

Registered number: 07317195
Charity Number: 1189858

NORTHEASTERN UNIVERSITY – LONDON

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

NORTHEASTERN UNIVERSITY – LONDON

Board of Trustees at report date	Dr Gregory Abowd Darren Campili – non exec Jonathan Goodwin– non exec Robert Farquharson (Secretary) Diane MacGillivray Thomas Nedell (Chair) Dr Deanna Ranieri (Vice Chair) Julietta Tenant-Dexter– non exec Patricia Wood
Senior Management Team <i>(also considered Key Management Personnel)</i>	Vanessa Carreras (Director of Finance) Dr Naomi Goulder (Dean for Academic Development and Innovation and interim Dean of Faculties) Robert Farquharson (Chief Executive Officer) Anthony Grayling (Founder and Principal) Rebecca Harrison (Assistant Director Academic Services) Emma Kelly (Head of EDGE Division London) Rebecca Morrison (Director of Academic Services and Registrar) Elizabeth O'Connell (Director of Admissions, Recruitment & Marketing) Dr Kasim Randeree (Associate Dean of Faculty Affairs) Martin Smith (Assistant Vice President for Recruitment and Marketing for Global Campuses) Dr Alison Statham (Associate Dean of Teaching and Learning) Sheena Van Der Merwe (Director of Resources & Operations) Caroline Ward (Director of HR, <i>joined KMP June 2023</i>) Dr Scott Wildman (Interim Academic Dean) Syed Zaidi (Director of Visa & Immigration Compliance, <i>joined KMP July 2023</i>)
Registered Company number	07317195
Registered Charity Number	1189858
Registered Office Address	Devon House, 58 St Katharine's Way London E1W 1LP
Independent Auditor	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Bankers	Barclays Bank plc 1 Churchill Place London, E14 5RB
Solicitors	Eversheds Sutherland (International) LLP 5 th Floor, 50/60 Station Road Cambridge, CB1 2JH

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The Trustees (who are Trustees of the charitable company) present their Annual Report for the year ended 30 June 2023 in accordance with the HE/FE SORP requirements as well as requirements under the Charities Act 2011, and the Companies Act 2006.

On 9th June 2020 NCH at Northeastern Limited (NCHNL) became a Registered Charity (registered charity number 1189858) and on 13th July 2022 it changed its name to Northeastern University - London (NU London) following approval for the use of university title granted by the Department for Education and the Office for Students.

STATEMENT OF CORPORATE GOVERNANCE

Governing Documents

The University is governed by its Articles of Association, last amended on 21 June 2022.

Governing Body

The NU London Board of Trustees ('The Board') is the statutory governing board of the legal entity. NU London owns the brand 'New College of the Humanities' as well as its dormant subsidiary New College of the Humanities Limited ('NCHL'), including its relationship with regulatory bodies and partner organisations. NU London Board is a limited liability company established under English and Welsh law. For the purposes of these financial statements the Trustees are referred to as Trustees.

The Board is legally responsible for the overall management and control of the University and, as such, has oversight and management of the strategic, financial and operational areas of the University's activities and all other aspects of the University's existence save for responsibilities delegated to the Academic Board in respect of the regulating and directing of the academic work of the University, including teaching (undergraduate and postgraduate degrees as well as degree apprenticeship programmes) and research.

The Board has ownership, oversight and management of the regulatory responsibilities and relationships of the University. In areas of academic procedures and policies it acts, as necessary, as the conduit for Academic Board (which has no separate legal standing) with the relevant regulatory body.

The Board meets four times a year.

In accordance with the Articles of Association, the Board has the power to delegate responsibility (but not accountability) to committees, directors, and the management of the University.

NU London Board has established the following committees to carry out its responsibilities. The number of members of any such committee and the terms on which they hold and vacate office shall be determined by the Board. Reports (at least annually) from these committees shall be received and considered by the Board where appropriate. See Organisational Management section below.

Recruitment and Training of Trustees

The Trustees roles are filled differently. There are five Trustees appointed by Northeastern University. The non-executive Trustees are recruited and appointed by the nominations committee of the NU London Board. The University uses a Skills Matrix to identify potential gaps prior to recruiting new Trustees.

The training of the Trustees depends on each individual's area of expertise but common areas of training would include English Higher Education Regulation and English law. This training is done either as part of the Board meetings or as required.

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Organisational Management

The Board delegates responsibility for University Management onto the following Committees.

- The Executive Committee (ExCo) is Chaired by the CEO and ensures there is effective leadership and management of all the activities undertaken by the University and provides a link between the Board and the senior management. It ensures that the strategic priorities as outlined in the NU London Strategic Plan are being met through the operational execution of Academic Board and the Senior Management Team. ExCo supplies the Board with reports, draft budgets and accounts, and reports on risk management. ExCo meets on a fortnightly basis.
- The Audit Committee (AC) was established to review audit policy, internal procedures and assurance on the use of public funds on behalf of the Board including the recommendation on auditors presented to the Board. Audit Committee meets at least once a year.
- The Remuneration Committee (RemCo) was established to determine and apply policy on behalf of the Board to remuneration and benefits, to ensure compliance with best practice in the UK and to set the remuneration of the executive members of University as set out in the Articles. In determining senior management remuneration, RemCo consider several factors, including performance and sector averages. In the year a benchmarking exercise was completed by a third party using data from the Universities and Colleges Employers Association (UCEA). This committee meets as needed during the twice a year. The appropriateness and relevance of the remuneration policy is reviewed annually including reference to comparisons with similar institutions to ensure that the University remains informed to broader issues of pay and employment terms and conditions.
- The Nominations Committee (NC) was established to review and approve appointment of members to the Board as well as the removal/appointment of the Master and CEO.
- The Academic Board (AB) is the academic authority of the University and takes such measures as shall best promote the academic and professional work of the University, safeguard standards, academic freedom, and ensure that students receive a high-quality academic experience while studying at the University. This academic authority is exercised within a budgetary and strategic framework set by NU London Board.

ExCo is responsible for proposing and delivering the University's strategy, and for managing the day-to-day activities, operations and resources of the University. The CEO chairs the meetings of the Senior Management Team (SMT), which reports to ExCo.

Ensuring regularity and propriety in the use of public funding

Consideration of the financial position of the University is a standing item for both the Board of Governors and the Executive Committee. Both also have oversight of the use of public funding within their responsibilities for the academic activities of the University. The Internal Auditor function will also look to carry out audits of the University's processes for handling such monies with these reports being considered by the Audit Committee.

Currently the university is using the internal audit function of its parent institution but it the plan is to have IA in place internally by 2025-26.

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STATEMENT OF INTERNAL CONTROL & RISK MANAGEMENT

The Trustees are responsible for the system of internal control operating within NU London and for reviewing its effectiveness as well as ensuring they are linked to achieving the University's objectives. Such a system can only provide reasonable, and not absolute, assurance against material misstatements or losses, and cannot eliminate business risk. As a reflection of the University's recent growth, this system has been – and will continue to be – under constant review and development.

The Trustees identify areas of improvement in the system of internal control based on reports and reviews from University management, Audit Committee, Academic Board and other committees. Trustees are of a view that there is an ongoing process for identifying, evaluating and managing the University's risks and internal controls and that at the date of approval of the annual report and financial statements, the process has been subject to regular review. The Trustees approach this responsibility from the perspective of discharging their duties, as specified in the "Regulatory framework for higher education in England" published by the OfS in February 2018.

The university falls under the purview of Northeastern University's Audit & Advisory Services. Audit & Advisory Services is an independent and objective assurance function that assesses and evaluates the University's internal control environment.

As part of the process of constant internal review, University management and Trustees have identified the requirement for a number of policies as follows:

- Anti-Bribery and Corruption Policy & reporting form
- Anti-Money Laundering Policy, Guidelines & reporting form
- Data Protection Policy, Privacy notices, Data Breach investigation procedures
- Fraud Prevention and Response Policy & reporting form
- Public Interest Disclosure Policy
- Resource Allocation Policy
- Risk Management Strategy

The Trustees are also responsible for meeting with the External Auditor to consider the nature and scope of the annual audit, and thereafter discuss audit findings and the internal control report arising out of the audit of the annual financial statements. The Audit Committee reviews the annual financial statements, paying particular attention to financial disclosures, accounting adjustments and control issues. Whilst NU London officers attend the meetings of the Audit Committee as necessary, they are not members of the Committee, and the Committee meets from time to time with the Internal and External Auditors on their own for independent discussions.

The Risk Management Strategy is designed to support this mission by assessing and managing the risks to the University achieving its stated mission and to ensure that the University is also protecting its stakeholders to which it has responsibilities, such as students, staff, funding bodies, partners, suppliers and the general public. This strategy forms part of the University's control and governance structure and it is designed to give summary guidance for those different parts of the University who are responsible for managing risk and for ensuring that their decisions are implemented.

The approach to internal control is risk-based, including evaluation of the likelihood and impact of risks becoming a reality. Review procedures include business, operational, compliance, reputational and finance risk. Identification and management of risk is firmly embedded in all the University's systems and procedures. Central to this approach is the maintenance of a Risk Register which ExCo review. Up until recently the University has not had an internal audit function and has relied on External audits / reviews to review the controls in operations.

Following a period of growth and development, the University is now working with the Internal Audit department at Northeastern University (parent entity) to develop their own Internal Control function.

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As part of the new Internal Audit Function, regular reviews of a wide range of activity throughout the organisation will be conducted and an audit plan for each department of the University will be developed using a risk-based approach, taking account of the key areas of risk identified for the University as a whole and of specific areas of risk highlighted by the department heads. The internal audit plan will aim to cover all significant areas of risk at least once during each 3 year cycle. Any major risks are reviewed more frequently.

The risk management objectives of the University are to:

- Integrate an awareness of managed risk taking and effective risk management into the culture of the University.
- Manage risk in accordance with good practice.
- Embed risk management within strategic and operational management processes.
- Consider legal compliance as a minimum standard.
- Anticipate and respond to changing economic, social, environmental and legislative requirements.
- Prevent injury and damage and reduce the cost of risk.

These objectives will be achieved by:

- Updating and maintaining a Risk Register which details those risks which, in the view of senior management and the Board, pose the greatest challenge to the achievement of the University's mission and of its continuing function.
- Assessing the likelihood of these risks occurring and the likely impact of an occurrence.
- Putting in place arrangements to manage and monitor risk.
- Maintaining effective communication and the active involvement of staff.
- Preparing contingency plans in areas where there is a potential for an occurrence having a wholly negative effect.
- Monitoring and reviewing arrangements on an ongoing basis.
- Insuring against risk where this is deemed to be cost effective.

The system of internal financial control is based on a framework of regular management information, financial regulations, administrative procedures (including segregation of duties), management supervision, a system of delegation and accountability, and independent scrutiny. In particular the system includes:

- comprehensive budget setting and monitoring systems;
- regular reviews of periodic financial reports which indicate financial performance against budgets and forecasts
- access by all finance staff and appropriate departmental staff to systems providing a suite of enquires and reports to facilitate effective financial management on an ongoing basis
- clearly defined capital expenditure guidelines
- formal project management disciplines
- an in-house internal audit service; and
- scrutiny by Governors, OfS, other inspectorates, external audit and other stakeholders.

The Board has ultimate responsibility for the total risk exposure of the University by:

- Setting the tone and influence of the culture of risk management across the University.
- Determining the extent to which the University is 'risk taking' or 'risk averse' as a whole and sets the University's 'risk appetite'.
- Approving major decisions affecting the University's risk profile or exposure.
- Determining what types of risk are acceptable/not acceptable and monitoring significant risks and control improvements to mitigate risks.
- Annually reviewing the University's approach to risk management and approving changes or improvements to key elements of the process and procedures.
- Establishing, maintaining, and reviewing controls for monitoring risks.
- Having particular focus on the financial risks that could impact the University and its provision of world class higher education.

To support it in exercising these responsibilities, the Board will receive an annual report from ExCo, on the

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effectiveness of the risk management process in the University, making recommendations where appropriate.

ExCo exercise their responsibility for risks by:

- Identifying and evaluating the significant risks faced by the University.
- Providing adequate information in a timely manner to the Board on the status of risks and controls.
- Annually having a risk review and reporting the outcomes to the Board.
- Implementing policies on risk management and internal control.
- Annually reviewing the effectiveness of the system of internal control and risk management.

The CEO will report, on ExCo's behalf, to the Board on an annual basis as to the approach to risk faced by the University, and the management of it, and in each the Board meeting will report on any incidents and/or changes to the level of risk faced by the University and the approach to managing those changed circumstances. The framework for these discussions at the Board will be the Risk Register.

Principal Risks and Uncertainties Facing the Business

The principal risks that have been identified include:

- Student recruitment – strategy of the University is to grow student numbers. We continue to support this through a strong recruitment team and with collaboration agreements with our parent institution (see Access and Participation Plans for further details how the University is doing this). However this growth will include a large number of international students so any changes to UK visa rules and or the country of origin rules of our students could adversely affect this growth.
- Regulatory - loss of any regulatory assets such as UKVI immigration licences and also including adverse decisions by OfS, Ofsted and ESFA amongst others. The University retains highly trained staff in Quality Assurance, VISA team and Admissions and continues to receive positive outcomes when audited by our regulating bodies.
- Business disruption - inability to use existing premises, loss of key members of staff, technology failure or student incident. Management of this risk falls to SMT, who meet regularly, in line with the University's Disaster Recovery Plan.
- Resources risk – inability to recruit suitably qualified staff, sustain growth in physical footprint and ability to sign contract for student residential accommodation.

The approach to Internal Control, in particular the formation of an Internal Audit Function will continue to be developed through 2022-23 to ensure it is fit for purpose as the University continues to expand. During 2022-23 no significant weaknesses or failings were found to report.

The University's ability to deliver its charitable purpose and objectives is primarily dependent on its key management personnel (KMP) and staff.

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Below is a table listing all Trustees and key management personnel and their committee membership.

Name	Role*	The Board	ExCo	AC	RemCo	NC	AB	SMT
Darren Campili	Trustee	X		X	X	X		
Vanessa Carreras	KMP							X
Robert Farquharson	Trustee	X	X	X	X	X		X
Anthony C Grayling	KMP	X						
Jonathan Goodwin	Trustee	X		X	X	X		
Naomi Goulder	KMP		X				X	
Rebecca Harrison	KMP						X	X
Rebecca Morrison	KMP		X	X			X	X
Thomas Nedell	Trustee	X			X	X	X	
Elizabeth O'Connell	KMP							X
Kasim Randeree	KMP						X	
Dr Deanna Ranieri	Trustee	X	X	X	X	X		
Martin Smith	KMP		X					X
Alison Statham	KMP							X
Julietta Tenant-Dexter	Trustee	X		X	X	X		
Sheena Van Der Merwe	KMP				X			X
Caroline Ward	KMP				X			X
Scott Wildman	KMP		X				X	X
Patricia Wood	Trustee	X		X	X	X		
Syed Zaidi	KMP							X

Structure and relationships

The company was incorporated on 16 July 2010 as Grayling Hall Limited. Since incorporation the company has had four name changes;

- 23 February 2011 - New College of the Humanities Limited
- 6 March 2012 - Tertiary Education Services Limited
- 21 February 2019 - NCH at Northeastern Limited
- 13 July 2022 – Northeastern University - London

On 19th February 2019 the issued share capital in the University was purchased by Northeastern University, (an educational institution incorporated under the laws of the Commonwealth of Massachusetts, United States, being a non-stock, non-profit educational charity with tax exempt status under section 501(c)(3) of the United States Internal Revenue Code, of 360 Huntington Avenue, Boston, MA 02115, United States). As a result of this transaction the company is now a wholly owned subsidiary of Northeastern University. Following the change in ownership the company was renamed 'NCH at Northeastern Limited'. Following approval for use of university title from DfE and OfS, it changed its name to Northeastern University – London on 13th July 2022 .

An application for Charity Status was submitted in March 2019 to the Charity Commission. This was granted on 9th June 2020, charity number 1189858. Following the award of charitable status the University is now controlled by the Board.

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Subsidiaries & Linked Charities

The University has a wholly owned non-charitable subsidiary, New College of the Humanities Limited (NCHL) (company number 07917776) registered in England and Wales and limited by shares. This company is now dormant.

During 2021-22 the University's subsidiary, New College of the Humanities Trust (charity number 1141608) transferred its assets to Northeastern University - London as a restricted grant for the purposes of providing Hardship grants to students, in line with the original intentions of these funds within the Trust. As at 30th June 2023, £66k of these funds remained within the Restricted reserves for future disbursement (2022: £72k).

Employment policy

The University aims to be an equal opportunity employer and to apply objective criteria to assess merit and make decisions on selection, promotion and other employment-related issues. It aims to ensure that no job applicant, employee or worker receives less favourable treatment on the grounds of race, colour, national or ethnic origins, sex, sexual orientation, marital status, perceived sexuality, disability, membership or non-membership of trade unions, 'spent' convictions of ex-offenders, class, age, political views or activity, religion or belief.

STRATEGIC REPORT

OBJECTIVES, AIMS AND ACTIVITIES

Charitable objects

NU London's charitable objects, as set out in the Articles of Association, are the advancement of education for the public benefit. The Board is mindful of the longstanding need to provide public benefit and the requirements of the Charities Act 2011.

Aims

The University's aim is to provide an outstanding education. The desired outcomes are a deep and insightful engagement with the subjects of study, and in the process acquisition of acuity of thought, reasoning power, knowledge of methods and sources, and learning, writing and discursive skills, all exportable into lifelong learning and applicable to the demands of work and life after graduation.

The University's mission is to be 'where the power of learning and discovery through limitless global connections are unleashed. This will be manifested by building on the institution's current foundations to build differentiation in the UK market, to be a laboratory for global innovation and to become the European hub for the Northeastern network.'

Northeastern University

The University became part of Northeastern University's (NU) global network in February 2019. NU is a large not for profit university based in Boston, USA. NU has approximately 39,000 students on its campus in Boston and significant numbers throughout its network across the globe.

Being part of the NU global network provides significant opportunities, expertise and resources to further the University's ambitions.

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Objectives for the year

The main objective of the University is to continue to provide education of the highest quality that meets the needs of an ever-changing future and acknowledges changes to the delivery environment and student expectations.

The primary objectives of the University and progress against them during the year were:

Fulfil the educational mission	As evidenced by the degree results and the NSS results the University fulfilled its educational mission. Additionally the awarding of University title in June 2022 also demonstrates the external validation of the University's educational mission.
Deliver Northeastern programmes in London	The 'mobility' programmes were successfully run during the academic year 2022/23 with over 650 students based in London.
Property Strategy	Ensure the University has high quality teaching and study space close to existing sites and sign long term agreement with private student housing providers to support student growth numbers.

Public benefit statement

Founded in 2012, with the aim of providing the highest quality of education in the humanities and social sciences, the University has established itself as a prestigious institution based in the heart of London. Whilst students pay fees, the University is focused on delivering public benefit and offers a number of scholarships for academic excellence and bursaries for those students requiring financial support. The amounts were £129k and £125k. Further information regarding Public Benefit in the wider community can be found in the Access and Participation plan below.

The Trustees have considered the requirements of the Charities Act 2011 and the Charity Commission's guidance on public benefit in setting the objectives and activities of the charity. As part of its commitment to public benefit and in line with requirements set out by the Office for Students (OfS), the University has published its Access and Participation Plans as set out below.

The Trustees are also responsible for the interactions between the University and the OfS and its designated bodies and to ensure compliance with all of its conditions of registration with the OfS's accounts direction. R Farquharson in his capacity as CEO, is the nominated accounting officer with the responsibilities set out by the OfS.

ACCESS AND PARTICIPATION PLANS

The University is an approved (fee cap) provider for the purpose of registration with the Office for Students (OfS) (the regulator for higher education in England). As part of its obligations under its registration, the University is required to produce an Access and Participation Plan (APP), and this forms the central element of the University's widening participation agenda. The APP outlines in detail how the University will assist students from groups that have historically been underrepresented within higher education: students from lower socioeconomic backgrounds, BAME students, disabled students, mature students, and care leavers, with a particular focus on students from POLAR4 Quintiles 1 & 2, and IMD Quintile 1 backgrounds.

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The APP benchmarks the University's performance against the national and regional average regarding these underrepresented groups, and specifically, what steps the University is taking to assist these groups in gaining access to education, success whilst at the University and progression on to graduate employment. The APP contains information about the University's historical performance against these metrics and the targets agreed upon by the Director of Fair Access and Participation at the OfS. The APP is a public document that provides a detailed analysis of the University's approach, information about specific widening participation activities, targets, and how the University will achieve them. The current APP has been approved for five years running from the academic year 2019-2020. The University has also submitted variation requests to the Plan in response to the updated priorities set out in February 2022.

The Access and Participation plans for NU London set out how the University maintains fair access to its programmes and how it will sustain and improve access, student success, and progression among people from underrepresented student groups. The Plan has been prepared in accordance with guidance produced by the Office for Students (OfS) and has been approved by the Board. The Plan applies to UK students who enter the University between the academic years 2019/20 to 2024/25 and its terms apply to those students for the duration of their studies at the University.

The University has undertaken a significant number of outreach events to increase student attainment and self-confidence and attract applicants. These activities have encompassed a wide variety of school talks, attendance at fairs and events held at the University, in-school 2-to-1 coaching, and sustained mentoring programmes. Due to the success and high levels of engagement with online activities experienced throughout the pandemic, the University has and will continue to offer online activities in combination with in-person interventions.

Of relevance to widening access, below are some brief representative examples of the works the University has engaged in:

Innerscope KS3&4 aspire programme: NU London partnered with the coaching organisation Innerscope to offer 2-to-1 coaching sessions over five weeks to students in KS3&4. Students are introduced to several personal development topics to help reframe their mindset through goal setting, building resilience and raising self-belief. This was delivered in 3 schools - St Aloysius College, Haberdasher's Borough Academy and Ealing Fields High School, with up to 16 students taking part in each programme.

Innerscope KS5 The Leadership Discovery Series: 18 students took part in an online 5-week coaching programme for students in sixth form. Similar to the aspire programme, students are introduced to several personal development topics to help reframe their mindset through goal setting, building resilience and raising self-belief.

Innerscope online resilience programme: an online coaching programme which aims to improve participant confidence and motivation levels, with reference to specific skills helpful to learning. The coaching programme involves ten modules with digital and in-person materials to be delivered by a facilitator in school/college. Schools and colleges can select the modules most relevant to their learners to be delivered over several weeks. Each module has different learning outcomes, which are reviewed in lesson evaluations.

Campus and school visits: another aspect of the University's outreach strategy includes welcoming schools, students, and staff into the University to hear talks or participate in subject workshops. We had a total of 4 school visits across the year from Bow School and St Thomas the Apostle School. For example in March 2023, Bow School visited the University and received an interactive taster lecture from a Law academic, the students were encouraged to explore whether graffiti and Banksy's work is criminal damage or art. They also took part in

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sessions about applying to university, a student ambassador Q&A and received a campus tour. Bow School has a high level of students from underrepresented backgrounds - 33.6% are eligible for Free School Meals and over 90% are from minority ethnic groups. In addition, the Widening Participation team visited 18 schools across Greater London to attend their HE and careers fairs and to deliver talks and workshops.

IntoUniversity: the University works with this charity to reach out to students from underrepresented groups. In the academic year of 2022-23, 323 learners from across London visited the University. The University hosted 3 Key Stage 2 and 12 Key Stage 3 visits from schools including Avondale Primary School, Langdon Academy, St Paul's Way Trust School and St Mary Magdalene Academy. The students receive an introduction to university life, a student ambassador Q&A, a campus tour and workshops delivered by IntoUniversity.

Year 11 Summer School: in July 2023 the university held our first in person summer school. A total of 21 students from across London and the South East attended campus for 3 days. They took part in a range of academic taster sessions (Law, Economics and History) to give them a taster of studying these subjects at university. They also took part in sessions such as study skills, student finance and student life to prepare them for their transition to sixth form/college and later, university.

The University works collaboratively to create and inform the outreach activities and effective evaluation methods of initiatives with relevant institutions. For example, since 2020, the University has been a member of SEER, which supports the outreach initiatives through an independent evaluation of the impact of interventions.

The initiatives outlined above are indicative of the work the University has always undertaken to promote access to higher education and raise awareness among underrepresented groups of the advantages of studying at university. Such programmes will continue and expand as school partnerships develop further. In terms of impacting attainment, the University will seek opportunities to work with key secondary schools to develop strategies to support students.

Financial Support

Financial support to students has been central to the University's offer process over each year of its operation. The elements of financial support have adapted over time as the University fees have been revised and as students have been able to access loans from the Student Loans Company.

Since its inception the University has provided generous financial support in order to assist students to attend.

Means-tested bursaries are made available to students in order to alleviate financial hardship. In regard to the award of any bursary, the University considers the household income of the applicant/applicant's family, and the size of the award is linked to that income. During 22-23 45 students were in receipt of a bursary, total amount of bursaries paid amounted to £144k, 26 of these students we classified as 'Widening participation' students with 718k of the allocated bursaries.

The University also operates an in-year Hardship Fund. Students finding themselves in particular financial hardship, regardless of prior bursary allocations, can apply for a one-off £500 Hardship bursary to alleviate their situation. There are clear eligibility criteria. The process is managed by the Student Academic Services team and outcomes are ratified by the Director of Finance. During 2022-23 10 students received a total of £5,000 in Hardship Fund payments.

In addition to means tested support, the University automatically considers every applicant for an academic scholarship of up to £2,000 based on predicted grades and performance at interview.

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Alumni relations

The University is a reasonably young institution and does not yet boast large numbers of Alumni but has good ties with a number of graduates, organising bi-annual Alumni events and inviting Alumni to University wide events.

Review of achievements and performance for the year

During the year, the University continued to provide a first-class educational experience for students taking UK validated degrees and those on study abroad programmes from our parent institution, Northeastern University.

The University hosted 381 students on London Validated courses (2022: 329) and 770 students visiting from Northeastern University for one of their Study Abroad programmes (2022: 519). The University continues to have a strong growth strategy in the short and medium term supported by the enrolment of students from our parent institution. This growth has informed our property strategy and capital investment plans.

In 2023 38.5% of graduating students obtained a first class degree, and 51% a 2:1 (2022: 49% and 42% respectively).

The National Student Survey (NSS) is a high-profile annual survey of nearly half a million students across the UK. The survey gathers opinions from students about their time in higher education, asking them to provide honest feedback on what it has been like to study on their course at their university/college. In 2023, 80% of eligible NU - London students completed the NSS survey (2022: 73%). For 2022-23, the NSS survey was changed. The scoring system was altered so year on year comparison is not possible. The overall satisfaction question was removed and new questions were added. The University did score above the sector average on a number of sections, most noticeably the teaching on the programme. This scored 6 percentage points above the sector average.

Following rapid growth over the past few years and with an expectation of continuous growth for the medium term, the University is embarking on a project to expand its KPIs for inclusion on future financial statements.

FINANCIAL REVIEW

Results for the year

Total income was £44.1m representing an 87% improvement from prior year (£23.6m, 2022). Turnover increased in all income streams as follows:

- London Validated UG and PG provision income increased by £0.4m
- Northeastern University Mobility in London provision increased by £10.8m
- Business Development (inc. apprenticeships) provision increased by £2m
- Other income increased by £0.3m
- Restricted capital grants from Northeastern University increased by £6.7m

Total expenditure increased by 65% to £35.5m (2022: £21.5m), which reflects both the increase in activity, primarily the mobility programme mentioned above and the increase in property related costs. University staff costs now represent 34% of total expenditure (2022: 36%) and increased by £4.4m since 2022. Property costs increased by £0.8m and Depreciation by £0.6m, due to the continued expansion of our campus to accommodate increase in student numbers. The current strategy is to continue this expansion leading to financial growth and robustness.

NORTHEASTERN UNIVERSITY – LONDON

ANNUAL REPORT OF THE TRUSTEES (including Strategic Report) FOR THE YEAR ENDED 30 JUNE 2023

Reserves Policy

The University's reserves policy is that it should have access to sufficient financial resources to be able to ensure the sustainability of the University. In determining what level of financial resources are required, the University has considered the following:

- Current and projected levels of general reserves;
- Level of Working Capital required to operate effectively;
- The impact of seasonality;
- The University's risk appetite;
- The University's appetite to borrow funds and Northeastern's wishes in terms of providing grants;
- The likely financial impact of a number of unlikely but plausible scenarios linked to the most significant risks that the University faces, with particular attention to the timing of the risk and its severity.

With this in mind the University is working towards a general reserve (unrestricted funds excluding designated funds) position which would fund operations for one term (excluding the costs associated with NU Programme), this is currently around £6.3m (2022: £4.1m).

The total reserves for the University at the year end were £16.4m (2022: £7.8m), including £6m of restricted funds, which mostly relate to unspent capital grants. It should also be noted that this includes a designated fund of £18m represented by Fixed Assets which are not available for general use so the general reserve position after these adjustments is £(7.9)m (2022 (£4.4m)), £14.2m short of our target. Until the University reaches its target it is reliant on the continued support of Northeastern University as offered via the Deed of Grant signed on 5th September 2019.

Going Concern

In preparing these financial statements the Trustees have considered the current financial position of the University together with cashflow forecast for the foreseeable future in order to determine whether the financial statements can be prepared on a going concern basis.

The initiatives mentioned in the 'future plans' section below, including the growth in student numbers, the launching of double validated degrees and the development of research capabilities will result in steady growth of revenues over the next few years and management have carefully considered the resources required to meet this growth when budgeting to ensure it is sustainable and viable.

The negative general reserves position is a result of historical losses incurred in the infancy and growth phases of the University. The University has only recently started to move from an operational deficit to operational breakeven position, with a view to producing surpluses within the next 5 years and will continue to meet its investment and working capital requirements through the grant contributions from Northeastern University, which are provided under the Deed of Grant dated 5th September 2019, as reflected above, this support will eventually taper off once the University has reached a point of overall financial self-sufficiency.

The Trustees have a reasonable expectation that the University has sufficient resources and support from Northeastern University to continue in operational existence for the foreseeable future and it remains appropriate to prepare their financial statements on a going concern basis.

Fundraising

The University does not carry out any fundraising activities with the general public and no donations are sought from the public. The University has no fundraising activities requiring disclosure under section 13 of the Charities (Protection and Social Investment) Act 2011.

NORTHEASTERN UNIVERSITY – LONDON

ANNUAL REPORT OF THE TRUSTEES (including Strategic Report) FOR THE YEAR ENDED 30 JUNE 2023

FUTURE PLANS

The future plans include:

- Continue growing the numbers of students in the University and expand the offering of courses to both undergraduate and graduate students as well as study abroad (mobility) students. Student numbers have gone from 300 in 2020 to over 1,700 in 2022-23 and the University hopes to grow student numbers steadily year on year both in its face to face and online provision. This expansion will be driven by double validated degrees that build the chance of mobility into the programmes. These were launched in September 2023 for undergraduate degrees on very limited time in the market. It is believed that these degrees will prove popular.
- Following the move to Devon House in St Katherine's Dock, which already offered considerably increased space expansion, the University is looking to further increase its estate to support plans to grow student numbers, particularly within its Mobility provision for Northeastern University.
- Increasing the offering of workplace learning opportunities building on the Apprenticeships launched in October 2020.
- Develop the research capabilities in London both in terms of people and infrastructure, therefore increasing the revenue derived from research funding.
- Establish London as a genuine hub in the Northeastern University's global network whilst continuing to be a self-regulating English HE.

These initiatives are ensuring the University's budgets for the coming 5 years show a considerable growth and increasing surpluses allowing the recovery of past losses incurred during the initial stages of the institution's existence.

Northeastern University, as sole shareholder, is committed to supporting NU London's working cash flow requirements.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year or period. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practices (FRS102, The Financial Reporting Standard applicable in the UK and Republic of Ireland) and applicable law. Under charity 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 affairs of the University including income and expenditure for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgement and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the organisation will continue in business.

Additionally, since the change in status to University approved by the Privy Council in 2022, Northeastern University – London is now also required to comply with all requirements in the Statement of recommended practice: accounting for further and higher education (FE/HE SORP) over and above those requirements as refined in the Charity SORP.

NORTHEASTERN UNIVERSITY – LONDON

ANNUAL REPORT OF THE TRUSTEES (including Strategic Report) FOR THE YEAR ENDED 30 JUNE 2023

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the University's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Accounts Direction as issued by the Office for Students (OfS) and the Charities and FE /HE SORPs. They are also responsible for safeguarding the assets of the University and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Annual Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the University's auditors are unaware, and
- each Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the University's auditors in connection with preparing their report and to establish that the University's auditors are aware of that information

AUDITORS

The auditors, Crowe U.K. LLP, will be proposed for reappointment in accordance with Section 485 of the Companies Act 2006

This annual report was approved by the board on 18th October 2023 and signed on its behalf

The image shows two handwritten signatures in black ink. The signature on the left is 'R Farquharson' and the signature on the right is 'Tricia Wood'.

R Farquharson
Trustee

Tricia Wood
Trustee & Chair of Audit Committee

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF NORTHEASTERN UNIVERSITY – LONDON

FOR THE YEAR ENDED 30 JUNE 2023

Opinion

We have audited the financial statements of Northeastern University - London ('the charitable company') for the year ended 30 June 2023 which comprise the Statement of Comprehensive Income and Changes in Reserves, Statement of Financial Position, Statement of Cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2023 and of its income and expenditure, gain and losses, changes in reserves and of the cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- has been prepared in accordance with the requirements of the *Statement of Recommended Practice – Accounting for Further and Higher Education* and the OfS Accounts Direction (issued October 2019) ("the OfS Accounts Direction")

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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 when the financial statements are authorised for issue.

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

Other information

The Trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF NORTHEASTERN UNIVERSITY – LONDON

FOR THE YEAR ENDED 30 JUNE 2023

materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the Trustees' report, which includes the Trustees' Report and Strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report and strategic report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

Opinion on other matters required by the Office for Students ("OfS")

In our opinion, in all material respects:

- funds from whatever source administered by the charitable company for specific purposes have been properly applied to those purposes and managed in accordance with the relevant legislation;
- funds provided by the OfS, the Education & Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions; and
- the requirements of the OfS's accounts direction (issued October 2019) have been met.

We have nothing to report on the following matters where the OfS Accounts Direction requires us to report to you where:

- the charitable company's grant and fee income, as disclosed in notes 2 and 3 to the accounts, has been materially misstated.
- The charitable company's expenditure on access and participation activities for the financial year has been materially misstated.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF NORTHEASTERN UNIVERSITY – LONDON

FOR THE YEAR ENDED 30 JUNE 2023

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, 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 and for being satisfied that they give a true and fair view, and for such internal control as the Trustees 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.

Auditor's 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 auditor's 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorresponsibilities>. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were Companies Act 2006, Charities Act, taxation legislation, together with the Statement of Recommended Practice – Accounting for Further and Higher Education and the OfS Accounts Direction. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The other laws and regulations we considered in this context for the charitable company were Higher Education and Research Act 2017, Teaching Excellence and Student Outcomes Framework, General Data Protection Regulations and Health and Safety.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to the risk these risks

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF NORTHEASTERN UNIVERSITY – LONDON

FOR THE YEAR ENDED 30 JUNE 2023

included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Office of Students (OfS), Quality Assurance Agency for Higher Education (QAA) and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Guy Biggin
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP, Statutory Auditor
Cheltenham

Date: 29 November 2023

NORTHEASTERN UNIVERSITY – LONDON

STATEMENTS OF COMPREHENSIVE INCOME AND CHANGES IN RESERVES FOR THE YEAR ENDED 30 JUNE 2023

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	2023 £'000	2022 £'000
INCOME FROM:					
Tuition Fees and Education contracts	2	30,427	-	30,427	17,050
Governmental grants	3	-	134	134	83
Grants from parent entity					
Teaching & Learning	4	-	-	-	-
Capital Grants	4	-	12,186	12,186	5,442
Research Grants and Contracts	5	-	82	82	40
Investment Income	7	35	-	35	-
Other Income	6	1,334	-	1,334	1,024
		<u>31,797</u>	<u>12,402</u>	<u>44,199</u>	<u>23,638</u>
EXPENDITURE ON:					
Staff Costs	8	12,244	-	12,244	7,813
Other operating expenses		16,405	261	16,665	8,505
Building Costs		4,979	-	4,979	4,170
Depreciation		1,646	-	1,647	1,033
Interest and other finance costs		10	-	10	6
		<u>35,284</u>	<u>261</u>	<u>35,545</u>	<u>21,528</u>
(DEFICIT) / SURPLUS BEFORE TAX		(3,487)	12,141	8,654	2,110
Taxation		-	-	-	-
(DEFICIT) / SURPLUS FOR THE YEAR		(3,487)	12,141	8,654	2,110
Transfer between funds	16a	5,398	(5,398)	-	-
TOTAL COMPREHENSIVE INCOME		1,911	6,743	8,654	2,110

STATEMENT OF CHANGES IN RESERVES

	Notes	Income & Expenditure Reserve		2023 £'000
		Unrestricted Funds £'000	Restricted Funds £'000	
BALANCE AT 1ST JULY 2021		4,147	1,530	5,677
Surplus from the I&E statement		(3,390)	5,500	2,110
Transfer between funds		<u>5,333</u>	<u>(5,333)</u>	<u>-</u>
		1,943	167	2,110
BALANCE AT 1ST JULY 2022		6,090	1,697	7,787
Surplus from the I&E statement		(3,487)	12,141	8,654
Transfer between funds		<u>5,398</u>	<u>(5,398)</u>	<u>-</u>
		1,911	6,743	8,654
BALANCE AT 1ST JULY 2023		8,001	8,440	16,441

All items of income and expenditure related to continuing activities.
The accompanying notes 1 to 22 form an integral part of these financial statements.

NORTHEASTERN UNIVERSITY – LONDON

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 £'000	2022 £'000
FIXED ASSETS			
Tangible Assets	10	18,320	11,817
Investments	11	<u>1</u>	<u>1</u>
		18,321	11,818
CURRENT ASSETS			
Debtors	12	3,870	3,230
Cash at bank and in hand		<u>10,557</u>	<u>2,573</u>
Total current assets		<u>14,426</u>	<u>5,803</u>
LESS CREDITORS: falling due within one year	13	<u>(13,922)</u>	<u>(8,555)</u>
NET CURRENT ASSETS / (LIABILITIES)		<u>504</u>	<u>(2,752)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		18,825	9,066
Provisions for liabilities	14	(2,384)	(1,279)
TOTAL NET ASSETS		<u>16,441</u>	<u>7,787</u>
RESTRICTED RESERVES – NAMING CONVENTION TO BE REVIEWED			
Restricted funds	13	8,440	1,697
Unrestricted funds	13	(7,935)	(4,448)
Designated funds	13	<u>15,936</u>	<u>10,538</u>
TOTAL RESERVES		16,441	7,787

The accompanying notes 1 to 22 form part of these financial statements.

The financial statements were approved and authorised for issue by the board on 18th October 2023 and were signed on its behalf by:



R Farquharson, Trustee



T Wood, Trustee & Chair of Audit Committee

Registered number: 07317195

NORTHEASTERN UNIVERSITY – LONDON

STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 30 JUNE 2023

		2023	2022
		£'000	£'000
	Note		
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations (see below)		14,993	4,244
Net cash from operating activities		14,993	4,244
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(7,044)	(6,270)
Investment income		35	-
Net cash used in investing activities		(7,009)	(6,270)
Net increase / (decrease) in cash and cash equivalents		7,984	(2,026)
Cash and cash equivalents at beginning of period		2,573	4,599
Cash and cash equivalents at end of period (see below)		10,557	2,573
RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES			
Cash flows from operating activities			
Net income / (expenditure)		8,654	2,110
Adjustments for:			
Depreciation	8	1,647	938
Investment income	7	(35)	-
(Increase) / Decrease in trade and other receivables	12	(640)	(1,429)
Increase / (Decrease) in trade payables (inc. short term provision)	13	5,367	2,530
Increase / (Decrease) in provisions	14	-	95
Cash generated from operations		14,993	4,244
ANALYSIS OF CASH AND CASH EQUIVALENTS			
Cash at bank		10,557	2,573

NORTHEASTERN UNIVERSITY – LONDON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

1.1 Company Information

Northeastern University - London is a registered charity (no. 1189858) and public benefit entity in England and Wales (registration approved 9 June 2020) and a company limited by shares incorporated and registered in England (no.07317195) on 16th July 2010. The address of the registered office is Devon House, 58 St Katherine's Dock, London, E1W 1JP. The University changed its name Northeastern University – London on 13th July 2022.

1.2 Basis of preparation of financial statements

These financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 ('FRS 102'), and with the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the OfS Accounts Direction (2019).

1.3 Going Concern

In preparing these financial statements the Trustees have considered the current financial position of the University together with cashflow forecast for the foreseeable future in order to determine whether the financial statements can be prepared on a going concern basis.

The initiatives mentioned in the 'future plans' section below, including the growth in student numbers, the launching of double validated degrees and the development of research capabilities will result in steady growth of revenues over the next few years and management have carefully considered the resources required to meet this growth when budgeting to ensure it is sustainable and viable.

The negative general reserves position is a result of historical losses incurred in the infancy and growth phases of the University. The University has only recently started to move from an operational deficit to operational breakeven position, with a view to producing surpluses within the next 5 years and will continue to meet its investment and working capital requirements through the grant contributions from Northeastern University, which are provided under the Deed of Grant dated 5th September 2019, as reflected above, this support will eventually taper off once the University has reached a point of overall financial self-sufficiency.

The Trustees have a reasonable expectation that the University has sufficient resources and support from Northeastern University to continue in operational existence for the foreseeable future and it remains appropriate to prepare their financial statements on a going concern basis.

1.4 Preparation of consolidated financial statements

The financial statements contain information about Northeastern University - London as an individual charitable company and do not contain consolidated financial information on the grounds that the subsidiary is immaterial.

1.5 Fees and grant income

Tuition fees - received for students studying accredited degrees and accounted in the year of study with bursaries and scholarships awarded in the year credited against these fees in the accounts.

Teaching Grants received from OfS, accounted for as unrestricted income in the year they are received.

Grants received from parent company are accounted for in the period they are received and split between Teaching & Learning unrestricted grants and Capital restricted grants.

External research grants are accounted for in restricted income and mostly disbursed in the year received.

Additionally, the University is in receipt of ESFA income for the provision of apprenticeship training, this is treated as restricted and recognised based on entitlement.

NORTHEASTERN UNIVERSITY – LONDON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. The University holds no property or freehold land assets. Depreciation is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases and recognised within the statement of financial activities:

Office equipment	25% straight line
Fixtures & fittings	10% straight line
Leasehold improvements	over the lease term

Assets in the course of construction are capitalised at cost but are not depreciated until they become available for use, they are then depreciated over the lease term.

1.7 Intangible fixed assets and amortisation

The University has no intangible fixed assets as at the date of signing these accounts.

1.8 Pension

The University operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

1.9 Operating Leases

Rentals on operating leases are charged to the profit and loss account in the period in which they fall due.

1.10 Funds

The total funds of the University are allocated to unrestricted and restricted based on the terms set by the donors.

Unrestricted funds are funds that are available for use at the discretion of the University in furtherance of its objectives and are divided between Designated and General Funds. Designated Funds are unrestricted funds which have been set aside by the University for specific purposes, which include those funds represented by fixed assets. General Funds are funds available for the provision of working capital and reserves for the general administration of the University.

Restricted funds comprise grants where donors have earmarked funds for specific purposes. The majority of this is related to grants provided by Northeastern University for the sole purpose of supporting the development of the University's new campus. At the year £1.6m remained unspent but designated for the purpose of fixed asset development.

Following the decision to close the related trust, New University of the Humanities Trust (Trust), charity ref number 1141608), the Trust transferred the remaining assets (£78k) to the University, where these assets are held in a separate restricted fund. This fund will be utilised in line with the articles and objectives of Trust and reserved for the financing of bursaries and hardship grants for students who meet means tested eligibility criteria. During 22-23 £6,000 of this fund were released to support students with financial needs leaving a fund of £66k to disburse in future years.

1.11 Financial Instruments

The University has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash in hand and at bank, together with trade and other debtors. Financial liabilities held at amortised cost comprise bank loans and overdrafts, accruals, trade and other creditors.

Trade creditors

Trade creditors are not interest bearing and are stated at their nominal value.

NORTHEASTERN UNIVERSITY – LONDON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

Loans

Loans, are measured at fair value, net of transaction costs.

Investment in subsidiary

The investment in subsidiary is measured at cost less impairment.

1.12 Redundancy payments

Termination benefits are payable when employment is terminated by the University or whenever an employee accepts voluntary redundancy in exchange for these benefits. The University recognises termination benefits when a fully signed settlement agreement is in place, or when the cost has otherwise been confirmed and committed to.

1.13 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the University's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, whether the revision affects only that period, or whether they also affect future periods.

1.13.1 Provisions

Provisions are recognised when the University has a present legal or constructive obligation because of past events, it is probably that a transfer of economic benefits will be required to settle the obligation and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole a provision is recognised even if the likelihood of an outflows with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the amount expected to be required to settle the obligations using the pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

NORTHEASTERN UNIVERSITY – LONDON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	£'000	£'000
2 TUITION FEES AND EDUCATION CONTRACTS		
Unrestricted fee Income		
Fee income – Taught Awards		
Tuition Fees - UK Undergraduates	2,963	2,468
Tuition Fees - UK Postgraduates	404	455
Tuition for Part time Undergraduate Apprentices	1,302	730
Tuition Fees - Part time Postgraduate Apprentices	533	-
BD* Credit bearing short courses	295	-
Total Taught awards	<u>5,497</u>	<u>3,653</u>
Fee income – non Qualifying courses		
Tuition Fees - Northeastern University Programmes	24,231	13,397
BD* Non-credit bearing short courses	699	-
Total non-Qualifying courses	<u>24,930</u>	<u>13,397</u>
Total Fees	<u>30,427</u>	<u>17,050</u>
The fee income above is net of all student support as follows:		
Bursaries for Non-WP students **	75	65
Scholarships – Undergraduate students	86	121
Scholarships – Postgraduate students	14	10
	<u>175</u>	<u>196</u>
 * Business Development division primarily dealing with Apprenticeship programmes		
** Bursaries for Widening Participation Students area accounted for as a cost in the relevant department.		
3 FUNDING BODY GRANTS	2023	2022
	£'000	£'000
Restricted		
OfS Capital Grant	25	23
OfS Teaching Grant	109	60
Total Restricted Funding Body Grants	<u>134</u>	<u>83</u>
 4 GRANTS FROM NORTHEASTERN UNIVERSITY	2023	2022
	£'000	£'000
Restricted		
Teaching & Learning Grant	-	-
Capital Development (Devon House)	12,186	5,442
Total Restricted Capital Grants from NU	<u>12,186</u>	<u>5,442</u>

NORTHEASTERN UNIVERSITY – LONDON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

		2023	2022
		£'000	£'000
5	RESEARCH GRANTS AND CONTRACTS		
	Restricted		
	External research grants	82	40
	Total Research Grants and Contracts	82	40
	TOTAL INCOME FROM FEES AND GRANTS (NOTES 2-5)	42,829	22,811
6	OTHER INCOME	2023	2022
		£'000	£'000
	BD Division other income	295	875
	Other academic income	946	134
	Miscellaneous income	93	15
	Total Other Income	1,334	1,024
7	INTEREST INCOME	2023	2023
		£'000	£'000
	Interest (investment) income	35	-
	Total Other Income	35	-
	Total income	44,198	23,639
8	ANALYSIS OF EXPENDITURE	2023	2022
		£'000	£'000
	Staff costs	12,244	7,813
	Other operating expenses	16,665	8,505
	Building costs	4,979	4,170
	Depreciation costs	1,646	1,033
	Interest and other finance costs	10	6
	Total Expenditure	35,544	21,528
	Analysis of Other operating expenses	£'000	£'000
	Teaching and Research non pay expenses	13,807	4,608
	Student Recruitment activities	283	977
	Admissions & Access and Participation	209	179
	Marketing Activities	761	672
	Other Support (inc HR, Finance & IT)	1,542	2,031
	Governance costs (see below)	64	38
	Total Support & Governance Costs	16,665	8,505

NORTHEASTERN UNIVERSITY – LONDON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

8 ANALYSIS OF EXPENDITURE (Continued)

Governance Costs comprise	£'000	£'000
Auditors remuneration – audit services	39	38
Auditors remuneration - tax and other services	25	-
Total Governance Costs	64	38
Access and Participation Costs comprise	£'000	£'000
Access investment	147	72
Financial support provided to students in the financial year*	71	100
Research and evaluation	18	8
Support for disabled students in the financial year	-	15
Total APP Costs	236	195

* Financial support costs in the table above include £62k for wages not included in the Admissions & Widening Participation figure above as they are reported within Direct Staff Costs allocated to T&R (2022: £42k).

9 STAFF COSTS	2023 £'000	2022 £'000
The aggregate staff costs for the year were as follows		
Salaries and wages	10,246	6,498
Social Security costs	1,135	729
Pension costs (Stakeholder and Occupational schemes)	790	543
Other benefits	66	43
Total Staff Costs	12,237	7,813
Aggregate employee benefits of key management personnel (KMP)	1,616	1,408

Key management personnel are listed on page 2.

Average number of employees on a full time equivalent basis was as follows:

Trustees	1	1
Tuition and research	109	63
Support	128	76
Total	238	140

Average number of employees on an actual basis was as follows

Trustees	1	1
Tuition and research	154	109
Support	110	98
Total	265	208

NORTHEASTERN UNIVERSITY – LONDON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

9 STAFF COSTS (Continued)

Number of higher paid employees with aggregate employee benefits in excess of £60k:	2023	2022
£60,001-£65,000	7	7
£65,001-£70,000	7	4
£70,001-£75,000	2	1
£75,001-£80,000	3	2
£80,001-£85,000	1	2
£85,001-£90,000	3	1
£90,001-£95,000	1	1
£95,001-£100,000	0	1
£100,001-£105,000	2	0
£120,001-£125,000	1	0
£150,001-£160,000	0	1
£165,001-£170,000	1	0
£185,001-£190,000	0	1
£195,001-£200,000	1	0
£200,001-£210,000	0	1
£210,001-£215,000	1	0
Total	30	22

There were no severance or loss of office compensation payments in the year (2022 £1,834).

Number of employees with a basic salary (FTE) in excess of £100,000

The number of staff including the CEO whose FTE basic salary (before salary sacrifice and excluding bonuses, employer's pension contribution) in excess of £100,000 in the following ranges was:

	2023	2022
£100,001-£105,000	2	-
£115,001-£120,000	1	-
£145,001-£150,000	-	1
£155,001-£160,000	-	1
£160,001-£165,000	1	-
£165,001-£170,000	1	-
£195,001-£200,000	-	1
£205,001-£210,000	1	-

NORTHEASTERN UNIVERSITY – LONDON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

9 STAFF COSTS (Continued)

HEAD PROVIDER (TRUSTEE REMUNERATION) DISCLOSURES

In accordance with the Articles of Association, the CEO (Head of the Provider for the whole year) R Farquharson, received a basic salary of £198,812 during the year (including a bonus of £33,480), of which £6,770 was paid into a pension scheme by way of salary sacrifice. In addition to this the University also paid £7,465 in employer pension contributions. This is included in the above note as R Farquharson is classed as KMP as well as a Trustee, due to his role as CEO. He is a member of the University Salary Sacrifice pension scheme and is not in receipt of any other benefits.

The Head of Provider basic salary ratio is 4.7:1 to the median salary in the University. The ratio of his total remuneration including other benefits is also 4.7:1 compared to the median.

In the prior year, R Farquharson's remuneration was of £172,179 (inclusive of £31,000 bonus payments) and salary sacrifice amounting to £12,738 for pension payments. The University made further pension contributions of £14,071.

The process for reviewing the salary for the Head of Provider is as follows:

- UCEA salary benchmark data is purchased and then used to review the level of remuneration of the relevant members of staff compared to equivalent UK HE providers in terms of the University's size, development and location.
- This external benchmarking data is then analysed by the Board of Governors' remuneration committee in light of the overall performance of the University, which it monitors via Board meetings, and performance of Head of Provider. This performance reviews educational, financial, regulatory and operational performance of the University.
- The Remuneration committee in assessing the performance of the University and the contribution provided by the Head of Provider to this performance felt that this merited the level of remuneration of the Head of provider on a standalone basis and in comparison to other institutions.
- The Remuneration committee of the Board is formed of all governors, excluding the Head of Provider.

There were no expenses relating to travel and accommodation incurred in his capacity as Trustee in the current and prior year.

NORTHEASTERN UNIVERSITY – LONDON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

10 TANGIBLE FIXED ASSETS

	OT	FF	TE	AUC	LI	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 July 2022	2,630	1,246	-	2,241	6,685	12,802
Additions	552	971	55	6,571	-	8,150
Transfers from AUC to LI	-	-	-	(7,006)	7,006	-
At 30 June 2023	3,182	2,217	55	1,806	13,691	20,952
Depreciation						
At 1 July 2022	533	94	-	-	358	985
Charge in the year	740	175	9	-	721	1,647
At 30 June 2023	1,273	269	9	-	1,079	2,632
Net book value						
As at 30 June 2023	1,909	1,945	46	1,806	12,612	18,320
At 30 June 2022	2,097	1,152	-	2,241	6,327	11,817

* OE - Office Equipment

****AUC - Assets Under Construction

** FF - Fixtures and Fittings

*****LI - Leasehold Improvements

*** TE - Teaching Equipment

11 FIXED ASSET INVESTMENTS

Investment in Subsidiaries	£'000
Cost	
At 1 July 2022	1
Additions	-
At 30 June 2023	1
Net book value	
As at 30 June 2023	1
At 30 June 2022	1

The University's investment at the balance sheet date is one ordinary share in a 100% owned Subsidiary, New College of the Humanities Ltd, (NCHL) Devon House, 58 St Katherine's Dock, London, E1W 1JP a company incorporated in the United Kingdom with company number 07917776, whose principal activity was the provision of higher education in the humanities. NCHL is now dormant so it had no trading activity, its net reserves remain £75,598, as per June 2020. Reserves include a balance owed to NU London which is now impaired in these accounts as it is deemed unlikely it will be repaid in the medium term. This entity has not been included within the consolidation on the grounds that the entity is immaterial to the group.

NORTHEASTERN UNIVERSITY – LONDON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

12 DEBTORS

	2023 £'000	2022 £'000
Trade debtors	110	313
Amounts due from Parent Company	336	292
Prepayments and accrued income	2,530	2,456
Other debtors	893	169
Total	3,870	3,230

13 CREDITORS

	2023 £'000	2022 £'000
Amounts falling due within one year		
Trade creditors	2,257	2,453
Accruals and deferred income	10,356	5,120
Tax and social security	334	241
Dilapidation provision for previous leasehold**	356	356
Short term provision	96	-
Other creditors	523	385
Total	13,922	8,555

** The increase in creditors from 2022 included in the Statement of Cashflows removes the Dilapidation provision included above as it had already been accounted for as part of provisions.

Amounts falling due after one year

Restitution provision for Devon House	2,384	1,279
Total	2,384	1,279

14 PROVISIONS

	Dilapidation £'000	Restitution £'000	Other provisions £'000	2023 Total £'000	2022 Total £'000
Balance brought forward	356	1,279	-	1,635	1,097
Released in the period	-	-	-	-	-
Provided for in the period	-	1,105	96	1,201	538
	356	2,384	96	2,836	1,635

Dilapidation provision relates to the former premises. Work has been ongoing since 2022 and we are awaiting landlord's confirmation of completion to release the funds.

In 2021 a provision was created against the costs of restitution for the leasehold in Devon House, which spans 15 years. This cost was estimated by our surveyors Hennessy Godden and is reviewed on an annual basis to include any changes of estimates as well as any additional leasehold properties that require a restitution. This provision is included in creditors due after one year.

The Other provision relates to potential repayments concerning non qualifying fee income.

NORTHEASTERN UNIVERSITY – LONDON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

15 OPERATING LEASE COMMITMENTS

During the year £3,423k was recognised as an expense in the Statement of Financial Activities in respect of operating leases (2022: £2,992k). At 30 June 2023 the University had total commitments under non-cancellable operating leases over the remaining life of these leases.

	2023 £'000	2022 £'000
Land and Buildings		
Within one year	3,381	2,072
Between two and five years	17,160	13,494
After more than five years	31,035	29,196
	51,576	44,762

In October 2020 the University signed a 15 year lease for 3 spaces within Devon House, St Katherine's Dock. The leases offered a rent free period of 23 months at the beginning of the contract and a further 6 months on the 10th anniversary.

In December 2021 the University signed a further lease for Second Floor East of Devon House to run concurrently with existing lease, which also includes similar rent free periods.

In December 2022 the University signed a 13 year lease for the first, second and third floor of Marble Quay, St Katherine's Dock. The lease offered a rent free period of 20 months at the beginning of the contract.

At the same time the University also signed a 13 year lease for the ground floor and basement of Marble Quay, St Katherine's Dock. The lease offered a rent free period of 23 months at the beginning of the contract.

The schedule above reflects the timing of actual payments to the landlord and reflects the rent free periods.

In addition to the above, the University enters into contractual agreements with various student accommodation providers in advance of the academic year to ensure provision of accommodation to students both in our mobility programmes and UK undergraduate programmes. Below represents contractual commitments not yet paid for at year end.

	2023 £'000	2022 £'000
Student Accommodation commitments		
Within one year	17,748	-
Between two and five years	-	-
After more than five years	-	-
	17,748	-

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

16 FUNDS NOTE FOR CURRENT YEAR AND PRIOR YEAR

2023	Balance at 1 July 2022 £'000	Income £'000	Expenditure £'000	Transfers, gains and losses £'000	Balance at 30 June 2023 £'000
Unrestricted funds					
General Reserves					
– P&L	(37,052)	31,797	(35,284)	-	(40,539)
– Capital	32,604	-	-	-	32,604
Designated funds - FA	10,538	-	-	5,398	15,936
	6,090	31,797	(35,284)	5,398	8,001
Restricted funds					
NCH Trust	72	-	(6)	-	66
External Grants	64	191	(230)	-	25
Capital Funding	1,561	12,211	(25)	(5,398)	8,349
	1,697	12,402	(261)	(5,398)	8,440
Total funds 2023	7,787	44,199	(35,545)	-	16,441
2022	Balance at 1 July 2021 £'000	Income £'000	Expenditure £'000	Transfers, gains and losses £'000	Balance at 30 June 2022 £'000
Unrestricted funds					
General Reserves					
– P&L	(33,662)	18,074	(21,463)	(1)	(37,052)
– Capital	32,604	-	-	-	32,604
Designated funds - FA	5,205	-	-	5,333	10,538
	4,147	18,074	(21,463)	5,332	6,090
Restricted funds					
NCH Trust	78	-	(6)	-	72
Capital Funding	-	100	(36)	-	64
	1,452	5,464	(23)	(5,332)	1,561
Total funds	5,677	23,638	(21,528)	-	7,787

Analysis of net assets between funds:

2023	Restricted £'000	Unrestricted £'000	Designated £'000	Total Funds £'000
Fixed Assets	-	-	18,320	18,320
Net Current Assets	8,440	(7,935)	-	505
Provisions	-	-	(2,384)	(2,384)
	8,440	(7,935)	15,936	16,441

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

2022	Restricted £'000	Unrestricted £'000	Designated £'000	Total Funds £'000
Fixed Assets	-	-	11,817	11,817
Net Current Assets	1,697	(4,092)	-	(2,395)
Provisions	-	(356)	(1,279)	(1,635)
	<u>1,697</u>	<u>(4,448)</u>	<u>10,538</u>	<u>7,787</u>

17 SHARE CAPITAL

	2023 £'000	2022 £'000
Allotted, called up and fully paid		
Ordinary shares of £1 each	13,850	13,850
Capital Contribution	<u>-</u>	<u>-</u>
	<u>13,850</u>	<u>13,850</u>

18 FINANCIAL INSTRUMENTS

	2023 £'000	2022 £'000
Financial assets measured at amortised cost	13,020	3,527
Financial assets measured at fair value	-	-
Financial liabilities measured at amortised cost	<u>(9,833)</u>	<u>(8,226)</u>
	<u>3,186</u>	<u>(4,699)</u>

- a) Financial assets measured at amortised cost includes include cash, trade and fee debtors, staff loans, other debtors & accrued income, but exclude amounts due from HMRC.
- b) Financial assets measured at fair value consists of investments.
- c) Financial liabilities include trade creditors, other creditors, accruals, bank loans & pension liabilities but excluding amounts owed to HMRC and deferred income.

19 CAPITAL COMMITMENTS

As at 30th June 2023 the University was undergoing a capital project to refurbish the Ground Floor East of Devon House from office to teaching space. The committed costs of the project at that date were £2,007,408 of which £1,158,574 had been spent already, leaving a further capital commitment beyond year end of £848,834.

Further, there was a capital project for an Incubator Space with a committed value of £1,499,771 with no invoices to date so the full balance remained a capital commitment at year end.

So the total capital commitments at year end amounted to £2,348,605.

NORTHEASTERN UNIVERSITY – LONDON
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

20 RELATED PARTY TRANSACTIONS

The University's parent is Northeastern University, an educational institution incorporated under the laws of the Commonwealth of Massachusetts, United States, being a non-stock, non-profit educational charity with tax exempt status (EIN: 04-1679980) under section 501(c)(3) of the United States Internal Revenue Code. Main address is 360 Huntington Avenue, Boston, MA 02115, United States. Consolidated accounts are available on Northeastern University's website;
<https://finance.northeastern.edu/financial-statements>.

There were no related transactions in the year with the subsidiary, NCHL, due to the latter being dormant. See note 8 for reference to impairment of debit owed from NCHL to NU London.

20.1 INTERCOMPANY TRANSACTIONS

The University received £37.3m from its parent company during 2022-23. £24.2m for UG mobility provision, £12.2m for Capital Grants, and £0.9m for other services. As at 30th June 2023 £336k of this remained due to the University (see note 12)

21 CONTINGENT LIABILITIES

The University had no contingent liabilities as at 30 June 2023 (2022: none)

22 POST BALANCE SHEET EVENTS

In September 2023 the University signed an agreement which commits them to a rental lease for new premises at Portsoken, located near the Tower Gateway DLR station, once planning permission is granted by the local authority, which is hoped will be obtained in November 2023. The rental lease is to run concurrently with the pre-existing lease and benefits from the same rent free period arrangement.