Leasehold improvements	10 years
Furniture, fixtures and equipment	7 years

LEASED ASSETS AND OBLIGATIONS

All leases are "operating leases" and the annual rentals are charged to the statement of financial activities as they fall due.

NYU IN LONDON

ACCOUNTING POLICIES (continued)

YEAR ENDED 31 AUGUST 2019

PENSION CONTRIBUTIONS

The charity participates in a multi-employer defined benefit scheme known as the Universities Superannuation Scheme ("USS"). This is a centralised scheme for certain qualifying employees with the assets held in a separate trustee administered fund. Because of the mutual nature of the scheme, the scheme assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set. NYU in London is therefore exposed to actuarial risks associated with the other institutions' employees. Therefore, the charity is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and the scheme is accounted for as if it were a defined contribution scheme, as required by FRS102.

FRS102 further requires that a liability is recognised equal to the net present value of the expected future contribution to eliminate the deficit on the pension scheme arising from the past service of members. The total amount charged to expenditure represents payments made in respect of current service costs charged as they fall due together with movement in the provision for past service cost arising from change in the expected future contribution and the unwinding the discount applied in determining the net present value of the future deficit contributions.

The charity also makes defined contribution pension arrangements available to employees not eligible for the USS. The amount charged to expenditure in respect of defined contribution pension costs is the total contributions payable for the year.

TAXES

NYU in London is a registered charity with the Charity Commission in England and Wales. Throughout the year, the charity has acted within its charitable objectives and therefore there are no activities on which the charity should account for direct taxes.

FOREIGN CURRENCY

The charity's financial statements are presented in pound sterling, which is also the charity's functional and presentation currency. Foreign currency transactions are translated into the functional currency using the spot exchange rate at the dates of the transactions. Foreign currency gains and losses resulting from the settlement of transactions are recognised in the Statement of Financial Activities.

FINANCIAL INSTRUMENTS

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost.

Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital.

Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

The charity does not hold any complex financial instruments.

FUND ACCOUNTING

The general fund comprises the accumulated surpluses of unrestricted income over expenditure, which are available for use in furtherance of the general objective of the charity.

Designated funds are a particular form of unrestricted funds consisting of amounts, which may be designated for specific purposes by the trustees. The use of designated funds remains at the discretion of the trustees.

Restricted funds are funds subject to specific conditions imposed by donors. The purpose and use of the restricted funds are set out in the notes to the accounts. Amounts unspent at the year-end are carried forward in the balance sheet.

NYU IN LONDON

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2019

CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Significant estimates include the useful economic lives of tangible assets and the USS Pension Scheme (note 13).

1. DONATIONS	Unrestricted funds	Restricted funds	Total 2019
	£	£	£
NYU Support Fund	-	350,838	350,838
<hr/>			
DONATIONS	Unrestricted funds	Restricted funds	Total 2018
	£	£	£
NYU Support Fund	-	712,081	712,081
<hr/>			
2. INCOME FROM SUPPORTING AND PROMOTING EDUCATION	Unrestricted funds	Restricted funds	Total 2019
	£	£	£
Income from New York University:			
For NYU in London	14,589,590	-	14,589,590
Other Income	331,186	-	331,186
	14,920,776	-	14,920,776
<hr/>			
INCOME FROM SUPPORTING AND PROMOTING EDUCATION	Unrestricted funds	Restricted funds	Total 2018
	£	£	£
Income from New York University:			
For NYU in London	13,958,575	-	13,958,575
Other Income	332,501	-	332,501
	14,291,076	-	14,291,076
<hr/>			

NYU IN LONDON

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2019

3. COSTS OF SUPPORTING AND PROMOTING EDUCATION

	Total £ 2019	Total £ 2018
Payroll costs	1,122,009	926,727
Other direct staff costs	1,654,846	975,986
Operating lease cost – land and buildings	8,377,059	7,654,650
Materials and other costs	446,014	300,959
Student Life costs	576,914	573,849
Donations to New York University	350,838	712,081
Support and governance (see note 4)	4,017,364	3,759,883
	<u>16,545,044</u>	<u>14,904,135</u>

4 SUPPORT COSTS (including governance)

	Total 2019 £	Total 2018 £
<i>Support</i>		
Indirect payroll	1,375,607	1,356,016
Other staff related costs	40,074	19,222
Property and maintenance	1,803,504	1,645,014
Depreciation	233,283	246,926
Leased plant and machinery	25,452	28,840
Administrative expenses	341,713	299,336
Legal and professional	178,879	146,529
<i>Governance</i>		
Auditors' remuneration (including VAT)		
Audit fees – current year	18,852	18,000
	<u>4,017,364</u>	<u>3,759,883</u>

NYU IN LONDON

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2019

5. STAFF COSTS

	2019 Number	2018 Number
The average monthly number of persons employed by the charity (excluding trustees) during the year was, as follows:		
Teaching staff	62	59
Office staff	32	34
	<u>94</u>	<u>93</u>
	2019 £	2018 £
Staff costs for the above persons:		
Wages and salaries	2,236,301	1,804,572
Social security costs	916,051	928,000
Other pension costs	302,267	289,701
	<u>3,454,619</u>	<u>3,022,273</u>

The numbers of higher paid staff receiving emoluments (excluding pension contributions and other non-taxable benefits) in excess of £60,000 are shown in the table below.

	2019 Number	2018 Number
£60,000 to £69,999	1	1
£70,000 to £79,999	-	1
£80,000 to £89,999	2	1
£140,000 to £150,000	-	-
£170,000 to £180,000	-	1
£181,000 to £290,000	1	-
	<u>4</u>	<u>4</u>

The trustees and legal directors received no remuneration for their services to the charity during the current and previous year. One trustee received reimbursement for travel and food expenses totalling £nil in 2019 (2018: £199).

The remuneration of the Key Management Personnel, who comprise the remunerated directors (1) and associate directors (1) of NYU London was £367,069 (2018: £265,871). This figure includes all remuneration whether taxable or not.

NYU IN LONDON

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 AUGUST 2019

6. TANGIBLE ASSETS			
	Leasehold improvements £	Furniture, fixtures & equipment £	Total £
Cost			
1 September 2018	2,150,786	999,379	3,150,165
Additions	15,641	-	15,641
	<hr/>	<hr/>	<hr/>
At 31 August 2019	2,166,427	999,379	3,165,806
	<hr/>	<hr/>	<hr/>
Accumulated Depreciation			
1 September 2018	1,555,253	901,307	2,456,560
Charge for the year	209,772	23,511	233,283
	<hr/>	<hr/>	<hr/>
At 31 August 2019	1,765,025	924,818	2,689,843
	<hr/>	<hr/>	<hr/>
Net book value			
31 August 2019	401,402	74,561	475,963
	<hr/>	<hr/>	<hr/>
31 August 2018	595,533	98,072	693,605
	<hr/>	<hr/>	<hr/>
7. DEBTORS			
	2019 £	2018 £	
Other debtors and staff loans	27,865	43,876	
Accrued Income	59,037	140,996	
Prepayments	571,930	818,639	
	<hr/>	<hr/>	
	658,832	1,003,511	
	<hr/>	<hr/>	

NYU IN LONDON

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 AUGUST 2019

8. CREDITORS: amounts falling due within one year	2019 £	2018 £
Other taxes and social security costs	31,951	35,983
Accruals	321,631	104,602
Income received in advance	634,381	1,784,906
	<u>987,963</u>	<u>1,925,491</u>

Income received in advance represents excess cash funded from New York University to the charity.

9. PROVISIONS FOR LIABILITIES AND CHARGES	2019 £	2018 £
Pension deficit contributions (USS)	<u>780,537</u>	<u>283,906</u>

10. THE FUNDS OF THE CHARITY	1 September 2018 £	Income	Expenditure & Transfers £	31 August 2019 £
Restricted Income Funds				
NYU Support Fund	16,600	350,838	350,838	16,600
Unrestricted Income Funds				
General Fund	1,257,502	14,920,776	16,194,206	(15,928)
TOTAL FUNDS	<u>1,274,102</u>	<u>15,271,614</u>	<u>16,545,044</u>	<u>672</u>

THE FUNDS OF THE CHARITY	1 September 2017 £	Income	Expenditure & Transfers £	31 August 2018 £
Restricted Income Funds				
NYU Support Fund	16,600	712,081	712,081	16,600
Unrestricted Income Funds				
General Fund	1,158,480	14,291,076	14,192,054	1,257,502
TOTAL FUNDS	<u>1,175,080</u>	<u>15,003,157</u>	<u>14,904,135</u>	<u>1,274,102</u>

The NYU Support Fund was set up in 2009 for the purpose of receiving donations from individuals who wish to apply such donations to New York University to support its educational activities. The trustees have determined that NYUL's charitable objectives are reasonably and proportionately furthered by the making of gifts to New York University in accordance with the mutual charitable and educational purposes of NYUL and New York University. The funds are accepted by NYUL and distributed to New York University in accordance with the requirements of NYUL's Gift Policy, as reviewed and updated by the trustees from time to time.

NYU IN LONDON

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 AUGUST 2019

11. ANALYSIS OF NET ASSETS BETWEEN FUND:	Fixed Assets 2019 £	Other Net Liabilities 2019 £	Total 2019 £
Restricted Income Funds			
NYU Support Fund	-	16,600	16,600
Unrestricted Income Funds			
General Fund	475,963	(491,891)	(15,928)
	<u>475,963</u>	<u>(475,291)</u>	<u>672</u>

ANALYSIS OF NET ASSETS BETWEEN FUND:	Fixed Assets 2018 £	Other Net Liabilities 2018 £	Total 2018 £
Restricted Income Funds			
NYU Support Fund	-	16,600	16,600
Unrestricted Income Funds			
General Fund	693,605	563,897	1,257,502
	<u>693,605</u>	<u>580,497</u>	<u>1,274,102</u>

12. COMMITMENTS UNDER OPERATING LEASES	2019 £	2018 £
At 31 August the charity had total minimum commitments under non-cancellable operating leases as follows:		
Payment due within one year	8,294,779	7,728,368
Payment due between two and five years	28,854,443	29,053,800
Payment due after five years	41,336,758	44,270,822
Equipment		
Payment due within one year	2,390	10,034
Payment due between two and five years	2,534	4,630
	<u>78,490,904</u>	<u>81,067,654</u>

Operating lease commitments for 2018 have been updated from prior year financial statements to reflect annual rent escalation costs. NYUL leases are guaranteed by New York University.

13. PENSION COMMITMENTS

The charity participates in a multi-employer defined benefit pension scheme known as the Universities Superannuation Scheme ("USS").

The total cost charged to the profit and loss account is £780,537 (2018: £283,906) as shown below. A key factor used to calculate the provision is the element future contribution rate that relates to funding the existing deficit. This is finalized once the triennial valuation of the scheme has been completed.

The latest available full actuarial valuation of the scheme was at 31 March 2017 (the valuation date), which was carried out using the projected unit method.

Since the institution cannot identify its share of scheme assets and liabilities, the following disclosures reflect those relevant for the scheme as a whole.

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 AUGUST 2019

13. PENSION COMMITMENTS (continued)

The 2017 valuation was the fourth valuation for USS under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £64.4 billion and the value of the scheme's technical provisions was £76.5 billion indicating a shortfall of £12.1 billion. The assets therefore were sufficient to cover 84.00% of the benefits which had accrued to members after allowing for expected future increases in earnings.

Defined benefit liability numbers for the scheme have been produced using the following assumptions:

	2019	2018
Discount rate	2.44%	2.64%
Pension salary growth	n/a	n/a
Price inflation (Consumer Prices Index)	2.11%	2.02%

Mortality – base table

	2019	2018
<u>Pre-retirement</u>		
71.00% of AMC00 (duration 0) for males and 112.00% of AFC00 (duration 0) for females		71.00% of AMC00 (duration 0) for males and 112.00% of AFC00 (duration 0) for females.
<u>Post-retirement</u>		
96.50% of SAPS SINMA 'light' for males and 101.30% of RFV00 for females		96.50% of SAPS SINMA 'light' for males and 101.30% of RFV00 for females

The main demographic assumption used related to the mortality assumptions. These assumptions have been updated for the 31 March 2019 accounting position based on an updated analysis of the scheme's experience carious out as part of the 2019 actuarial valuation. To allow for further improvements in mortality rates the CMI 2017 projections with a 1.80% and 1.60% long term rate were also adopted for males and female, respectively. The current life expectancies on retirement at age 65 are:

	2019	2018
Males currently aged 65 years	24.6	24.5
Females currently aged 65 years	26.1	26.0
Males currently aged 45 years	26.6	26.5
Females currently aged 45 years	27.9	27.8

	2019	2018
Scheme assets	£64.4 billion	£63.6 billion
Total scheme liabilities	£76.5 billion	£72.0 billion
FRS 102 total scheme deficit	£12.1 billion	£8.4 billion
FRS 102 total funding level	84.00%	88.00%

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 AUGUST 2019

13. PENSION COMMITMENTS (continued)

It is not possible to identify separately the company's share of the FRS102 figures shown above relating to the overall FRS102 deficit shown above. Therefore, in accordance with FRS102, the scheme is accounted for as a defined contribution scheme but provision is made for the present value of the element of the expected future contributions which is intended to eliminate the deficit. The table below sets out the movement in the provision.

	2019 £	2018 £
As the beginning of the year	283,906	331,648
Contributions paid	(10,976)	(19,671)
Changes in expected contributions	501,643	(34,704)
Unwinding of discount	5,964	6,633
As the end of the year	780,537	283,906

The pension provision has been calculated using the following assumptions:

	2019	2018
Discount rate	1.58%	2.00%
Salary inflation	2.50%	2.50%
Staff Changes	1.50%	1.50%

14. RELATED PARTIES AND RELATED PARTY TRANSACTIONS

The charity is a company limited by guarantee, not having a share capital. Every member undertakes to contribute an amount not exceeding £1 to the assets of the charity in the event of the charity being wound-up during the period of membership, or within one year thereafter. The sole member of the charity is currently New York University, 70 Washington Square South, New York, NY 10003, United States of America.

The largest and only group in which the results of the charity are consolidated is that headed by New York University. The consolidated accounts of New York University are available from the Controller, New York University, 105 East 17th Street, New York, NY 10003, United States of America.

NYUL is closely related to New York University, which is the sole company law member of the charity. New York University is the principal funder of NYUL. One of the Trustees is also an employee of New York University. Transactions with New York University are disclosed in the preceding pages of these financial statements.

There are no other related party transactions to be disclosed.

NYU IN LONDON

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 AUGUST 2019

15. FINANCIAL INSTRUMENTS

	2019 £	2018 £
Financial assets held at amortised cost	721,279	1,971,255
Financial liabilities held at amortised cost	1,425,057	2,209,397

Financial assets at amortised cost represents other debtors and staff loans, accrued income (Note 7) and cash. Financial liabilities held at amortised cost represents other taxes and social security costs, accrued expenses, income received in advance (Note 8) and pension liability (Note 9).

16. SUBSEQUENT EVENTS

Since August 31, 2019, there has been an updated valuation to the Universities Superannuation Scheme (USS) which has been made available to all universities that are members of the scheme. This valuation is based on the new schedule of contributions and significantly decreases liability for the deficit that NYU in London recorded from the £780,537 to £437,094, that is currently in Note 13. This is a release to the Statement of Financial Activities of £343,443.

Due to this information not being available at the year-end date, the impact of the updated USS valuation has been reflected through this post balance sheet event disclosure and is not accounted for within the 2018/19 financial statements.

