

NYU IN LONDON
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

Registered Charity Number: 1079555
Registered Company Number: 03755048

NYU IN LONDON

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

CONTENTS

Page

Trustees' Report (including the Strategic Report):

2

Independent Auditors' Report

12

Statement of Financial Activities

15

Balance Sheet

16

Cash flow Statement

17

Accounting Policies

18

Notes to the Financial Statements

20

NYU IN LONDON

TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees present their annual report and the audited financial statements of NYU in London ("NYUL") for the year ended 31 August 2023. This Trustees' Report addresses the requirements for an annual report under section 162 of the Charities Act 2011 and the requirements of the Part 15 of the Companies Act 2006.

REFERENCE AND ADMINISTRATIVE DETAILS

The trustees of the charity, who are also the directors of the company for the purposes of company law, through June 21, 2023 were Dr. Linda Mills, Ms. Caroline Guen, and Mr. Bing-Le Wu.

Ms. Nancy Morrison, Ms. Valeria Napoleone, and Ms. Annette Mason were appointed as trustees on June 22, 2023 for a one-year term. Ms. Mason resigned as of July 31, 2023. Ms. Napoleone, and Ms. Mason were the trustees as of August 31, 2023. Mr. John Winter was appointed as a trustee on September 1, 2023.

The trustees have made the following professional appointments:

Solicitor: Eversheds Sutherland, 1 Wood Street, London, EC2V 7WS

Payroll Management: KPMG LLP, 1 Puddle Dock, London, EC4V

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: Mr. Moji Moatamedi, Site Director NYU London taking over from Ms. Catherine Robson on 1st January 2023; Dr. Amy Rowe, Associate Director for Academic Affairs; Mr. Nigel Freeman, Associate Director for Student Life; Mr. Simon Coleman, Acting Associate Director of Administration taking over from Ms. Ruth Tucker, Associate Director of Administration on 1st January 2023 to 23 July 2023.

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.

NYU IN LONDON

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

FOR THE YEAR ENDED 31 AUGUST 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

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, 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 site Director and an Academic Director, assisted by three Associate Directors. There is a permanent staff office staff of 34, of whom 3 are part time, and teaching staff of 113. 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 New York University ("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 generally appointed by the member for a 3-year term, unless otherwise decided by the member, 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 2022-23 these employees were: Mr. Moji Moatamedi, Executive Site Director NYU London taking over from Ms. Catherine Robson on 1st January 2023, who was named Academic Director; Dr. Amy Rowe, Associate Director for Academic Affairs; Mr. Nigel Freeman, Associate Director for Student Life; Mr. Simon Coleman, Acting Associate Director of Administration taking over from Ms. Ruth Tucker, Associate Director of Administration on 1st January 2023 to 23 July 2023.

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.

NYU IN LONDON

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

FOR THE YEAR ENDED 31 AUGUST 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Remuneration and Benefits Received by Key Personnel (continued)

The pay of the senior staff is reviewed annually and normally increased in accordance with the Annual Merit Increase awarded to administrative staff of NYU 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

The focus of NYU London is the move to new premises, 265 Strand, for the next academic year. Hence, NYU London centred on comprehensive preparation, both mentally and physically, for the impending relocation, with the goal of providing students with an exceptional experience during their semester or two in London. The detailed plan for a new building has been shared with staff, fostering their active involvement, and generating enthusiasm among faculty members for the planned move in the next academic year.

Efforts were also made to address the need for science laboratory facilities, resulting in a fruitful discussion with the science faculty and the identification of future partners.

Collaborations with future neighbours such as LSE and Kings College are considered of paramount importance, with ongoing conversations in place to shape the growth of NYU London.

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.

NYU IN LONDON

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

FOR THE YEAR ENDED 31 AUGUST 2023

OBJECTIVES AND ACTIVITIES (continued)

Charitable Objectives (continued)

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.

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.

Over 16 years ago, NYU 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 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-sponsored curriculum provides students with the unique occasion to learn about British culture by working with British arts professionals in specialized arts training, and we were delighted to organize the Spring 2023 end-of-semester performances by our talented Tisch students on this program. The RADA Shakespeare performance of *The Tempest*, held at RADA's John Gielgud theatre, was a runaway success, and the staged readings of works from the Advanced Screenwriting track at the Bush Theatre were a thrilling testament to the students' achievements.

Since Spring 2019, NYUL has also partnered with the National Film and Television School ("NFTS") to offer students a course titled *Directing the Actor* during the spring semester each year, further expanding the exclusive learning opportunities NYUL students can have access to. We restarted this important partnership in Spring 2022, and in Spring 2023 a full cohort of 12 students visited the NFTS each week to study *Directing the Actor*. Each student had the exciting opportunity to shoot and direct a short scene with professional actors at the conclusion of the program.

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 it is 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.

We have been delighted to be able to welcome increasing numbers of students through the course of the year. In Fall 2022 we welcomed 447 undergraduate upperclass students, 90 of which were freshmen, and 9 Master of Arts students studying in London for nine months. In Spring 2023, we ended the year with 488 undergraduate students.

In Summer 2023 across all programs we had 126 undergraduate students.

In Fall 2022, we offered 82 undergraduate courses, with 120 sections taught by 78 lecturers; in Spring 2023, this rose to 88 undergraduate courses, with 136 sections taught by 81 lecturers.

We were also delighted to once again welcome Global Research Institute (GRI) fellows to NYU London during 2022-23; in Fall 2022 we welcomed 1 professorial and 6 graduate student fellows. In Spring 2023, we welcomed 4 professorial and 10 graduate student fellows, and the Summer 2023 GRI supported 5 graduate students attending the summer dissertation workshop.

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

FOR THE YEAR ENDED 31 AUGUST 2023

OBJECTIVES AND ACTIVITIES (continued)

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. 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.

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 wherever possible.

Throughout 2022-23, we continued to offer students leadership opportunities in the newly-created Student Rep roles in diversity, equity and inclusion (DEI), sustainability, community building, and student health and well-being; allowing student leaders to augment the support given by professional staff, as well as to work with the more established student leadership roles of Global Ambassador, Student Council and Global Equity Fellow.

More recently, the site has set up a new Inclusive Action Committee, which students are invited to be a member of. The aim is to ensure that all students have an opportunity to shape GIDBEA/DEI work in a holistic manner alongside staff and faculty members of the Committee.

We also continue to work hard to devise ways to play our part in NYU's broad and vital mission to create more sustainable practices, large and small, to combat climate change.

We are hopeful the reestablishment of The Green Committee will also provide further opportunities for staff and students to make recommendations and suggestions for tangible changes about how our NYUL community engages with and protects the environment.

An annual NYU London Day in May 2023 organized to further strengthen community engagement and collaboration amongst NYUL faculty and staff.

NYU IN LONDON

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

FOR THE YEAR ENDED 31 AUGUST 2023

ACHIEVEMENTS AND PERFORMANCE (continued)

Activities and Events (continued)

We were very pleased to introduce three new courses at NYU London during the 2022-2023 academic year:

Writing the TV Pilot: London

Biochemistry

Biostatistics for Public Health

We have been able to support short-term programmes again, including one hundred students on six separate J-Term courses from NYU Abu Dhabi, NYU Gallatin, NYU Public Health, NYU Steinhardt and NYU Stern, and several other NYU summer programmes.

- The departure of our Student Life Coordinator and another key Student Life team member along with further changes in our resident life team led to the recruitment of four new student affairs staff to bolster our capabilities and resources over the course of the year.
- With a full team of staff on board, we have started to work as a group to cohesively blend our package of student programming, which has traditionally introduced students to historic aspects of British culture, with a number of more contemporary key themes and initiatives highlighted as priorities by the University (GIDBEA, Sustainability, Wellbeing programming). We ran a number of themed weeks which included visits to Brixton and Liverpool which allowed us to explore issues of diversity and race in this country, and led our first weekend trip since before the pandemic, with 32 students travelling to Wales to volunteer with the Snowdonia National Park on a conservation project. We are developing semester-long plans for our full range of programming activities, while still maintaining some spontaneous programming which can be delivered by student leaders (including Peer Mentors, Student Ambassadors, Global Equity Fellows, Bronfman Ambassador) who we support in their work.
- There are significant challenges in the availability of quality student accommodation in London, but we continue to enjoy an excellent partnership with Urbanest where student feedback is positive. We accommodated students in more residence halls than usual, five in the fall and six in the spring, including three new residences and two which are approximately two miles from the academic centre. The University invested in a window repairs at Byron Court in the summer. We also refreshed two communal spaces at Byron Court to modernise them and replace furniture.
- Financial concerns have become more evident and are affecting more students than ever before, and we continue to find ways to support students with the increasingly expensive cost-of-living in the city. Our team offers a wide range of free or low-cost activities and NYU London provides public transport cards loaded with credit upon arrival. We saved many of the textbooks left behind by previous students and organised a book re-use drive for incoming students to help students with these costs. Our food pantry provides food cupboard essentials for students at risk of food insecurity whilst in London.

NYU IN LONDON

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

FOR THE YEAR ENDED 31 AUGUST 2023

ACHIEVEMENTS AND PERFORMANCE (continued)

Public Benefit

During the year 2022-23 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, factoring in the variety of restrictions NYUL has operated under throughout the year:

- In 2022-23 we developed a small number of voluntary student leadership positions within NYUL, to enable some of our students to more fully integrate with and contribute to their new community, but also to help NYUL support our student community throughout the year, and we maintained these positions during 2021-22. These positions included that of Site Ambassador, Global Equity Fellows, Green Reps, DEI Reps, Wellbeing Reps, Hillel Ambassador (ambassador for Jewish students), Freshman Student Council, Grad Reps, newspaper editors (Bedford Square News) and club/society leaders (Writing Café, LGBTQIA+, Black Students' Union, Finance Club, Professional Development Society etc.). The students who took up these positions played a significant role in the success of NYUL's community throughout the year. We advertised these opportunities in our pre-arrival communication, during our online orientation and welcome events, and throughout the semester in our weekly "The London Lowdown" newsletter. We now also have a well-established volunteering/getting involved page that lists opportunities available in detail.
- As some of our students do not have the opportunity to volunteer regularly, we organize one-off volunteering opportunities. In Fall 2022, we organized a trip to Whistable, where we joined a local beach clean.
- In Spring 2023, we reintroduced an overnight volunteering trip - something we hadn't done since pre-COVID. This trip included a weekend stay at the Bryn Du Mountain Centre in the village of Llanberis, located in the heart of North Wales. The weekend was centered around a volunteering trip to Bryncir Home Farm within Snowdonia National Park, to assist the Snowdonia National Park Authority workers to chop down bamboo growing within the forest areas. The growing bamboo which has spread over Snowdonia is currently endangering and killing off local plants and foliage in the National Park, and being able to assist the Authority workers in chopping down the bamboo will help to preserve Snowdonia's unique and natural habitat.

FINANCIAL REVIEW

Financial Results of Activities & Events

The total income of NYUL was £144,918,507 for the year ended 31 August 2023 (2022: £12,821,220). The total expenditure was £21,041,961 (2022 - restated: £14,220,243). Total current assets at 31 August 2023 were £2,657,690 (2022: £626,905) and total current liabilities were £2,294,036 (2022: £969,710). Total charity funds at 31 August 2023 were positive £121,580,129 (2022 - restated: negative £2,296,417). There was a positive net movement in funds for the year ended 31 August 2023 of £123,876,546 (2022 - restated: negative £1,399,023). The details of the restatement are described in note 14 to the financial statements. The increase in total income and the positive net movement in funds is the result of one-time funding revenue from NYU New York of £123,457,142 to acquire a freehold building which NYUL has recorded as an asset using the purchase price as the fair value. This property is undergoing construction and development to provide additional administrative, instructional, and auxiliary space.

NYU continues to support NYUL and will continue to support NYUL for the foreseeable future. NYU has approved an FY23 budget for the academic year through 31 August 2024. NYU has also provided a formal letter of support confirming continuing support through May 2025. NYU has committed funds to cover NYUL's costs over the next 12 months and therefore there are no going concern issues.

NYU IN LONDON

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

FOR THE YEAR ENDED 31 AUGUST 2023

FINANCIAL REVIEW (continued)

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

- To increase the number of students and to further develop the summer and intersession (January) programmes at NYUL considering the relocation to new premises in the next semester.
- 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 - SAAC) in New York to ensure prioritization of needs and that standards are maintained and validated by the UK QAA (planned visit in 2023) 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 continuously review 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 organizations or institutions that further NYUL's charitable purposes.

Public Benefit

In the future, when circumstances allow, 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 NFTS.

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, when possible.

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 5 (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.

NYU IN LONDON

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

FOR THE YEAR ENDED 31 AUGUST 2023

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Disclosure of principal risks and uncertainties (continued)

From a financial perspective, NYUL is reliant on ongoing funding from NYU. The risk of all 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 LLP in liaison with senior management at NYU 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 authorized 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, and to risk assess any external spaces considered for hire prior to NYUL's commitment.

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.

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.

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

FOR THE YEAR ENDED 31 AUGUST 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES (continued)

Trustees' & Directors' Responsibilities in the Preparation of Financial Statements (continued)

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 (2019);
- 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.

Trustees' Indemnities

As permitted by the Memorandum of Association, the Trustees have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity in relation to certain losses and liabilities in connection with the Trustees' duties was in force during the course of the financial year ended 31 August 2023 and is currently in force.

Statement as to Disclosure of Information to the Auditors

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, and the financial statements on pages 15 to 31 were approved by the trustees on and was signed for and on behalf of the board by



Nancy Morrison
Trustee
April 9, 2024

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 2023 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, including 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 2023; 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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the charitable company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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.

With respect to the Trustees' Report and the Strategic Report included within it, we also considered whether the disclosures required by the UK Companies Act 2006 and Charities Act 2011 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires 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 Strategic Report and Trustees' Report for the period ended 31 August 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Trustees' Report.

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, the trustees (who are also the directors of the charitable company for the purposes of company law) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the charitable company and its industry/environment, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of journals that could mask the misappropriation of assets. Audit procedures performed by the engagement team included:

- identifying and testing journal entries that we identified could conceal misappropriation of assets;
- obtaining independent confirmations of cash balances as at 31 August 2023;
- enquiry of management and the board of trustees, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- reading the minutes of meetings of the board of trustees; and
- assessing financial statement disclosures, and agreeing these to supporting evidence, for compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC'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 company'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 obtained 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 charitable company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

David Hagger

David Hagger (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
9 April 2024

NYU IN LONDON

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

FOR THE YEAR ENDED 31 AUGUST 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 (restated) £
INCOME FROM:					
<i>Donations</i>	1	-	230,926	230,926	300,025
<i>Funding to acquire freehold building</i>	2	123,457,142	-	123,457,142	-
<i>Charitable activities:</i>					
Supporting and promoting education	2	21,230,439	-	21,230,439	12,521,195
TOTAL		<u>144,687,581</u>	<u>230,926</u>	<u>144,918,507</u>	<u>12,821,220</u>
EXPENDITURE ON:					
<i>Charitable activities</i>					
Supporting and promoting education	3	20,811,035	230,926	21,041,961	14,220,243
TOTAL		<u>20,811,035</u>	<u>230,926</u>	<u>21,041,961</u>	<u>14,220,243</u>
Net movement in funds		<u>123,876,546</u>	<u>-</u>	<u>123,876,546</u>	<u>(1,399,023)</u>
RECONCILIATION OF FUNDS					
Fund balances brought forward		<u>(2,313,017)</u>	<u>16,600</u>	<u>(2,296,417)</u>	<u>(897,394)</u>
FUND BALANCES CARRIED FORWARD	10	<u><u>121,563,529</u></u>	<u><u>16,600</u></u>	<u><u>121,580,129</u></u>	<u><u>(2,296,417)</u></u>

The net movement in funds for the year arises from the charity's continuing activities and funding to acquire freehold building. The details of the restatement are described in note 14 to the financial statements.

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.

BALANCE SHEET

AS AT 31 AUGUST 2023

		2023	2022
		£	(restated) £
FIXED ASSETS	Note		
Tangible assets	6	123,526,812	118,718
CURRENT ASSETS			
Debtors	7	1,061,258	198,465
Cash at bank and in hand		1,596,432	428,440
		<u>2,657,690</u>	<u>626,905</u>
LIABILITIES			
Creditors: amounts falling due within one year	8	2,294,036	969,710
NET CURRENT ASSETS / (LIABILITIES)		<u>363,654</u>	<u>(342,805)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>123,890,466</u>	<u>(224,087)</u>
Provisions for liabilities and charges	9	2,310,337	2,072,330
NET ASSETS / (LIABILITIES)		<u><u>121,580,129</u></u>	<u><u>(2,296,417)</u></u>
THE FUNDS OF THE CHARITY			
Restricted income funds			
NYU Support Fund	10	16,600	16,600
Unrestricted income funds			
General fund	10	121,563,529	(2,313,017)
TOTAL CHARITY FUNDS	11	<u><u>121,580,129</u></u>	<u><u>(2,296,417)</u></u>

The accompanying notes numbered 1 to 17 form part of these financial statements. The details of the restatement are described in note 14 to the financial statements.

The financial statements were approved and authorised for issue by the trustees on December 18, 2023 and signed on their behalf by:



Nancy Morrison
Trustee

NYU IN LONDON

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Net cash generated from operating activities	A	1,173,062	24,305
Cash used in investing activities			
Payments to acquire tangible fixed assets		(5,070)	(32,542)
Change in cash		1,167,992	(8,237)
Cash brought forward		428,440	436,677
Cash carried forward		<u>1,596,432</u>	<u>428,440</u>

Notes to the cash flow statement

A. Reconciliation of net movement in fund to net cash generated from operating activities	2023 £	2022 (restated) £
Net movement in fund	123,876,546	(1,399,023)
Noncash acquisition of freehold building	(120,899,239)	-
Noncash acquisition of assets in the course of construction	(2,557,903)	-
Depreciation	54,118	87,468
(Increase)/decrease in debtors	(862,793)	365,753
Increase in creditors	1,324,326	342,470
Increase in provisions	238,007	627,637
Net cash generated from operating activities	<u>1,173,062</u>	<u>24,305</u>

New York University in London does not maintain any debt and therefore no reconciliation of net debt is presented as equivalent information is presented in the cash flow statement above. The details of the restatement are described in note 14 to the financial statements.

NYU IN LONDON

ACCOUNTING POLICIES

YEAR ENDED 31 AUGUST 2023

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', with the Statement of Recommended Practice 'Accounting and Reporting by Charities' FRS 102 as revised in October 2019 ('the SORP 2019'), and with the Companies Act 2006.

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 through a formal signed letter of support 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 recoverable tax, 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 recognised as support is received. Support received in advance of incurring related costs is recognized as income received in advance within 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 £3,944 (USD \$5,000) 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 of tangible fixed assets begins when the asset is available for its intended use. That is, depreciation begins when the asset is in the location and condition necessary for it to operate in the manner intended by management. 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:

Freehold buildings	50 years
Leasehold improvements	10 years
Furniture, fixtures and equipment	7 years

NYU IN LONDON

ACCOUNTING POLICIES (continued)

YEAR ENDED 31 AUGUST 2023

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.

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

NYU in London applies sections 11 (Basic Financial Instruments) and 12 (Other Financial Instruments Issues) of FRS 102 when applicable. 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.

NYU IN LONDON

ACCOUNTING POLICIES (continued)

YEAR ENDED 31 AUGUST 2023

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 financial statements. Amounts unspent at the year-end are carried forward in the balance sheet.

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 as disclosed above which determines depreciation expense (note 6) and the USS Pension Scheme valuation inputs including discount rate, staff growth, and staff inflation (note 13).

CONTINGENT LIABILITIES

A contingent liability arises from a past event that gives NYUL a probable obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of NYUL. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably. Contingent liabilities are not recognised in the statement of financial position but are disclosed in the notes.

NOTES TO THE FINANCIAL STATEMENTS

1. DONATIONS	Unrestricted funds	Restricted funds	Total 2023
	£	£	£
NYU Support Fund	-	230,926	230,926

DONATIONS	Unrestricted funds	Restricted funds	Total 2022
	£	£	£
NYU Support Fund	-	300,025	300,025

NYU IN LONDON

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 AUGUST 2023

2. INCOME RECEIVED FROM NYU	Unrestricted funds	Restricted funds	Total 2023
	£	£	£
Income from New York University for NYU in London	21,230,439	-	21,230,439
Funding from New York University to acquire freehold building	123,457,142	-	123,457,142
	<u>144,687,581</u>	<u>-</u>	<u>144,687,581</u>
	Unrestricted funds	Restricted funds	Total 2022
	£	£	£
Income from New York University for NYU in London	12,521,195	-	12,521,195
	<u>12,521,195</u>	<u>-</u>	<u>12,521,195</u>

3. SUPPORTING AND PROMOTING EDUCATION

	Total 2023	Total 2022
	£	£
Payroll costs	1,748,430	1,071,630
Other direct staff costs	1,182,260	1,223,624
Operating lease cost	9,853,229	6,818,883
Materials and other costs	414,692	214,007
Student Life costs	612,799	406,986
Donations to New York University	230,926	300,025
USS Pension Scheme charge	149,834	571,098
Support and governance (see note 4)	6,849,791	3,613,990
	<u>21,041,961</u>	<u>14,220,243</u>

NYU IN LONDON

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 AUGUST 2023

4. SUPPORT COSTS (including governance)

	Total 2023 £	Total 2022 (restated) £
<i>Support</i>		
Indirect payroll	1,548,071	1,197,927
Other staff related costs	136,286	40,903
Property and maintenance	3,549,931	1,644,732
Depreciation	54,118	87,468
Leased plant and machinery	21,086	15,224
Administrative expenses	277,165	269,541
Legal and professional	1,231,934	330,555
Auditors' remuneration (including VAT)		
Audit fees – current year	31,200	27,640
	<u>6,849,791</u>	<u>3,613,990</u>

Property and maintenance costs have been restated for 2022. The details of the restatement are described in note 14 to the financial statements.

5. STAFF COSTS

	2023 Number	2022 Number
The average monthly number of persons employed by the charity (excluding trustees) during the year was, as follows:		
Teaching staff	61	48
Office staff	33	30
	<u>94</u>	<u>78</u>
	2023 £	2022 (restated) £
Staff costs for the above persons:		
Wages and salaries	3,774,255	2,918,865
Social security costs	315,443	236,338
USS Pension Scheme provision charge	149,834	571,098
Other pension costs	312,769	232,675
	<u>4,552,301</u>	<u>3,958,976</u>

USS Pension Scheme provision charge is contributions paid and changes in expected contributions (note 9).

Amounts within wages and salaries, social security costs and other pension costs for the year ended 31 August 2022 have been reclassified to allocate employer and employee contributions according to the presentation of the year ended 31 August 2023 accounts.

NYU IN LONDON**NOTES TO THE FINANCIAL STATEMENTS (continued)****YEAR ENDED 31 AUGUST 2023**

5. STAFF COSTS (continued)

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.

	2023	2022
	Number	Number
£60,000 to £69,999	4	5
£70,000 to £79,999	1	-
£80,000 to £89,999	1	1
£140,000 to £149,999	1	-
£260,000 to £269,999	-	1
£270,000 to £279,999	1	-
	<u>8</u>	<u>7</u>

The trustees and legal directors received no remuneration for their services to the charity and were not reimbursed for any expenses incurred on behalf of the charity during the current or previous year.

The remuneration of the Key Management Personnel, who comprise the executive site director (1), the academic director (1) and associate directors (4) of NYU London was £861,699 (2022: executive director (1) and associate director (1) £346,294). This figure includes all remuneration whether taxable or not.

NYU IN LONDON

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 AUGUST 2023

6. TANGIBLE ASSETS

	Freehold buildings	Assets in the course of construction	Leasehold improvements	Furniture, fixtures & equipment	Total
	£	£	£	£	£
Cost					
1 September 2022 (<i>restated</i>)	-	-	2,607,427	1,052,525	3,659,952
Additions	120,899,239	2,557,903	-	5,070	123,462,212
	<u>120,899,239</u>	<u>2,557,903</u>	<u>2,607,427</u>	<u>1,057,595</u>	<u>127,122,164</u>
At 31 August 2023	120,899,239	2,557,903	2,607,427	1,057,595	127,122,164
	<u>120,899,239</u>	<u>2,557,903</u>	<u>2,607,427</u>	<u>1,057,595</u>	<u>127,122,164</u>
Accumulated Depreciation					
1 September 2022 (<i>restated</i>)	-	-	2,550,718	990,516	3,541,234
Charge for the year	-	-	34,424	19,694	54,118
	<u>-</u>	<u>-</u>	<u>2,585,142</u>	<u>1,010,210</u>	<u>3,595,352</u>
At 31 August 2023	-	-	2,585,142	1,010,210	3,595,352
	<u>-</u>	<u>-</u>	<u>2,585,142</u>	<u>1,010,210</u>	<u>3,595,352</u>
Net book value					
31 August 2022 (<i>restated</i>)	-	-	56,709	62,009	118,718
	<u>-</u>	<u>-</u>	<u>56,709</u>	<u>62,009</u>	<u>118,718</u>
31 August 2023	120,899,239	2,557,903	22,285	47,385	123,526,812
	<u>120,899,239</u>	<u>2,557,903</u>	<u>22,285</u>	<u>47,385</u>	<u>123,526,812</u>

NYU has reserved the right to approve all capital projects and material contracts relating to the 265 Strand building, including as to its financing, sale, lease, and use. The details of the restatement are described in note 14 to the financial statements.

7. DEBTORS

	2023 £	2022 £
Prepayments and accrued income	1,061,258	198,465
	<u>1,061,258</u>	<u>198,465</u>

8. CREDITORS: amounts falling due within one year

	2023 £	2022 £
Taxation social security	74,886	47,858
Income received in advance	1,596,432	428,440
Accruals and deferred income	622,718	493,412
	<u>2,294,036</u>	<u>969,710</u>

Income received in advance represents excess cash funded from New York University to the charity that is used within the subsequent year.

9. PROVISIONS FOR LIABILITIES AND CHARGES

	2023 £	2022 (restated) £
Provision for restoration costs	1,176,000	1,119,462
Pension deficit contributions (USS)	1,134,337	952,868
	<u>2,310,337</u>	<u>2,072,330</u>

Provision for restoration costs is the dilapidation provision as required within the existing operating lease contracts for buildings leased by NYUL.

It is not possible to identify separately the company's share of assets and liabilities relating to the overall USS pension scheme as discussed in note 13. 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 within the scheme based on the 2020 actuarial valuation of the scheme. The table below sets out the movement in the provision.

	2023 £	2022 £
As the beginning of the year	952,868	381,770
Contributions paid	(74,699)	(25,860)
Changes in expected contributions	224,533	593,598
Unwinding of discount	31,635	3,360
As the end of the year	<u>1,134,337</u>	<u>952,868</u>

The pension provision has been calculated using the following assumptions:

	2023	2022
Discount rate	5.51%	3.32%
Salary inflation	2.50%	2.50%
Staff Changes	1.00%	1.00%

NYU IN LONDON

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 AUGUST 2023

10. THE FUNDS OF THE CHARITY	1 September 2022 (restated) £	Income £	Expenditure & Transfers £	31 August 2023 £
Restricted Income Funds				
NYU Support Fund	16,600	230,926	230,926	16,600
Unrestricted Income Funds				
General Fund	(2,313,017)	21,230,439	20,811,035	(1,893,613)
Funding to acquire freehold building	-	123,457,142	-	123,457,142
TOTAL FUNDS	<u>(2,296,417)</u>	<u>144,918,507</u>	<u>21,041,961</u>	<u>121,580,129</u>
THE FUNDS OF THE CHARITY	1 September 2021 £	Income £	Expenditure & Transfers £	31 August 2022 (restated) £
Restricted Income Funds				
NYU Support Fund	16,600	300,025	300,025	16,600
Unrestricted Income Funds				
General Fund	(913,994)	12,521,195	13,920,218	(2,313,017)
TOTAL FUNDS	<u>(897,394)</u>	<u>12,821,220</u>	<u>14,220,243</u>	<u>(2,296,417)</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 2023

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS	Fixed Assets 2023	Net Current Assets and Liabilities 2023	Total 2023
	£	£	£
Restricted Income Funds			
NYU Support Fund	-	16,600	16,600
Unrestricted Income Funds			
General Fund	123,526,812	(1,963,283)	121,563,529
	<u>123,526,812</u>	<u>(1,946,683)</u>	<u>121,580,129</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS	Fixed Assets 2022	Net Current Assets and Liabilities 2022	Total 2022
	£	£	£
Restricted Income Funds			
NYU Support Fund	-	16,600	16,600
Unrestricted Income Funds			
General Fund (<i>restated</i>)	118,718	(2,431,735)	(2,313,017)
	<u>118,718</u>	<u>(2,415,135)</u>	<u>(2,296,417)</u>

The details of the restatement are described in note 14 to the financial statements.

12. COMMITMENTS UNDER OPERATING LEASES	2023 £	2022 £
At 31 August the charity had total minimum commitments under non-cancellable operating leases as follows:		
Land and buildings		
Payment due within one year	9,300,163	9,648,988
Payment due between two and five years	33,767,946	32,074,861
Payment due after five years	13,840,596	22,312,753
Equipment		
Payment due within one year	-	15,628
Payment due between two and five years	-	-
	<u>56,908,705</u>	<u>64,052,230</u>

13. PENSION COMMITMENTS

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

As of 31 August 2023, the most recent valuation of the scheme was the 2020 valuation. This valuation was the sixth valuation for the scheme 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 asset of the scheme was £66.5 billion and the value of the scheme’s technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%. As a result, the scheme was required to agree a deficit recovery plan with scheme employers (the 2020 Recovery Plan). The 2020 Recovery Plan required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate will be increased to 6.3%.

When accounting for the scheme in its financial statements, since the charity cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the charity accounts for the scheme as a defined contribution scheme, as required by FRS 102. Furthermore, since NYUL has entered into an agreement (the 2020 Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, NYUL recognises a liability for the contributions payable that arise from the agreement with related expenses being recognised through the statement of financial activities. As the 2020 Recovery Plan was in place as of 31 August 2023, the 2023 deficit recovery liability, recognized as a provision, reflects the contributions required by the Recovery Plan.

The total cost charged to the statement of financial activities is £181,469 (2022: £571,098). The liability figures of the scheme have been produced using the assumptions found in note 9 and are based on the schedule of contributions agreed on 28 March 2022.

A further valuation of the scheme was finalised on 20 December 2023. This valuation (the 2023 valuation) showed that as of 31 March 2023, the scheme’s assets exceeded the scheme’s liabilities on a technical provisions basis and as such, no recovery plan was needed. Therefore, deficit recovery contributions cease to be payable as of 31 December 2023. The provision under NYUL will be released during the year ending 31 August 2024.

The following disclosures relate to the scheme as a whole. The defined benefit liability numbers within the actuarial valuations of the scheme were produced using the following assumptions:

2020 valuation

Pension increases (CPI)	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.1% p.a. to 2030, reducing linearly by 0.1% p.a. to a long-term difference of 0.1% p.a. from 2040.
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.75% p.a. Post retirement: 1.00% p.a.

2023 valuation

Pension increases (CPI)	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.0% p.a. to 2030, reducing to 0.1% p.a. from 2030.
-------------------------	---

13. PENSION COMMITMENTS (continued)

Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.5% p.a. Post retirement: 0.9% p.a.
-------------------------------	--

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:

2020 valuation

Mortality base table	101% of S2PMA "light" for males and 95% of S3PFA for females
Future improvements to mortality	CMI 2019 with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. and a long-term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females

2023 valuation

Mortality base table	101% of S2PMA "light" for males and 95% of S3PFA for females
Future improvements to mortality	CMI 2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a., 10% w2020 and w2021 parameters, and a long term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females

The current life expectancies on retirement at age 65 are:

	2023 valuation	2020 valuation
Males currently aged 65 years	24.0	23.9
Females currently aged 65 years	25.6	25.5
Males currently aged 45 years	26.0	25.9
Females currently aged 45 years	27.4	27.3

USS also presents in its annual report and accounts, the value of liabilities as if calculated in accordance with FRS 102. These amounts are shown below:

	2023	2022
Scheme assets	£73.1 billion	£66.5 billion
Total scheme liabilities	£66.1 billion	£80.6 billion
FRS 102 total scheme surplus/(deficit)	£7.0 billion	(£14.1 billion)
FRS 102 total funding level	111%	83.00%

14. PRIOR PERIOD ADJUSTMENT

The financial statements have been restated for restoration costs for leased property at 6 Bedford Square, which had an original lease period of March 30, 2011 to December 24, 2023. These costs were not accounted in prior periods, as the costs were not estimated at the inception of the lease or subsequently. As of August 31, 2023, NYUL estimated total restoration costs for the leased property to be £1,176,000. This consisted of £441,000 related to the restoration of the property associated with leasehold improvements and £735,000 related to changes to condition of the property through ongoing use. NYUL reconsidered the accounting for this transaction and has capitalized the estimated restoration expense relating to leasehold improvements and depreciated them over the life of the original lease, and has accrued for the restoration expenses evenly over the life of the original lease. NYUL also created a provision related to the restoration of leasehold improvements that were capitalized as a result of this change in accounting.

The impact of these changes is presented below:

Statement of Financial Activities - Extract

	As presented 2022 £	Prior period adjustment	Restated 2022 £
Expenditure on charitable activities	14,126,954	93,289	14,220,243
Total expenditure	14,126,954	93,289	14,220,243
Net movement in funds	(1,305,734)	(93,289)	(1,399,023)
Fund balances brought forward	110,405	(1,007,799)	(897,394)
Fund balances carried forward	(1,195,329)	(1,101,088)	(2,296,417)

Balance Sheet - Extract

	As presented 2022 £	Prior period adjustment	Restated 2022 £
Tangible assets	100,344	18,374	118,718
Total assets less current liabilities	(242,461)	18,374	(224,087)
Provisions for liabilities and charges	952,868	1,119,462	2,072,330
Net liabilities	(1,195,329)	(1,101,088)	(2,296,417)
Unrestricted income funds – general fund	(1,211,929)	(1,101,088)	(2,313,017)
Total charity funds	(1,195,329)	(1,101,088)	(2,296,417)

14. PRIOR PERIOD ADJUSTMENT (continued)

Cash Flow Statement - Extract

	As presented 2022 £	Prior period adjustment	Restated 2022 £
Net movement in fund	(1,305,734)	(93,289)	(1,399,023)
Depreciation	50,718	36,750	87,468
Increase in provisions	571,098	56,539	627,637
Net cash generated from operating activities	24,305	-	24,305

15. 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.

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. The largest and only group in which the results of the charity are consolidated is that headed by New York University. The consolidated financial statements of New York University are available from the Controller, New York University, 105 East 17th Street, New York, NY 10003, United States of America. One of the Trustees is also an employee of New York University (note 5). 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.

16. CONTINGENT LIABILITY

Under the lease agreements between NYUL and the landlord for the Byron and Guilford properties, NYUL is liable for the restoration or replacement of any of the landlord's fixtures and fittings, removal of any NYUL branding or installed fixtures, and restoration of any alterations if requested by the landlord.

It is not considered probable that a liability will be incurred for the restoration or replacement of any of the landlord's fixtures and fittings or the removal of any alterations. Additionally, it is not considered probable that material costs will be incurred for the removal of branding, or installed fixtures. As a result, this is classified as a contingent liability and is therefore disclosed within this note.

17. SUBSEQUENT EVENTS

The USS finalised the 2023 revaluation on 20 December 2023. At 31 March 2023, the scheme's assets exceeded the technical provisions and as such, the provision under NYUL will be released during the year ending 31 August 2024. Refer to note 13 for details.