



**Middlesex
University
London**



Financial Statements 2018/2019

For the year ended 31 July 2019

Financial Statements 2018/2019

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“ Learning at Middlesex is hands-on. We engage our students in active, practice-based learning, with teaching enriched by research and innovative practice that creates highly employable graduates.

I am delighted to take up the role of Interim Vice-Chancellor at Middlesex, a University that transforms the lives of its students.

This has been a successful year for Middlesex. As always, I am impressed with the hard work, commitment and dedication of our staff, who recognise the potential in every one of our students, and help them to achieve success. In a time that is uncertain for the sector, we are minimising financial risk, taking decisions that will ensure a financially sustainable future for the University.

This year we have continued to invest in initiatives that improve our student experience. Increasingly, we are harnessing the power of data to make sure that we provide the support that our students need. We know that around 50% of our students are the first in their families to go to university, a majority commute and that many balance their studies with part-time jobs. We are working to adapt our services to their needs. Our student body covers over 160 different nationalities. We see this diversity as a key strength and aim to support our learners to succeed in new and increasingly flexible ways.

Learning at Middlesex is hands-on. We engage our students in active, practice-based learning, with teaching enriched by research and innovative practice that creates highly employable graduates. Our courses and research are designed to connect our students with opportunities around the world in the professions, the arts and industry. We want our students to develop the skills and competencies that can be transferred not only between jobs, but also between sectors and industries and between cultures and countries. Examples of this approach extend across our Faculties and a highlight this year has been the work of our Architectural Technology BSc students who collaborated with industry professionals to design a learning, event and wellbeing space on campus.

Our investment in our students also means improvements in our facilities and equipment. Students at Middlesex now benefit from new, interactive teaching spaces. We have invested £195,000 in nursing and midwifery equipment. For me, this is an excellent example of Middlesex working at the cutting-edge. We are the first university to invest in this equipment and we are very proud to be leading the way in the use of technology for teaching.

We were delighted when the Universities Minister Chris Skidmore MP made Middlesex one of the first universities he visited in January 2019. He was impressed with our new nursing and midwifery equipment and spoke to our students about their experiences. We also advised him on accelerated study degrees, commuter students, widening participation and the Government's review of post-18 education and funding.

Our research remains an important part of our strategy. Through our research we benefit the wider world and create an exciting learning environment shared by our staff and students. This year we are part of some exciting research projects, including work on community engagement, the environment and wellbeing. Middlesex research is benefitting people across the world, from security systems that use smart technology to spot patterns in crimes, to technology to monitor new born babies.

This outstanding research, dedication to our students, and investment in the latest industry-standard equipment is reflected in our success in league table rankings. In June 2019 we were named the top modern university in the UK in the Times Higher Education Young University rankings, and we remain one of the top 500 universities in the world.

We are, of course, also living through an extremely volatile and uncertain external environment. At the time of publication, the higher education sector is preparing for the outcomes of the recommendations from the Augar review of Post-18 Education and Funding, and all providers in the higher education sector must navigate the demographic dip in the 18-year-old population.

From policy makers across the political spectrum, we are seeing an ongoing focus on improving technical education through the introduction of T levels, apprenticeships and higher technical qualifications. Given our proud history and our foundation based on practice-based learning, we expect to be at the heart of this transformation.

Brexit will also pose a financial and reputational risk for the UK university sector. We will continue to plan for and update our staff and students in key developments in Brexit. We are working with Universities UK and other membership organisations to campaign for a post-Brexit policy environment that supports our financial sustainability, enables us to help our students to thrive and fulfil their potential, and retains the UK's position in the world as an attractive partner and destination for work and study.

Despite the challenging future we face, I am confident of Middlesex's mission and our commitment to strategic decision making. I am immensely proud of what we have achieved this year.

James Kennedy
Interim Vice-Chancellor

About Middlesex University

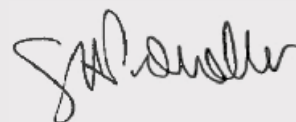
A message from the Chair of the Board of Governors

I am inspired by the commitment of all our staff to our mission and strategy and their dedication and hard work towards achieving our goals. We are in the middle of delivering against our strategy and have clear and specific plans in place to secure our future success. We are making steady progress towards our goals despite challenging times for Higher Education.

In September 2019, Professor Tim Blackman stepped down from his role as Vice-Chancellor of Middlesex University to take up a new post as Vice-Chancellor of The Open University. I congratulate Tim on his new role, and wish him every success. The process for recruiting a new Vice-Chancellor began in summer 2019, with the goal of finding an inspirational, contemporary leader, deeply committed to Middlesex's values, with the vision and skills required to shape and implement our aspirational future.

Our Chief Financial Officer James Kennedy has taken up the post of Interim Vice-Chancellor and I have every confidence in James' leadership to take the University forward whilst we continue our search for the next Vice-Chancellor for Middlesex.

I am certain that we will see further accomplishment in our mission so that we can transform even more lives and empower our students with the highly valued, relevant skills and knowledge needed for rewarding careers and fulfilling lives. In doing so, we aim to contribute to some of the most pressing issues of our time, from social mobility to productivity growth and the skills needed for economic success.



Geraldine Proudler
Chair of the Board of Governors

Middlesex is an outstanding institution. Taking students on life-changing journeys, we are confident of our role in an increasingly uncertain world.

We are proud of our history, which dates back to the specialist London colleges and institutions that, over time, became a successful polytechnic and now a leading modern university. This heritage has laid the foundations for who we are today – a global institution that embraces inspiring teaching and research, lifelong learning and creative innovation, with a strong commitment to social justice, diversity and inclusion.

Change has become normal for all universities and Middlesex has often pioneered innovation, meeting external challenges with new ideas and agility.

Our legacy of innovation includes the UK's first business degree and professional doctorate, and leading the field in work-based learning and transnational education. This continues today when we educate over 400 teachers and 1,800 nurses and midwives every year – contributing to the nation's workforce. We are also transforming teaching, driving technological innovation and leading in work-integrated learning. Our augmented reality midwifery, neonatal and anatomy equipment, and our cyber factory – the first in the UK – equip our students with the skills they need to step into the workplace of the future. Our Apprenticeships programmes,

such as the Police Constable Degree Apprenticeship, aim to increase social mobility and provide new routes into public sector professions.

140 years on from the opening of our founding institution, St Katherine's College, we continue to take a distinctive approach to teaching. Our students learn through doing, making and through experience. By working on real-life projects, our students are able to apply their advanced knowledge to solve problems and gain key skills sought by top employers. They also regularly take their learning outside of the classroom – through placements and internships, or through working on projects for businesses and the professions.

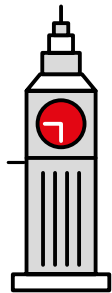
With 160 nationalities on campus, our diversity is a source of inspiration and strength. We are the highest ranked UK university in the global Times Higher Education rankings of universities under 50 years old and are proud of our position in the top 500 World University Rankings.

We operate both globally and locally. Our international reputation and global connections have not taken away from our sense of community. We have three overseas campuses in Dubai, Mauritius and Malta. We take our commitment to our local London Borough of Barnet seriously, where we contribute £289 million annually through employment and reach into local businesses. Our students and staff regularly give their time, knowledge and skills to support community projects and to help tackle societal issues.



Middlesex in numbers

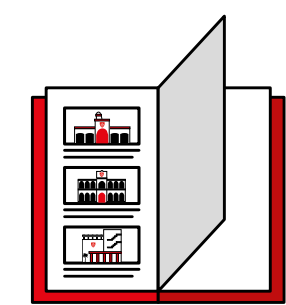
Over **19,300** students based on London campus



More than **198,000** alumni across **184** countries



Top ranked young university in the UK**

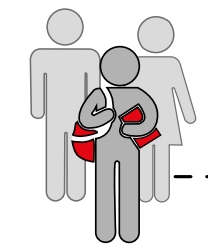
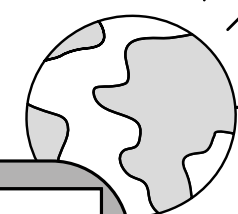


3 overseas campuses

Over **40,000** students study with us globally

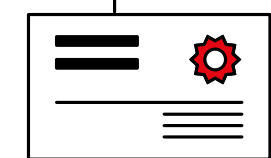
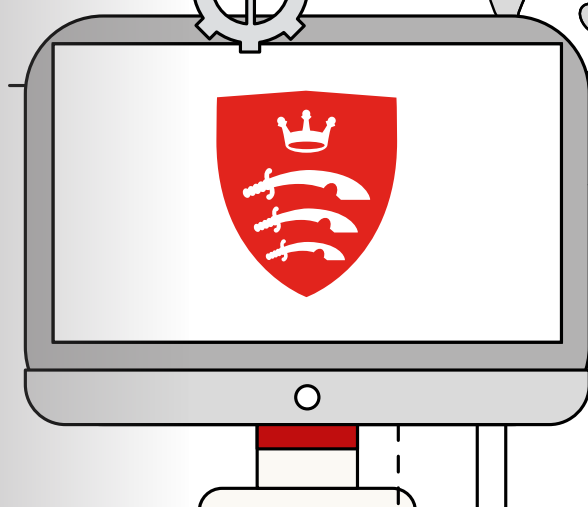
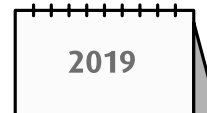
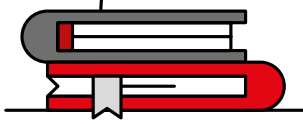
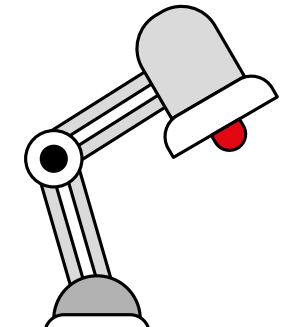
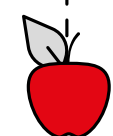


160 student nationalities on London campus

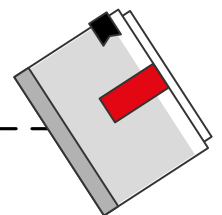


49% of students are first generation to attend university

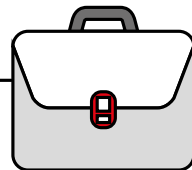
Working with over **a third** of secondary schools in Barnet



355 undergraduate programmes and **249** postgraduate programmes



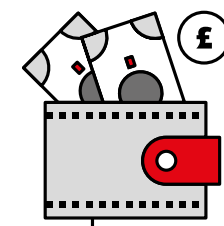
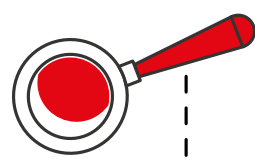
Top employer in Barnet



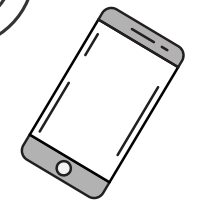
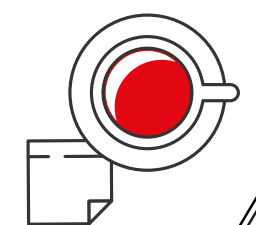
First university to receive a **UKIED Gold award** for equality and diversity



90% of research recognised as internationally significant



£289 million invested into the Barnet economy every year through employment and reach into local businesses



**Times Higher Education Young Universities rankings (2019)

Year in review

Middlesex is about transformation. We empower students and staff with the tools, attributes and opportunities to turn potential into success.

We embrace inspirational teaching and learning, creative innovation, and practical and forward-thinking research that benefits our students, business, society and the world in which we live.



Students collaborate with the professionals to create campus events space

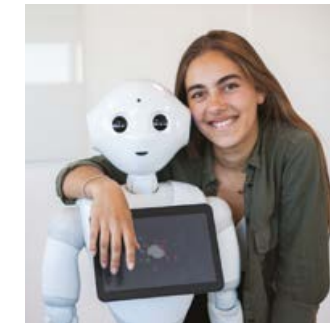
Architectural Technology BSc students collaborated with industry professionals to design a learning, event and wellbeing space on campus. Students led and managed this major project to create the MDX Pavilion building, which is being used by staff and students across the University. As well as gaining insight into the architecture industry, students had the opportunity to apply construction theory and technical know-how to a real project, working with 4Green Architecture, Zandi Architects and BPR Architects Limited.

Newton Fund grant for telecommunications research

Middlesex received a Newton Fund grant for a telecommunications research project in partnership with the University of Transport and Communications (UTC) in Hanoi. The Fund, part of the UK's Official Development Assistance provision, supports activities that contribute to poverty reduction, welfare improvement or the progression of sustainable development in partner countries. The MDX-UTC initiative is to develop a low-cost Digital Twin model for early detection of structural damage to vital infrastructure such as bridges and dams that would be difficult to spot through monitoring of the physical structure alone.



above: Ho Chi Minh City University of Technology and Education delegation visit to Middlesex University



Middlesex students programme the first robot to speak in Parliament

Our resident robot, Pepper, made history by becoming the first non-human to give evidence in the UK Parliament.

Pepper answered questions from the Education Select Committee of the House of Commons on what the Fourth Industrial Revolution means for education. Programmed by Engineering and Computer Science students, the robot's testimony was an example of how Middlesex staff and students are involved in important conversations taking place regarding the future of higher education, and work to influence government policy.

Pepper and the student programmers received a huge amount of media coverage and won a HEIST marketing award for Best PR or Communications campaign.



above: Building Bridges event at Middlesex University

Changing the Culture

Changing the Culture is a University-wide initiative aimed at tackling sexual violence, harassment and hate crime. It stems from a successful Higher Education Funding Council for England (HEFCE) fund bid and subsequent investment from the University for events, training resources, media campaigns and showcasing work from our students.

Students and staff across the University are involved in the five campaigns, which cover celebrating diversity, exploring identity, challenging prejudice and discrimination, addressing sexual violence, and raising awareness and building confidence.



Middlesex research to help monitor babies' lung function

Professor Richard Bayford and the Continuous Regional Analysis Device for neonate Lung (CRADL) team are leading the development of technology that could save the lives of millions of premature babies. The imaging technique developed for the research project means that for the first time doctors can accurately monitor babies' lung function without the need for sedation.

Year in review

continued

Transformative augmented reality equipment and awards for Nursing and Midwifery

Augmented reality midwifery, neonatal and anatomy equipment is transforming teaching at Middlesex. Our state-of-the-art four-bed simulation ward opened in 2018, complete with an animatronic baby mannequin and an augmented reality pregnant mother. The technology can simulate normal delivery and emergency scenarios, offering experiences as close as possible to real life.

One of our midwifery practice academics, Sarah Chitongo, became the first midwife to be awarded the Queen's Nurse title – a mark of professional excellence – in recognition of her services. Queen's Nurses are committed to learning,

leadership and high standards of practice and patient care. Sarah was recognised for looking after asylum seekers and immigrants in the community and for creating safety programmes for patients who are at high risk and need specialist care.

Earlier in 2018, she received the prestigious Mary Seacole Award for her project investigating the experiences of midwives in caring for women from black, Asian and minority ethnic groups on delivery suite high-dependency units within London hospitals.



Sarah Chitongo



Middlesex awarded UK Investor Equality and Diversity Charter

In October 2018, we were awarded a Corporate Gold/Embedded Charter Mark by equality, diversity and inclusion (EDI) specialists, UK Investor in Equality and Diversity (UKIED). This makes us the first UK university to receive this Charter. In a rigorous assessment process, including interviews with staff, students and external contacts as well as a site visit, UKIED concluded there was overwhelming and compelling evidence, particularly in relation to students, that we are genuinely committed to embedding equality, diversity and inclusion within all elements of the learner experience.



Innovative arts-based mental health research

Senior Lecturer in Psychology Dr Erminia Colucci has won two grants totalling almost £1 million from the Global Challenges Research Fund. The grants, awarded by the Economic and Social Research Council and the Arts and Humanities Research Council are for innovative arts-based mental health research.



above: Breaking the chains, ethnographic documentary by Dr Colucci



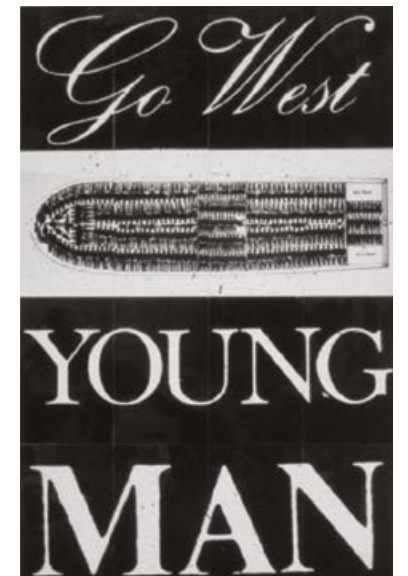
above: Apprentices visit to Middlesex University

Funding for nursing apprenticeships research

A consortium led by Middlesex University, including Sheffield Hallam and Staffordshire Universities and the University Vocational Awards Council (UVAC), has received a grant from educational charity Edge Foundation's 2018/19 grant fund for research to help form recommendations on providing degree apprenticeships.



above: Still from Yours Truly, Osbert Parker
right: Go West Young Man, Keith Piper



Renowned visual artists teach Middlesex students

Middlesex is fortunate to have two prominent black British visual arts practitioners among its Faculty members. Keith Piper was a founder member of the Blk Art Group and a key figure in the 1980s black art movement. He has been a Reader at Middlesex since 2006. Osbert Parker is a three times BAFTA-nominated film director, who has worked with

Quentin Tarantino's production company and on commercials including Coca-Cola and Nike. He joined Middlesex as a Lecturer in Animation in 2010. Both Osbert and Keith's work was shown at a black British animators event at the British Film Institute, as part of the BFI's 2018 animation season.

The Executive

James Kennedy, Interim Vice-Chancellor



James Kennedy took up the post of Interim Vice-Chancellor in September 2019.

He joined Middlesex in 2016, taking responsibility for strategic financial planning, capital investment and driving strategies to optimise the effective and efficient use of resources and processes.

James has worked in a variety of different sectors, most recently as Chief Operating

Officer with an NHS Foundation Trust. Prior to this, James worked for 10 years at Thermo Fisher Scientific, a US quoted company, where he held a number of UK and European director level positions. James is also a member of the Institute of Chartered Accountants of Scotland and holds a master's degree from the University of Oxford in Engineering Science.

Professor Andrea Dlaska, Deputy Vice-Chancellor, Learning and Innovation



Professor Andrea Dlaska started at Middlesex University in April 2016, coming from the University of Surrey where she held the position of Pro Vice-Chancellor, Learning and Teaching.

Previous positions include Director of the Joint Language Centre of the University of Zurich and the Swiss Federal Institute of Technology, which she established in 2002, and lecturer in German at Warwick University.

Andrea provides executive leadership for student success and the student experience and leads on the University's submission to the Teaching Excellence Framework. She also has responsibility for Learning Support Services, the Employability Service, the Centre for Academic Practice Enhancement, student health and wellbeing, academic quality assurance, liaison with the Students' Union, and the University's overseas campuses.

Katie Bell, Chief Commercial Officer



Katie Bell came to Middlesex University London in 2009 following a career in brand marketing, innovation and strategic planning for Nestlé UK and GlaxoSmithKline Consumer Healthcare.

Her role before joining Middlesex was Vice-President of Global Digital Marketing. She also worked for several years in Portugal and Spain, and was the Dean of the European University Business School in Barcelona and Madrid.

As a member of the University's Executive team, Katie is accountable to the Vice-Chancellor for strategic leadership, management and development of the University in relation to home and international student recruitment, marketing and communications, alumni and external relations, international development, and academic and corporate partnerships.

She is also a Non-Executive Director for UCAS Media.

Sophie Bowen, Chief Operating Officer



Sophie Bowen joined Middlesex University in 2016. Prior to this, she worked at St George's University of London as University Secretary and Director of Academic Administration and Quality. She also held a variety of roles at the University of Birmingham.

Sophie graduated from the University of Oxford with a BA and MPhil (Research) in Sociology as well as an MBA from the Open University.

At Middlesex, Sophie is responsible for coordinating strategic planning, central

and departmental academic administration, computing and communications systems services, governance and regulation support, and student and legal affairs.

She is Honorary Treasurer and Chair of the Development Committee of the Association of Heads of University Administration, and a Director of Higher Education Statistics Agency (HESA).

Mark Holton, Chief People Officer



Mark Holton has been Middlesex University's Chief People Officer since August 2019.

Mark's role is to lead the organisational and workforce development needed to achieve the University's strategic and financial objectives over the next 5-7 years. He is responsible for enhancing staff wellbeing and engagement across the University. Mark's responsibilities also include executive leadership of the University's HR and business enhancement functions.

Previously Mark worked at Coventry University where he was Director of Group Organisation Development. Within this role, his portfolio

included Leadership, Professional, Academic and Organisation Development across the University Group.

Prior to joining Coventry University, Mark held positions in Consulting, Retail and the Financial Services sector. This included key roles at organisations including Waterstones, Kingfisher Group and Nationwide Building Society.

Mark has an MA in Human Resource Management. He has extensive international experience including, delivery of Higher Education programmes in China, South East Asia, The Middle East, West and South Africa.

Eran Kochlany, Interim Chief Financial Officer



Eran Kochlany joined Middlesex University in January 2018 as Director of Finance and was appointed as Interim Chief Financial Officer in September 2019. Eran is responsible for the overall financial sustainability, strategy and financial control of the University. He also has Executive responsibility for the Procurement and Insurance team.

Prior to joining Middlesex University, Eran has held a variety of roles in the private and non-profit sectors. Previous positions

include Financial Controller at the Children's Investment Fund Foundation and Head of Finance at Euroceanica Group, an international shipping company.

Eran has a BA in Business and Administration (Accounting) with Distinction and is also a Chartered Public Accountant (CPA). Eran has completed several executive courses, including Endowment management at Yale University.

The Executive

continued

Anna Kyprianou, Pro Vice-Chancellor and Executive Dean



Anna Kyprianou is Pro Vice-Chancellor and Executive Dean of the Faculty of Professional and Social Sciences, which comprises the Business School, the School of Health and Education and the School of Law. Anna also has University-wide responsibility for promoting diversity.

Anna's areas of specialism are organisational behaviour and leading and managing people with a particular emphasis on the virtual organisation. She has worked with the

strategic development of organisations and their leadership and management teams for more than 35 years.

Anna was the elected the Vice-President for the Chartered Institute of Personnel and Development's Membership and Professional Development Committee and also sat on the CIPD Board from 2011 to 2018. She continues to work closely with the CIPD as a Chartered Companion.

Professor Carole-Anne Upton, Pro Vice-Chancellor and Executive Dean



Professor Carole-Anne Upton is the Executive Dean of the Faculty of Arts and Creative Industries, bringing together academic provision across art, design, media and performing arts.

She also has university-wide strategic responsibility for research and knowledge exchange, including the Research and Knowledge Transfer Office.

Carole-Anne joined the University in 2012 as Dean of the School of Media and

Performing Arts and Professor of Theatre. Prior to joining the University, she was Chair in Drama at the University of Ulster.

Carole-Anne has 20 years' teaching experience spanning directing, space and performance, liveness and documentation, modern Irish theatre, French classical theatre, Beckett, avant-garde performance and African and Caribbean theatre.

Professor Sean Wellington, Pro Vice-Chancellor and Executive Dean



Professor Sean Wellington joined the University in April 2019 as Executive Dean of the Faculty of Sciences and Technology. He has overall responsibility for the campus experience, including sport and recreation, and also chairs the University's Environmental Steering Group.

Sean was previously Associate Dean Strategy and Development in the Faculty of Technology, Design and Environment at Oxford Brookes University.

Sean began his career as an apprentice and then Engineering Technician with Marconi Defence Systems, progressing to hold senior leadership roles in higher education. He is a Chartered Engineer, a Fellow of the Institution of Engineering and Technology (IET) and a Principal Fellow of the Higher Education Academy.



Transforming potential into success

Professional and Social Sciences

In 2018/19 the Faculty of Professional and Social Sciences celebrated several accomplishments. The Faculty groups together subjects from the Business School, School of Law and the School of Health and Education.

Promoting social mobility and social justice

The Faculty of Professional and Social Sciences is a diverse, complex and passionate Faculty, with social mobility and social justice at its heart. Each School shares a common purpose: to make a difference to our students' lives, the professions and careers they choose, and the communities they live in.

Courses across the Faculty performed well in 2018/19 league tables. In the 2019 Complete University Guide, in London we were first for Social Work, third for Social Policy, fourth for Education, and fourth for Nursing. In addition, Law at Middlesex is the second highest improver among Law schools in the Research Excellence Framework (REF) 2014, moving up 16 places. Middlesex is now the top young university, ahead of several Russell Group universities.

Expanding our apprenticeships

In response to employer demand, especially public sector employers, and as part of our commitment to improving social mobility, this year we have focused on apprenticeships and alternative pathways.

We have expanded our provision of Higher and Degree Apprenticeships in Policing, Nursing, Management, Leadership and Business to Business Sales enabling apprentices to gain knowledge, experience and skills – and a much valued qualification – as they earn that will help them progress in their careers. Further detail about the expansion of our apprenticeship programme can be found on pages 42-43.

Using new technology in teaching

Middlesex was the first university in the UK to invest in ground-breaking augmented reality midwifery, neonatal and anatomy equipment. The investment prepares students for work placements and gives them the skills we know they will need for their future careers. BBC technology programme Click broadcast the equipment in action, and international news organisation Reuters filmed students and staff working with the equipment, highlighting its role in preparing students for the workplace.

Award-winning students and academics

One of our Midwifery practice academics, Sarah Chitongo, was given the Queen's Nurse title in recognition for her services in midwifery. She is the only midwife to have received the accolade.

Middlesex was nominated in five categories at the prestigious Student Nursing Times Awards 2019, in a record year for entries to the competition. Third year student Bronwyn Evans was nominated for Student Nurse of the Year: Mental Health, and Adult Nursing student Simone Gordon was shortlisted in the Outstanding Contribution to Student Affairs category.

Professor of Nursing Michael Traynor received well-deserved recognition with a Royal College of Nursing Fellowship.

The Middlesex UK Whistleblower Award was established in 2012 to recognise whistleblowers as heroes rather than villains. This year's recipient was Helen Evans, who blew the whistle on systemic sexual exploitation and abuse perpetrated by Oxfam aid workers. The award recognises her bravery in revealing one of the biggest charity scandals of recent years.

Middlesex University's involvement in CARESSES, a ground-breaking research project to revolutionise care for the elderly, was listed as one of the UK's 100 best breakthroughs for its significant impact on people's everyday lives. The list of breakthroughs, compiled by Universities UK as part of its MadeAtUni campaign, demonstrates how UK universities are at the forefront of some of the world's most important discoveries, innovations and social initiatives, including the discovery of penicillin, work tackling plastic pollution, ultrasound scans to check the health of unborn babies, and the establishment of the Living Wage.



Engaging local, national and international communities with our research

All the research we do across the Faculty aims to add value to society by addressing the major challenges of our time. Through research, we can equip our students with skills and knowledge to take on major social issues.

One example of our research tackled exploitative practices in British workplaces, exploring ways to detect unpaid wages and improve wage recovery. The research examined the frequency of and reason for unpaid wages. Our researchers also looked at who might be affected and the amounts of money involved.

Research Fellow Dr Roger Kline co-authored a study that gives the first comprehensive estimate of the financial costs of bullying and harassment in the NHS. The study used data from NHS Digital to gauge the impact of bullying upon sickness absence, employee turnover, productivity, sickness presenteeism, and employment relations.

Researchers from our Music Cognition and Communication Lab published a study in May 2019 that provides compelling and novel evidence about associations between musical skills and language development in preschoolers.

Our research also extends internationally, with our European Human Rights Advocacy Centre (EHRAC) using legal mechanisms to challenge serious human rights abuses across the globe.



Transforming potential into success

Arts and Creative Industries

This has been a successful year for the Faculty of Arts and Creative Industries, with industry partnerships, major research projects and showcases of our students' achievements. The Faculty comprises our Media, Performing Arts, Design and Visual Arts courses.

Improving our portfolio of courses and student support

We cover a breadth of disciplines in a creative environment which is heavily practice-based and contemporary. Nested within a culture of learning, research and professional practice, our portfolio and pedagogy is purposefully aligned to the needs and ambitions of our specific student demographic. Collaboration is a core value for Arts and Creative Industries. In 2018/19, we worked with a range of partners from across the arts, media, industry and business to improve the student learning experience and journey to success, innovating in a way that sets us apart from other parts of the sector.

Our courses

Our leading courses were recognised in the Guardian 2019 University Guide – we were ranked top in London for Film Production and Photography and 3rd in the UK. We enhanced our Undergraduate course portfolio this year, launching Foundation years for English, Creative Writing and Journalism, and a range of our fashion courses. Foundation year entry is now available across our entire Faculty portfolio. We have launched new courses in Dance Performance and Dance Practice, and undertaken a significant review of theatre provision, with two new titles launching in 2020. This year we will continue to update our portfolio of master's courses,

and have already introduced new Master's in Classical Music Business and Digital Journalism and a growing portfolio of Professional Practice programmes at both undergraduate and postgraduate level.

We have made improvements to our facilities and in employability – every programme in our Faculty now offers an opportunity for work-based learning. Many of our students go on to work freelance or start their own businesses. We tailor our support to their needs, preparing them for the challenges this can bring. This support is reflected in our placement as top in London in the 2019 Complete University Guide for graduate prospects in Drama, Dance and Cinematics.

Local collaborations

The Royal Air Force Museum, close to our London campus, is one of our important cultural partners. In 2018, to mark one hundred years of the RAF, Middlesex graduates choreographed three dance compositions inspired by wartime letters. They were performed by Dance students and graduates at Remembrance events at the Museum. BA Illustration students also created a graphic novel telling stories about the history of the RAF aerodrome and animation students created moving tales based on letters and artefacts in the collection. We celebrated our collaboration with the RAF Museum in July 2019 when their CEO Maggie Appleton became an Honorary Graduate of Middlesex University.

We are a strategic partner in the newly created Cultural Education Partnership, which brings together arts education bodies, schools, and formal and informal education providers across Barnet. We are one of the lead partner organisations for the London Borough of Barnet in its Arts and Culture Strategy.

On campus, over 180 students, across seven undergraduate and postgraduate modules, took part in the 'No Home for Hate' campaign, gaining great employability skills in the process. Students worked with the Metropolitan Police and other partners to respond to a brief to tackle hate crime. It challenged them to question their own attitudes, values and behaviour and then choose their own creative approach to engage other students. Through this, they created work that could be included in their portfolios, and developed communication skills that will help them in the workplace.

Partnerships with industry

Partnerships with industry leaders increase our students' employability and our latest partners from creative businesses include Avid and Canon, as well as arts organisations such as Troika and ArtsDepot.

We have established our research partnership with Dance Umbrella – one of the leading dance festivals in the world. Our staff and students took part in their 40th anniversary celebration in October 2018 at Somerset House in London, gaining valuable experience and exposure while supporting the project with their knowledge and skills.

We are also part of a UK-wide initiative with Film London to provide a better dialogue and promote more effective alignment between employers in screen industries and universities.

We have a range of teaching partnerships around the world. As well as a growing presence for our courses at our campuses in Dubai and Mauritius, we have validated or franchised partnerships and articulation arrangements in the UK and Europe, and in other countries from Mexico to Malaysia. This year we continued our longstanding research relationship with the Beijing Dance Academy in China with shared staff-led and doctoral projects.

Research projects and partnerships

We have begun a major 5-year international project investigating gender justice and inclusive security in conflict-affected societies. The project is coordinated by the London School of Economics and funded by UK Research and Innovation's Global Challenge Research Fund (GCRF).

Vida Middelgouw, Professor of Dance and Choreographic Practices, has recently concluded a significant EU-funded research project, led by Middlesex. Artistic Doctorates in Europe (ADiE) involved universities and professional arts organisations in the UK, Finland and Sweden.

Neelam Raina, Associate Professor in Design, was partially seconded to a high profile leadership role for one of the thematic strands of the GCRF at UK Research and Innovation, and Jonathan Impett, Associate Professor in Music, continues his partial secondment as Director of Research to the Orpheus Institute in Ghent.

Showcasing our students' skills

The best of our students' work in film, TV and visual effects was shown to the most senior and influential screen and industry colleagues at an event at the BFI, London. The employers who attended were so impressed by their work that six students were offered jobs before the night was over.

Our students regularly present work externally and win many awards. Our own Arts and Creative Industries Degree Show at London's Truman Brewery was a popular event. The private view alone attracted more than 1,500 people. We also presented 18 selected BA Fashion Design and Fashion Textiles collections to the industry and media at Somerset House in May 2019. The showcased students were shortlisted by a prestigious industry panel of judges including designer Bethany Williams, artist Julie Verhoeven, fashion director at culture and style magazine HUNGER Kim Howells, fashion editor at gentleman's style journal Fantastic Man Stuart Williamson, and head of design at Anthropologie Luella Lane.

We work with London event organisers to give students the opportunity to gain practical experience during their studies. At London's 2019 Chinese New Year celebrations, BA Music Business and Arts Management student, Joo Chee Koo, was tasked with recruiting, training and coordinating over 200 volunteers as part of a module for her course. Undergraduates volunteered at London's biggest free independent music festival, the Hanwell Hootie, in May 2019. This experience of staffing a major live music event will make their applications for music industry jobs stand out.

Outstanding staff and alumni

We are proud of our impressive staff and alumni. Some of their many accolades in 2018/19 included a second BAFTA for BA Animation course leader Jonathan Hodgson for his film Roughhouse, and a BAFTA nomination for Richard Billingham, who lectures on the BA and MA photography courses. He was nominated in the category of Outstanding Debut by a British Writer, Director or Producer. Mark Vallance, Lecturer in Popular Music (Songwriting) co-wrote a song on singer-songwriter Tom Walker's new album, which achieved a UK number one. 2019 also saw Knighthoods for Middlesex University Visiting Professor Robert Cohan in recognition of his contribution to contemporary dance over seven decades, and for the race and equalities activist Simon Woolley, who studied Spanish and Politics at Middlesex.



Transforming potential into success

Science and Technology

This year has seen some impressive achievements for our Science and Technology Faculty. The Faculty comprises Natural Sciences, Computer Science, Design Engineering and Mathematics, Psychology and the London Sports Institute.

Award-winning Faculty members

Dr Alison Megeney, Associate Professor in Mathematics was appointed a National Teaching Fellow. This highly prestigious award recognises individuals who have made an outstanding impact on student outcomes and the teaching profession in higher education.

Associate Professor in Psychology Dr Lisa Marzano received a National lifesaver award from Universities UK for academic work that contributes to the nation's wellbeing, 'saving lives and keeping us healthy'. She received this for her Samaritans commissioned research into better understanding how to support people in crisis and prevent suicide attempts.

The Faculty also welcomed its new Pro Vice-Chancellor and Executive Dean this year. Professor Sean Wellington joined in April 2019 to replace Professor Martin Loomes who retired in July 2019.

Research funding and awards

We continue to spearhead research in the world of Science and Technology, with Senior Lecturer Dr Erminia Colucci winning two Global Challenges Research Fund grants for arts-based mental health research.

We were also awarded funding by The Association of London Environmental Health Managers for our research into the support available for older people, including those at risk of dementia. Senior Lecturer in Environmental Health and Housing Dr Jill Stewart is leading the work.

Our collaborative work in Vietnam continues to develop. Associate Professor Dr Huan Nguyen and his team have secured £133,000 of funding for the Digital Twin Modelling for Automation, Maintenance and Monitoring in Industry 4.0 Smart Factory project. The project offers a platform to evaluate system limitations and the impact of malfunction in manufacturing processes.

Working with the wider community

The Faculty has continued its award-winning outreach activity. Highlights from the past year include winning the prize for Outstanding Contribution to the Local Community at the Times Higher Education Awards. The award recognised the community engagement event SMASHFest UK which we set up. The event was run with Greenwich University in collaboration with TV production company The Refinery – its aim being to inspire interest and increasing diversity

in STEAM (Science, Technology, Engineering, the Arts and Mathematics). For a seventh year, we had a leading role in the UK's largest interactive skills, apprenticeships and careers event, WorldSkills UK LIVE, which was held at the Birmingham NEC. Middlesex colleagues organised four WorldSkills UK skills competitions and the finals took place during the fair. In June 2019 BBC presenter and environmentalist Anita Rani spent a day in a Middlesex science lab with Middlesex staff analysing different wet wipe samples to assess their plastic content. The results of these experiments feature as part of the BBC series War on Plastic.

Sustainable design and practice-based learning

In March 2019, we began building our new multipurpose campus space, the MDX Pavilion. This was a major new project to create a sustainably designed learning, event, community and wellbeing space on campus.

Since 2017, Architectural Technology students have been leading on the design of the space in collaboration with industry professionals. This gave students an invaluable opportunity to apply construction theory and technical know-how to a real-life project.

Sporting success

Sport Science and Sport Rehabilitation improved its ranking in the Complete University Guide 2020. We went up by 18 places, putting us in the top 20 in the UK and top in London.

The London Sports Institute continues to work with a range of external organisations, including elite sports clubs such as Saracens Rugby, and community groups, to provide invaluable practice-based learning opportunities for our students. Employability outcomes are well above benchmark for the subject and the best in London.

Kenneth John Ellacott, a master's student in Sport, Exercise and Special Populations, has been selected for the GB Paraclimbing Team. His sights are firmly set on the 2024 Paris Olympics.

A vibrant student experience

Everything we do at Middlesex is dedicated to unlocking our students' potential and transforming their lives. We prioritise their student experience, and we offer support that is tailored to them throughout their time at Middlesex.

Many of our students are the first in their families to go to university and embark on professional careers. Our aim is for Middlesex graduates to become agents of change, adding tremendous value to the companies where they work, pioneering innovation in the public services and creating the businesses of the future.

We engage our students in active, practice-based learning, with teaching enriched by research and innovative practice that creates highly employable graduates. We provide an inspiring choice of courses and learning pathways that empower students with the ambition, skills and knowledge to succeed as graduates. One of our overarching aims is to reduce differences in outcomes related to students' backgrounds and prior attainment.

Equality and inclusivity in the curriculum

We promote equality and inclusivity by creating an environment in which all our students and staff can succeed. This aligns with our strategic objective to 'develop and sustain a culture of respect, purpose, collaboration and trust' across our university.

Significant changes to the Disabled Students' Allowance mean universities are required to take more responsibility for supporting students with additional needs. These changes have prompted us to look at how we can make our learning and teaching practice and environments more inclusive. As part of our ongoing work, we held university-wide discussions within Schools and Faculties and across Professional Services.

This year, we have been working on ways to make our curriculum even more inclusive. Teaching inclusively has a positive impact on student learning. It is part of our commitment to having a welcoming and vibrant environment that fosters critical discussion in our learning spaces.

The inclusive curriculum work is driven by our Centre for Academic Practice Enhancement (CAPE). The Centre works collaboratively across the whole university to promote the highest standards of education for students. This includes providing academic staff with resources and support to develop and improve their practice.

Middlesex students come from a rich mix of cultural and national backgrounds. We tap into this incredible resource in our teaching and co-curricular activities. For example, our Language and Culture Exchange, another CAPE initiative, enables hundreds of students to pair up to teach each other their native languages.

Changing the Culture Initiative

As with all our initiatives, 'Changing the Culture' is about improving the lives of our students – now and in the future. The University-wide project tackles sexual violence, harassment and hate crime, with involvement from students and staff across Faculties and the professional services. Students and staff are involved in campaigns which cover topics ranging from diversity and identity to prejudice and discrimination. In June 2019, we invited key members of the local community to a public event. Throughout the evening our media students showcased their campaign projects and films on the topic of tolerance, understanding and diversity.

In addition, all staff will be given training, resources and support so they can confidently recognise, respond to and report safeguarding concerns.

We secured £50,000 match funding for the Changing the Culture initiative from the Higher Education Funding Council for England Catalyst Fund. Subsequent investment from the University means the work has been able to continue beyond the funding period.



Learning and teaching

The quality of our teaching continues to be recognised. As well as being the top UK young University in the Times Higher Education Young University rankings, we were awarded a Silver in the UK's first Teaching Excellence Framework assessment in 2017. The assessment panel praised our commitment to supporting and enhancing student engagement, commenting that students from all backgrounds achieve excellent outcomes at Middlesex. They noted that there is a culture which values and rewards teaching, and that we place a strong emphasis on graduate employment.

Taking a hands-on approach to learning

All our courses are designed to meet future skills needs. We build strong partnerships with industry, the professions and other learning providers to create career opportunities and develop new programmes and pathways, such as apprenticeships and mobile learning. We support active and personalised learning, which is co-designed and co-produced with students.

Our approach to learning is practice-based, with students having to actively demonstrate what they have learned and make links between theory and practice. This keeps learning as current as possible, enabling our students to adapt to an ever-changing environment.

This is especially important for our future nurses and midwives, who face rapid changes and policy overhauls. This is where Strengthening Team-based Education in Practice (STEP) comes in. This collaborative project offers placement opportunities in primary care, GP surgeries and prisons, putting practice learning at the forefront of our teaching. Funded by Health Education England, STEP is being led by a team in our School of Health and Education who are working with several other London universities, the London Association of Mental Health and practice partners. So far, our students' response to placements through STEP has been overwhelmingly positive.



Support for our students

We work with our students as partners to continuously improve their experience, engagement and commitment. Working closely with the Students' Union, the University takes a proactive approach to helping students cope with stress, keep healthy and develop resilience. We provide personalised academic, professional and peer support, acting early to help students who get off-track to re-engage with their studies.

Personalising support

Personal tutors are the main point of academic contact for our students. They play a vital role in supporting students to settle into the university and ease transition from one level to another. While personal tutors are not expected to be experts in delivering pastoral care, they are a first point of contact for students to discuss their concerns and can refer them to any other support services they might need. They also make sure students know about opportunities available to enhance their studies.

In 2017/18, all Foundation year and Level 4 students were allocated a personal tutor. This was extended to Level 5 in 2018/19. Every undergraduate student will have an assigned personal tutor by 2019/20.

Monitoring student attendance

We are in the process of moving away from time-consuming e-registers and preparing to check students in using mobile devices. This will free up students' and tutors' time and help us collect more consistent data to fulfil our external reporting obligations. Once the new attendance monitoring system is up and running, we will look at developing meaningful engagement analytics dashboards, which will better equip us to support our students.

Commuter students

We have carried out a major investigation into commuter students. Our internal data shows that more than three quarters (76%) of our UK students travel over 40 minutes to reach our campus and nearly two-thirds (65%) live in the parental or own home. These findings have formed part of a collaborative multi-London institution project coordinated by London Higher, an umbrella body representing universities and higher education colleges in London. We will be using this data to put initiatives to support these students into place for 2019/20.

Supporting students experiencing stress and anxiety

Interacting with animals is scientifically proven to reduce stress and anxiety, which is why we have introduced Canine Teaching Assistants. Students can now join drop-in sessions and spend time with the dogs. The canine therapy has particularly helped with students feeling home-sick and on the verge of dropping out of university.

This is just one example of the ways we are continually developing our mental health support for students. Our team of experienced professionals includes counsellors, psychological therapists and mental health advisors. As well as one-to-one counselling and therapy, we offer group workshops, addressing such issues as starting university, stress management, overcoming procrastination and psychological blocks to study. We also refer our students on to other support services whenever they need them.



above: Canine Teaching Assistants



Employability

Award winning employability support

MDXworks is our dedicated careers and employability service. We offer a wide range of placements, projects and programmes to support our diverse student population at every stage of their journey. Everything we do is designed to encourage personal development, enrich the student experience, and ultimately empower people to be their most employable. We are proud to have been shortlisted for University of the Year at the UK Social Mobility Awards for our work.

Our campus employment agency, Unitemps, won the 'Franchise Award for the Most Compliant University' in 2019. The award recognises that Unitemps, which employs Middlesex students to do over 200,000 hours of work on campus, had no compliance issues over the year. 12,500 Middlesex students and recent graduates are currently registered to view our online jobs board. We have more than 9,000 followers across our employability social media channels.

New employability initiatives

MyMentor: This scheme creates opportunities for our current students to work with, and learn from, our extraordinary alumni. Following a pilot in 2018/19, we will be rolling this out to alumni and partners who work across a range of sectors and industries.

Emerging Professional Programme: These online and face-to-face activities help students develop the skills and attributes employers want and need. Programmes for first year students include supporting students to research career opportunities for graduates in their disciplines. Second year students are supported to develop networking opportunities and skills. For third year students, there is a series of interactive workshops and tailored one-to-one support, including psychometric testing and job search tools.

MDX=: This suite of programmes has been designed specifically to support students from all ethnic and socio-economic backgrounds, as well as those with disabilities

and mental health problems. We work in partnership with a range of organisations, drawing on their expertise and experience. For example, in 2019 we collaborated with Elevation Networks, a 3,000-strong Afro-Caribbean alumni network to deliver a leadership programme to students from black and minority ethnic backgrounds.

Ongoing programmes and services

We continue to run our successful programmes, including:

MDXcelerator: A University-wide programme of progressive support, activities, mentoring and incubation for student start-up businesses. It encourages students studying any subject to take their business ideas the next level, with pitching opportunities to secure seed-funding, and tailored support at every step.

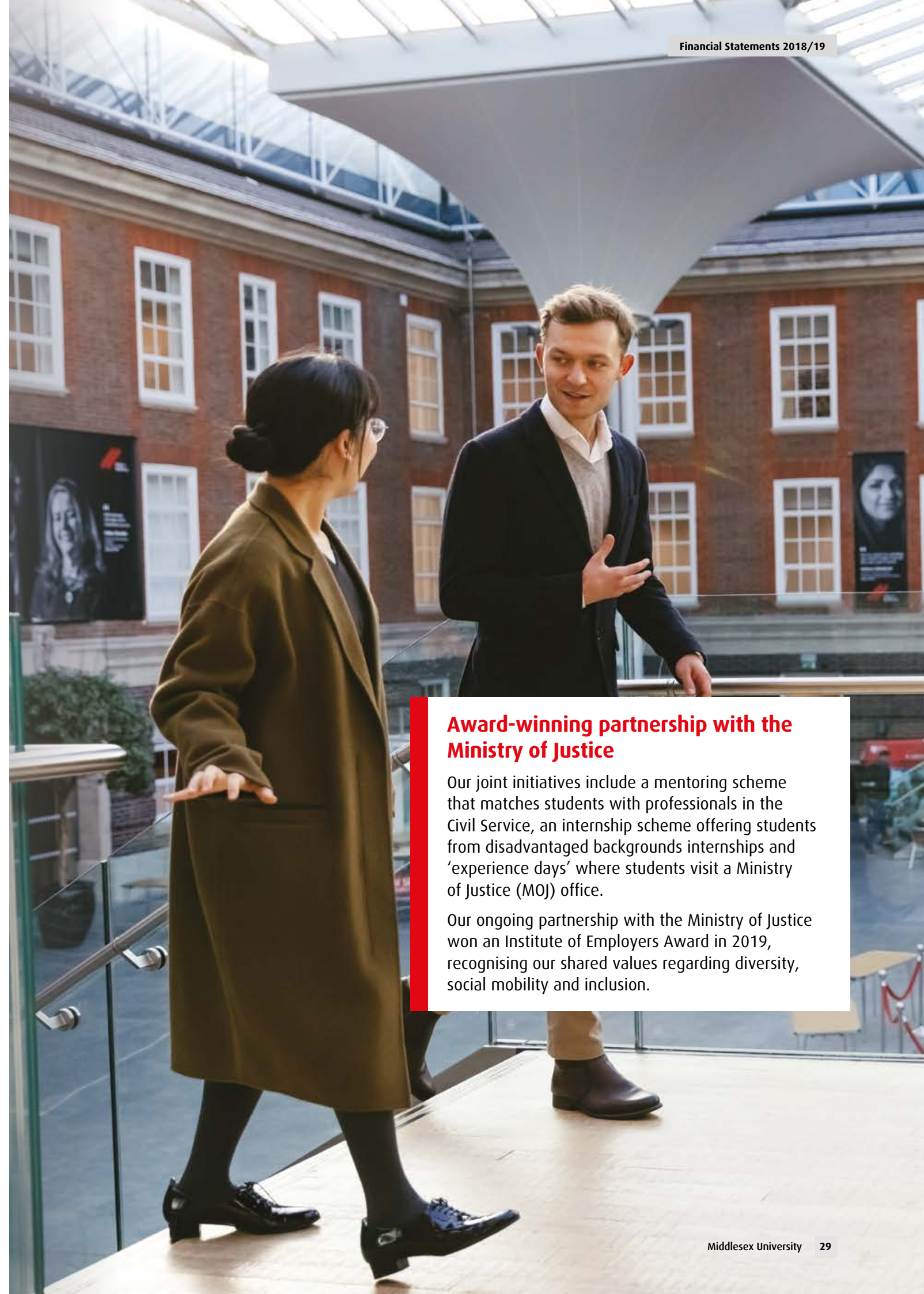
SLA – Get Involved: A series of workshops to inspire first year students, co-delivered by MDXworks employment advisors and Student Learning Assistants.

MDXcel: Acts as an in-house creative agency, offering project-based learning. Students collaborate to create innovative solutions for national and local businesses and organisations, while developing real-world experience.

We also host regular careers fairs, industry panels, talks and events, as well as Q&A panels, taster days and networking events for students and employers. In 2018, over 600 Middlesex students attended our graduate careers festival 'Gradstock', which received support from KPMG, the Ministry of Justice, IKEA, the Royal Navy, Urban Outfitters and Hilton Hotels. Employers from across a range of industries exhibited, gave talks and networked with our students.



above: Gradstock 2018



Award-winning partnership with the Ministry of Justice

Our joint initiatives include a mentoring scheme that matches students with professionals in the Civil Service, an internship scheme offering students from disadvantaged backgrounds internships and 'experience days' where students visit a Ministry of Justice (MOJ) office.

Our ongoing partnership with the Ministry of Justice won an Institute of Employers Award in 2019, recognising our shared values regarding diversity, social mobility and inclusion.

Student numbers



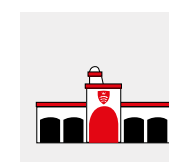
London campus – home and EU students

16,506



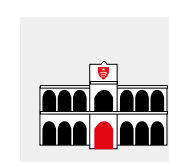
London campus – international students

2,859



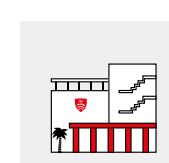
Dubai campus

3,269



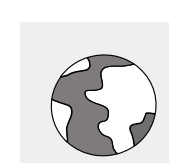
Mauritius campus

1,109



Malta campus

202



Collaborative

16,236

Total

40,181



Our people and culture

above: Middlesex University Staff Conference 2019



above: One Middlesex Staff Awards 2019



Celebrating diversity

Middlesex is a diverse and truly international institution. Our London campus alone hosts 1,800 staff members of over 70 different nationalities.

Our commitment to equality, diversity and inclusion in all areas of the student experience was recognised this year in our UK Investor in Equality and Diversity (UKIED) Corporate Gold/Embedded Charter Mark.

We celebrated the diversity of our staff and their contributions and achievements with our One Middlesex Staff Awards. This year's peer-nominated awards attracted just under 150 nominations from across all our Faculties and professional services. Winners were announced at a special ceremony in May 2019.

We were proud to be in the top third of employers in the 2019 Stonewall Workplace Equality Index in January 2019, a rise of 24 places on last year. The Index is the definitive benchmarking tool for employers to measure their progress on lesbian, gay, bi and trans inclusion in the workplace.

We have also successfully gained the 'Positive about Disability' symbol accreditation which replaced the former 'Two Ticks' symbol in respect of recruitment, selection and promotion of disabled people.

Investing in health and wellbeing

Our staff are our greatest asset. Their remarkable expertise and talent drive our success. Looking after their wellbeing has always been our top priority. This year, we introduced Mental Health First Aiders to be a point of contact for colleagues experiencing a mental health issue or emotional distress. Trained to spot the signs and symptoms of mental illness, they support colleagues to get the help they need. These roles also help raise awareness, reduce stigma, and boost knowledge and confidence in dealing with mental health issues.

'The Science of Happiness', 'Resistance to Change', and 'Enabling Conversations through Coaching' were just some of workshops on offer as part of our annual Change and Wellbeing Programme. Over 400 staff took part in the sessions which focused on improving health and wellbeing, work-life balance and having a positive impact on planning for change.

Working together for positive change

Over 1,000 staff attended our Staff Conference in June 2019. More than 100 speakers and facilitators delivered 75 sessions focusing on our two themes: Big Conversations and Investing in You. Colleagues from our international campuses in Malta, Dubai and Mauritius joined via our live web streaming.

Our 2018 staff survey highlighted the need for more information and clarity on how change is managed at Middlesex. To address this, we developed a change toolkit which will help us share tools and resources and build change management capability. In June 2019 we launched MDXSuggest to gather ideas from staff about how to improve our systems and work together more efficiently and effectively. As part of our commitment to being open and transparent, we've used an online system so that staff can submit ideas as well as comment, expand and vote on ideas from colleagues.

Organisational and workforce development

We appointed our first ever Chief People Officer in August 2019. Mark Holton joined us in this new executive role to lead organisational and workforce development. He will help us achieve our strategic and financial objectives over the next five to seven years, as well as further improve staff wellbeing and engagement.

All Faculties and professional services departments were asked to consider the staff structures and skills required to deliver our Strategy. We developed a University-wide programme to implement their proposals. In July 2019 we completed the first year of implementation and we

have embedded future activity into plans to deliver the remainder of the initiative.

It will be imperative to embed a culture of continuous organisational and workforce development to ensure the institution continues to have the necessary skills, knowledge and capacity to deliver our Strategy and put us in a stronger position to move forward. In a competitive marketplace and dynamic sector, we will continue to drive for innovation across all of our operations to ensure we remain responsive and agile.

We have also implemented a wide range of initiatives to support greater collaboration and continuous improvement, new ways to improve performance and talent management, and staff development programmes to ensure staff are provided with the necessary training and support they need.

Trade union activities

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require the University to publish information on trade union facility time annually. The Trade Union activity data for the reporting period 1 April 2018 to 31 March 2019 is included at Appendix A on Page 106.



above: SMASHFestUK 2019

Our research

Our high quality research not only benefits the wider world but also creates an exciting learning environment shared by our staff and students. Students learn from leading researchers in their field and often encounter the latest ideas and methodologies first hand as part of their curriculum.

Our research and knowledge exchange activity connects our expertise directly with business, industry and organisations beyond the academic realm, providing real world impact by working in partnership with employers and organisations, and further strengthening our collaborative network. An example is the My Care Academy, a knowledge building community between Camden and Islington NHS Mental Health Foundation Trust, Barnet, Enfield and Haringey Mental Health Trust and Middlesex University. The aim is to improve health and social care through education in North London.

One of our objectives for research and knowledge exchange is to maintain or improve our current levels of income. We are working to improve overhead recovery and for the next REF in 2021 to maintain the current level of quality-related (QR) research income.

Regardless of discipline, our research and knowledge exchange aims to add value to society. Our work benefits

business, technology, the arts and creative industries, health and the environment as well as the global community. We tackle complex issues to improve lives, driving positive change with a strong commitment to social justice. This year, we have particularly focused on community engagement, the environment and wellbeing.

Middlesex University is one of the lead partners in a significant research project to investigate gender justice and inclusive security in conflict-affected societies. Several academics from Middlesex University, including Professor Eleonore Kofman, Dr Janroj Keles and Dr Neelam Raina are involved with the research project, coordinated by the London School of Economics, that focuses on gender and human rights. This interdisciplinary project is the largest in the social sciences, creative industries and humanities ever awarded to Middlesex University and is being funded by UK Research and Innovation's Global Challenge Research Fund. Over five

years it will bring together 44 partners in 17 countries, with a value to Middlesex of some £1.6 million.

Dr Neelam Raina from our Department of Design continues to research the links between culture, conflict and poverty in post conflict regions. Her recent project investigated the impact of longstanding conflict in Iraq on local crafts from the perspective of local people. It explored crafts as a means of sustainable income generation that could contribute towards reconstruction and development of the region. The work is supported by a grant from the Arts and Humanities Research Council's Global Challenges Research Fund, via the Nahrein Network based at University College London.

Professor in Dance and Choreographic Practices Vida Midgelow concluded her major EU-funded study into Artistic Doctorates in Europe (ADiE) in 2019, with an international conference at Middlesex.

Senior Lecturer in Product Design and Engineering, Dr Wyn Griffiths, leads a new physical sciences project for young people and families which uses immersive theatre, escape rooms and interactive installations. The project received £100,000 from the Science and Technology Facilities Council. The work builds on his highly successful SMASHFestUK project, a free festival for all ages aiming to inspire interest and increase diversity in science, technology, engineering, mathematics and the arts, that won the 2018 THE Outstanding Contribution to the Local Community Award.

Dr Huan Nguyen, Associate Professor in the Department of Design Engineering and Mathematics, had two notable grant successes this year, both relating to 'Digital Twins' – a digital or virtual model that accurately simulates a real object or system.

The first project will develop digital twins to replicate critical physical infrastructure, for example roadways, bridges and dams. The aim is to better understand the effects of things like service loads, environmental actions and natural hazards. The project is a collaboration with the University of Transportation and Communications in Vietnam and DNVGL Digital Solutions in Norway. It was funded via the British Council Newton Fund Institutional Links programme

In the 2014 Research Excellence Framework (REF) 90% of our research was recognised as internationally significant

The highest subject rankings by grade point average were Social Work and Social Policy, Computer Science and Informatics, Business and Management Studies, Law, Art and Design, Music, Drama and Performing Arts

in support of Institutional Links with Vietnam. The grant's total value is £210,000, of which £133,000 was awarded to Middlesex.

The British Council also funded Dr Nguyen's second project – a UK India Education and Research Initiative researching Digital Twin Modelling for Automation, Maintenance and Monitoring in Industry 4.0 Smart Factory.

Dr Tanya O'Garra, Lecturer in Economics, is evaluating the impact of knowledge co-production on the success or failure of Locally Managed Marine Areas (LMMAs). Using Fiji as a case study, the research considered how LMMAs delivered social and ecological benefits, and identified contextual factors needed for them to succeed. Dr O'Garra received a British Academy grant of £50,000 from their International Interdisciplinary Research Projects fund.

Dr Emma Ward, Senior Lecturer in Psychology, is currently researching the question: Does rhythm enhance recognition memory? She received funding from the Bial Foundation. Her study involves three experiments, using the electrical activity generated by the brain (EEG) to consider the effect of activity with predictable time patterns on recognition.

Professor Richard Bayford led the Continuous Regional Analysis Device for neonate Lung (CRADL) team using Electrical Impedance Tomography (EIT) to focus on the devastating effects of respiratory failure in infants and children. The project has broken the world record for the most clinical data collected in this research area.

Our society relies increasingly on systems that store sensitive information in databases. A major challenge is to devise policies and mechanisms that address not only access control but also 'information flow control'. This is the basis for Senior Lecturer in Computer Science Dr Andrei Popescu's research into Formal Verification of Information Flow Security for Relational Databases. He was awarded a grant of c.£50,000 from Verified Trustworthy Software Systems (VeTSS) for this work.

Knowledge exchange

In 2018/19, our research-related knowledge exchange income grew – this includes collaborative research with industry, contract research for industry, and consultancy.

In line with the rest of the sector, the University's combined knowledge exchange income fluctuated over the last few years, growing moderately between 2014 and 2019. Our main source of knowledge exchange earnings remains continuing professional development (CPD) and short courses, totalling over £10 million annually.

How we perform

Using data from the Higher Education Statistics Agency, we are in the top half of institutions for contract research and for collaborative research.

In CPD, an area in which we are particularly distinguished, we are in the top 20% for fee income and in the top 10% for the number of student days we offer.

In future, the Knowledge Exchange Framework (KEF) will provide a more thorough approach to evaluating knowledge exchange performance and Middlesex is preparing for it currently.

Sharing knowledge for public benefit

In line with our 2017-22 Strategy, all research knowledge and know-how created in our University is used for wider public benefit wherever possible. Examples from last year span a range of subjects, from dance to language use and from mental health to parenting.

In November 2018 Senior Lecturer Dr Jacqueline Harding launched a free online web channel, called Tomorrowschildtv, with over 40 films designed to help parents in the digital age. The channel utilises evidence and contributions from Middlesex researchers.

Locally, we have carried out an evaluation of the Barnet, Enfield and Haringey Mental Health NHS Trust Mental Health Liaison Service, which identified ways to improve provision in our part of London. Further afield in London at Wormwood Scrubs prison we deliver continuing professional development courses on life support for staff, to help reduce prisoner deaths.

Our Centre for Research into Creation in the Performing Arts (ResCen) partnered with London's international dance festival Dance Umbrella. The partnership documents artists' creative processes, from inception through development to performance. A website, ResCen: Dance Umbrella at 40, contains videos of talks and interviews with Dance Umbrella's three artistic directors over its history. It also shares additional material about the festival.

Intellectual property from a hugely successful Middlesex-led project to help keep us safe

It's easy for the human brain to miss vital patterns and connections when investigating crimes. That's where the Visual Analytics for Sense-making in Criminal Intelligence Analysis (VALCRI) comes in. The semi-automated system uses smart techniques to spot patterns to help solve crimes faster. Middlesex engaged in a partnership with a Canadian company, Genetec Inc, which will create a commercial product for police forces around the world.

Funded through the European Commission's 7th Framework Programme, VALCRI involves partners across Austria, Belgium, Germany, Spain, Sweden, Switzerland and the UK.

Addressing trends in youth violence

Supported by Middlesex colleagues, Professor of Community Justice Anthony Goodman is applying his 40 years of experience of working with offenders to help address current trends in youth violence and related social challenges in London. Professor Goodman was chosen to evaluate two projects: a school knife crime prevention programme led by Southwark Youth Offending Service and a project in a Croydon pupil referral unit to transform outcomes for marginalised young people excluded from mainstream education. The Southwark programme, which also covers schools in Lambeth, has been given £150,000 funding by the Mayor's Young Londoners Fund and will run over three years.



Recognition for our work

Our knowledge exchange work is well-regarded and this is reflected in the funding we receive for new projects. Our Flood Hazard Research Centre received an Environment Agency commission to report on 'Understanding effective flood risk governance', Alcohol Change UK commissioned rapid evidence reviews and UN Women have commissioned contract research on migrant workers in Malaysia.

Associate Professor Dr Liza Marzano's research into how to support people in crisis and prevent suicide attempts received much recognition. The research, commissioned by the Samaritans, was included in Universities UK's 'Nation's Lifesavers' list of 100 projects with exceptional impact on society.

Looking forward to the coming year, we will continue preparing for the KEF. As noted above, the KEF is intended to increase efficiency and effectiveness of use in public funding for knowledge exchange by providing performance metrics for external clients and the public.

Building support for our mission

Every year we build support for our mission to transform potential into success by engaging with industry, business, policy and our local community. From hosting visits to the University and showcasing our work, to government consultation responses and new industry partnerships, we work with key decision makers and shape external agendas.

Influencing policy

In a challenging and uncertain time for the sector, we continue to champion our University and our diverse body of students – feeding into consultations, taking part in roundtables, showcasing our work to MPs and decision makers – all to increase our impact on policy making.

A major highlight in our policy influencing work this year was our resident robot, Pepper, becoming the first non-human to give evidence in Parliament. Pepper was joined by our then Executive Dean of Science and Technology, Professor Martin Loomes; Babak Jahanbani, General Manager at world-leading technical education equipment and solution provider Festo Didactic; and two Engineering and Computer science students, Joana Da Cunha Miranda and Nicholas James Fitton. This remarkable event resulted in global news coverage and an invaluable platform for our views on the fourth industrial revolution and challenging stereotypes in STEM learning.

Earlier this year, the Minister of State for Universities, Science, Research and Innovation, Chris Skidmore MP, visited our campus with his team. This visit resulted in a policy shift on accelerated degrees – recognition that they are not the right mode of study for all learners. We also highlighted our work on public sector degree apprenticeships and our innovative augmented reality equipment for midwifery training.



In 2019 we also hosted a group of civil servants from the Department for Education's Higher Education Immersion Programme. This was an opportunity to lobby on the shape of the Teaching Excellence Framework and on university accountability, and led to media coverage from Reuters and the BBC of our use of technology to support learning.

Throughout the year, we maintained our pressure on the Government and other decision-makers calling for a Brexit settlement that enables universities to thrive post-Brexit. This includes lobbying on reforms to the visa system, post study work opportunities for international students, and a migration system through which we can continue to recruit EU and international staff and students. We have also kept our staff and students up-to-date on Brexit, developing an intranet resource for staff and three staff information events with experts.

In addition, we've submitted consultation responses on topics such as the Teaching Excellence Framework, T Levels and the role of BTECs, the Knowledge Exchange Framework, and the Greater London Authority's (GLA) Skills and Employment Vision.

We also work strategically on a programme of events to engage key stakeholders. Our summer and winter graduation events remain an opportunity for decision-makers to see the University and our students at their best. For example, in December 2018 at our winter Graduation, we hosted a breakfast on nursing apprenticeships with Robert Halfon MP, Chair of the House of Commons Education Select Committee.

Working with London and local stakeholders

We are strengthening our relationships with the community, both locally and across London.

Working with our London stakeholders, we continue to engage with the GLA's higher education and skills policy teams, and are represented in the Mayor of London's Higher Level Skills Advisory Group influencing debates on apprenticeships in London and commuter students. Representatives from the GLA joined us at the Faculty of Arts and Creative Industries end of year show in June 2019 where they had a chance to meet with our students and learn more about our impact in these important sectors.

We also continue to strengthen our local relationships, and have worked with local councillors, the London Borough of Barnet and other local stakeholders on improving connectivity and enhancing our neighbouring greenspace Sunny Hill Park, as well as shaping the new development planned for Cophthall and Allianz Park stadium.



above: André Thompson, winner of the Entrepreneurial Barnet Competition 2018



above: The 2018 Mayor of Barnet visits Middlesex STEM Festival

Working with businesses, entrepreneurs and industry

Our Corporate Engagement team continues to raise our profile, influence and reputation with employers. Over the year, we have worked closely with membership and umbrella organisations to connect with and influence businesses. This has ranged from delivering bespoke work-based qualifications for organisations including WorldPay, ASDA and Mitsubishi Electric, to increasing awareness and understanding of degree apprenticeships and the apprenticeship levy to employers.

We also launched the London Centre for small-to-medium enterprise (SME) Development – a joint venture with the North London Chamber of Commerce and Enterprise, which allows us to connect with SMEs across London. The initiative offers students the opportunity to work with SMEs, through internships, work experience, work-based projects, and potentially to deliver our training and qualifications to business. Our keynote speaker at the launch event in April 2019 was Middlesex Alumnus Nigel Travis, a former CEO and Executive Chairman of Dunkin' Brands and Chairman of Leyton Orient Football Club.

We continue to be active members of the Confederation of British Industry (CBI), London Chamber of Commerce and Industry (LCCI), West London Business, Capital West London, North London Chamber of Commerce and Enterprise, Capital Enterprise, Hertfordshire Chamber of Commerce and the Urbano Network and have used these networks to influence higher education and skills policy and build new partnerships.

Industry partnership events

We were involved in a range of events throughout the year to raise our profile, share our expertise and form important connections for our students. Sponsored events included the Consalia Global Sales Transformation Conference in October 2018 at the London Stock Exchange and the West London Business Awards in February 2019 held at Twickenham Stadium.

We hosted the NatWest event on GDPR update and Cyber Security, and led information and promotion events titled 'Degree Apprenticeships: The Challenges and Opportunities for Business'. These took place in Chiswick Park (October 2018) and St Pancras (December 2018 and May 2019).



above: Graduation lunch with Maggie Appleton MBE, CEO of the Royal Air Force Museum

Our international campuses

We are a global centre of learning with campuses in the UK, Dubai, Mauritius and Malta.

Middlesex University Dubai

Middlesex University Dubai is one of the fastest growing international universities in the United Arab Emirates, with student numbers growing by 54% in the last four years. Over 3,200 students currently study at the Dubai campus.

The University had a very successful year in 2018/19. We were awarded a Four Star Rating under the new Higher Education Classification by Dubai's Knowledge and Human Development Authority and international rating body QS. The University scored five stars across Employability, Research, Facilities, Overall Programme Strength, and Wellbeing.

2018/19 saw numerous research conferences including Middlesex University Dubai's first conference on Technology, Innovation and Sustainability in Business Management. The 7th Annual Student Research Symposium (SRS) took place in November 2018, which displayed students' research acumen and passion for furthering their knowledge in their respective disciplines.

Creative success

Middlesex University Dubai was named 'University of the Year 2019 for Advertising' at Dubai Lynx Festival of Creativity, the annual gathering of advertising and media professionals.

Middlesex students had more shortlisted entries than any other university, and won the top prizes in both the Dubai Lynx Print and Dubai Lynx Integrated Campaign categories.

The campus was also awarded 'Best Media Centre' at the Forbes Middle East Higher Education Awards 2019, due to the achievements of the Media Department's students and staff, along with its outstanding facilities.

Law and engineering

Other wins included the Centre for Innovation and Excellence's successful bid for Dubai's Road and Transport Authority training programme, designed to broaden the skills and knowledge of Emirati engineers.

Students from the LLB Law programme were declared the UAE Qualifying Round Champions of the Philip C. Jessup International Law Moot Court Competition. The world's oldest and largest moot competition, the Jessup Moot sees teams challenged to solve an international controversy based on a fictional dispute before the International Court of Justice. More than 700 law schools from 90 different countries took part.

above: Middlesex University Dubai



above: Middlesex University Mauritius

Middlesex University Mauritius

Over 1,000 full-time students from 37 countries attended Middlesex University Mauritius in 2018/19. The campus is now used as a case study by the British High Commission to illustrate the potential of doing business in Mauritius, and has also been selected by the Mauritius Economic Development Board as part of a list of 10 institutions to showcase the economic health of the country.

Local and international impact

The University is recognised as a leading local education provider, and our staff are frequently consulted by media as thought leaders in their disciplines, who contribute to local policy development and regulations. We have identified a range of new qualifications to specifically address educational needs in areas with skill shortages in Africa. The introduction of these qualifications, alongside our clear recruitment strategies, will ensure continued growth.

Improvements to our campus

Through the joint venture between Middlesex University Mauritius and our local partner The Medine Group, we have been able to develop a state-of-the-art campus. We are part of the Ucity Education Hub, which offers many benefits to our students.

Various developments have taken place in the past year which are specifically designed to improve our students' campus experience. Examples of this include more local entertainment options and architectural additions such as a new green park, with 15 hectares of forest. This will house an artistic and cultural centre called the Art Station, which is being constructed in phases. The Art Station will provide a platform for art lovers with a host of venues including a music school, bars and restaurants. It will regularly accommodate special events such as concerts, shows and exhibitions.



above: Middlesex University Malta

Middlesex University Malta

Looking forward

In September 2022, we will be closing our Malta campus. After a period of review and careful appraisal of options, it became clear that our operating model in Malta is not sustainable. The University's assessment is that the most effective and sustainable way it can contribute to higher education in Malta is to work collaboratively with partners, rather than maintain a small campus.

We remain fully committed to our long-term relationship with Malta. This year, our presence in Malta continued to receive strong support from the Maltese Government and we work closely with national education providers to advise, collaborate and innovate.

All students can complete their degrees on campus for the full duration of their studies over the next three and a half years. We will ensure our students continue to receive an excellent experience and high-quality education, supported by our dedicated staff in Malta and the UK.

Student experience

The team in Malta set up a close partnership with the Emerging Technologies Laboratory at the Malta Information Technology Agency (MITA). Students have been given unrestricted access to lab equipment to use for their academic projects and we held an expo day at MITA, to showcase the research work being done there.

Our students also got involved in a three-day IT, coding and business competition called Bizz Code. Run by KPMG Malta, students took third place in the competition to produce a minimum viable product within 45 hours.

Events and guest speakers

Postgraduates and undergraduates took part in an International Mediterranean Tourism Forum. Over 1,000 people from more than 39 countries attended the event at which speakers from around the world discussed ways of promoting tourism as a vehicle for peace and stability.

Other events included a series of professional guest lectures throughout the academic year. Speakers included Deutsche Welle's political correspondent and the Operations Manager at Simonds Farsons Cisk plc.

Apprenticeships



Established in 2017/18, in its first year of operation (2018/19), the Centre of Apprenticeships and Skills generated an income of around £1.5 million. We will continue to invest in our apprenticeships offer as an area of significance for growth.

Key achievements in 2018/19

We successfully developed Apprenticeship programmes for Police Constables, Nursing Associates and Registered Nurses, Social Workers and Teachers. This work was part of the University's Degree Apprenticeship Development Fund project, 'Access to public sector professions in London through degree apprenticeships'.

We won contracts to deliver:

- Police Constable Degree Apprenticeships partnering with Sussex and Surrey Police and Hampshire Police to deliver the apprenticeship, which will provide a new route into the policing profession. This will be delivered as part of a consortium with Portsmouth, Canterbury Christ Church and Cumbria universities
- Nursing Associate and Registered Nurse Degree Apprenticeships with a wide range of London NHS Trusts. Our Nursing Associates training programme has been shortlisted for the Nursing Midwifery Council best nursing associate training programme
- Business to Business Sales Professional Degree Apprenticeships, working with employers such as Royal Mail, BT, Whitbread and BAE systems. We were the first UK university to win these contracts.

We published research into 'Best practice for work-integrated learning in the public sector', detailing outcomes from our Degree Apprenticeship Development Fund project. The research was launched at our national 'Building on best practice for public sector degree apprenticeships' conference in September 2018.

We are already recognised internationally as a leader in work-integrated and practice-based learning. Higher and degree apprenticeships provide the opportunity for us to continue to apply this expertise and innovate in this key area. By collaborating with public and private sector employers, we can bring higher education to people who may never have considered it an option before.

Integrating work and learning is a vital part of preparing the workforce for the fourth industrial revolution. Practice-based learning will help professionals develop the higher-level skills future employers need. Importantly, apprenticeships encourage employers to invest in the professional development of new and existing staff.

The University has been accredited by training provider Advance HE to deliver our own Higher Education Academy recognition scheme. This is an opportunity for us to ensure that expertise in learning and teaching is prioritised.

Our aim for apprenticeships is to increase productivity and social mobility at universities and in the workplace. We are working with organisations at national, regional and local levels, such as Universities UK, the University Vocational Awards Council (UVAC), Million+, the Office for Students, the Quality Assurance Agency for Higher Education and the Institute for Apprenticeships and Technical Education.



Assessing and improving the student experience

Ofsted carried out an early monitoring inspection of our Nursing Associate and Construction Degree Apprenticeships provision at level 5. The outcomes were very favourable and concluded that we are making reasonable progress across all categories.

All Middlesex University apprentices are full-time students, but they learn 'on-the-job' in the workplace. We work with employers to make sure that all their learning is integrated and the apprentice learning experience is as fulfilling as our campus-based programmes. We are investing in online learning so that our apprenticeships are as accessible, adaptable and integrated as possible.

Leading research and sharing knowledge

As part of a consortium with the UVAC, Sheffield Hallam University and the University of Staffordshire, we are leading research into Degree Apprenticeships. The consortium were awarded £100,000 from education charity Edge Foundation. The research will help form recommendations about how higher education institutions can adapt intelligently to providing degree apprenticeships. Middlesex will focus on public sector nursing, Sheffield Hallam on engineering and Staffordshire on the digital sector. This builds on our strong record of collaborating with UVAC and other universities around apprenticeships and skills.

We are working with Health Education England on a research project to feed into a national strategy for basic and transversal skills development in the health and care workforce. This research is directly relevant to apprenticeships but has wider potential impact relating to the role of transversal skills development.

Working with partners

Our commitment to partnerships and cross-sector collaboration features in the major new Universities UK report 'Routes to high-level skills'. The report highlights that the best way to engage with employers around the creation of degree apprenticeships is to develop a way to meet their needs across different qualification levels and states that this cannot be done by either universities or colleges working alone.

We also co-chair the Higher Education Employer Trailblazer Group, which provides information for all institutions and organisations in the higher education sector. The consortium includes representatives from more than 100 universities, private providers, mission groups and sector bodies.

Partnerships and collaboration

Worldwide partnerships

Over the last year, we have seen developments in our international partnerships with growth in existing programmes, the introduction of new programmes, and new partnerships. All three Faculties are actively involved in these partnerships.

The Australian College of Business and Technology (ACBT) is one of our key new franchise partners. From 2020 ACBT will be delivering Business Management, International Business Administration and Information Technology and Business Information Systems programmes in Sri Lanka.

United Business Institutes (UBI) are offering Middlesex validated programmes in Business Studies at their site in Luxembourg as well as an MBA programme in Brussels. This year, are expanding our partnership to Shanghai, China, where UBI are running a Doctor of Business Administration and Master of Business Administration in Chinese language.

In Austria, we have a strong partnership with KMU Akademie & Management AG. Courses validated by Middlesex University include MBAs in Energy Management, Sports Management, Education Management and Business Psychology, amongst others.

Partnership programmes across the UK

In the UK, we continue to develop new partnerships and grow our existing relationships with providers. This collaborative work covers a range of courses across all three of our Faculties.

One of our newer UK partners is QA Higher Education, who have been franchising Middlesex programmes for the past two years. We have recently added the Master of Business Administration programme as an apprenticeship gateway to the Senior Leadership Apprenticeship, awarded by the Chartered Management Institute.

We have a longstanding partnership with Point Blank Limited, who successfully provide music industry connections and opportunities. Point Blank Limited offer several validated programmes with us that includes the popular BA Music Production and Sound Engineering title.

Another new partnership which has seen growth in the last year is with Waverly Abbey College. The College has pioneered and developed an expertise in counselling training to provide both BA and MA validated programmes.

Partnering with further education providers

Two years ago we formed a strategic partnership with Capital City College Group (CCCG), London's largest further education provider comprising Westminster Kingsway College, the College of Haringey, Enfield and North East London and City and Islington College. Middlesex plays a key role in the group's Higher Education strategy, including the validation and co-creation of new programmes, and continuing to explore opportunities and pathways for student progress at home and overseas. In September 2018 Middlesex University validated a range of programmes including Business Management, Counselling, Culinary Health and Nutrition and Tourism and Events Management.

Infrastructure and investment



Investing in our learning spaces

We make sure, wherever possible, that our students and staff benefit from the most up-to-date teaching and learning equipment in our classrooms, for example our nursing and midwifery students are now learning on state-of-the art technology after our recent investment in this area.

We are continuing to implement our £1.3 million AV Equipment Replacement Programme in 2018/19, which involved 10 rooms in the Vine building being completed in collaborative layout with four additional screens in each room. These support active practice-based learning. Our student feedback suggests that circular desk configuration has helped break down social barriers, creating a dynamic environment for students to collaborate with each other.

We have a new teaching space for up to 185 students in Hendon Public Library. In July 2018, we continued a £810,000 refurbishment of the upper floors of the library, after signing a 15-year lease to take over the space. With 26 members of staff moving there, space has been freed up in the Sheppard Library on campus for a much needed student study area.

We've also been able to develop the former 'Library @ Williams' into staff offices. This is part of a £1.7 million project to expand and refurbish the Williams Building to give extra teaching, seminar and lecture space.

Following £710,000 of improvement projects, the Grove Building now has additional space for students and improved workshop facilities. This aims to consolidate the Arts and Creative Industries Faculty's digital estate, providing a better environment for staff and students.

Hendon-based Saracens Rugby Club are redeveloping their West Stand at Allianz Park. In 2018/19, we signed up to a project partnership with the Club and London Borough of Barnet to build a centre of excellence for Middlesex University's London Sport Institute that will include a skills centre for our Health students.



above: Collaborative learning spaces



above: MDX Financial Marketing Lab

Improving the student experience

Many of our students work, commute, and are active members of the local community, so our timetable needs to be balanced and flexible. As part of our commitment to putting students first, we will now publish the timetable before the new academic year begins, and make as few changes as possible during the year. This will allow students to plan their commitments around scheduled teaching.

An IT Systems Functionality Review began in June 2019 to see where we need to develop our systems or change our processes. KPMG is working with us on the review and we are involving staff and students through a survey and workshops.

The new MDX Pavilion, an interactive learning, event, community and wellbeing space, was completed in June 2019. Part of a practice-based learning project, students designed and project-managed the structure, collaborating with various design and construction specialists.

We have outlined designs for more student accommodation at Platt Hall and Writtle House. These are at the first stage of a proposed planning application.

Looking ahead

Plans to improve the Fenella Building have been approved. Work will start in 2019 and includes replacing windows and adding a new ventilation system. We also secured funding for more seating in indoor and outside common areas.

We have a new contract with our caterer Chartwells. After running a procurement exercise during 2019, Chartwells were appointed. They were the clear, strongest competitor, with a transformative, financially sound approach to catering across campus.

Chartwells' plans over the next seven years include a commitment to changes that will benefit our student demographic, with a £1.4 million investment in a production kitchen and storage. This will allow for more food and drink to be prepared in house, so that the cost of expensive "bought-in" products can be minimised.

In addition to a more environmentally friendly and sustainable approach, Chartwells will reflect the diversity of our staff and students in their offering. Our students will benefit from more Halal and Kosher, vegan, vegetarian, gluten-free, dairy-free and wheat-free options.

Looking after the environment



We consider environmental, social and economic factors in all our decision making. We make sure what we do respects our environment and wherever we can, we reduce our carbon footprint and implement sustainable business practices.

Our University achieved EcoCampus Platinum/ISO 14001 in the 2018/19 financial year. This award recognises our efforts and commitment to sound environmental management across our operations. The external audit by certification body NQA included interviews with our staff, students and contractors.

Avoiding waste, saving energy

Eight million tonnes of plastic end up in our oceans every year, killing and harming marine life. As part of our commitment to reducing waste, our Reducing Plastics on Campus initiative encourages students and staff to use their own reusable cups. A five pence levy has been added to all drinks served in disposable cups. This income has been used to create a "sustainability fund" to encourage staff and students to run small environmental projects. These projects include the development of campus maps to promote recycling, walking and cycling and better use of the Sunny Hill garden.

We are in the final stages of the second phase of our energy management system upgrade. Over 90 half-hourly electricity meters have been installed to monitor plant, equipment and key third-party usage, such as catering, in line with the Chartered Institute of Building Service Engineers best practice. The final phase of this project will see our IT functions metered so we can accurately monitor and benchmark key functions, such as IT, catering, heating, ventilation and air conditioning. This is to make sure we are working as efficiently as possible.

Early analysis of our energy data suggests that our use of equipment inside lecture theatres, teaching rooms and other student and staff spaces could be more efficient. Therefore, we are working with our internal Business Enhancement team as well as external partners, such as building automation company TREND Control Systems, to make sure our equipment and the way we use it is more energy efficient.

Sustainable travel and green spaces

We remain committed to sustainable travel and have invested in an additional 32 cycle parking spaces for staff and students, and lockers to facilitate cycling to work. In addition, we now arrange cycle rides for our staff and students to encourage more people to cycle. Our recent move to one integrated car park access system means we have greater control over staff car parks and can monitor how often they are used.

We have continued to invest in biodiversity. Working with our landscaping contractors, we planted 14,000 bulbs across our campus and installed more than 20 seating areas for staff and students to enjoy these green spaces.

Engaging and informing our staff and students is ongoing, and we have been exploring new ways of doing this including wall graphics and educational signage. Our Environmental team are working with colleagues in staff development to produce a video to promote sustainability at Middlesex for 2019/20.



Financial Statements 2018/2019

For the year ended 31 July 2019

Financial Review

for the year ended 31 July 2019

Results for the Year and Outlook

The year to 2018/19 sees Middlesex University continue to build on the good financial performance from the previous year, recording a consolidated surplus for the year of £5.8m after allowing for restructuring costs of £2.0m. In a challenging environment, heightened by increased competition, the ongoing demographic dip in 18 year-olds in the UK and uncertainty over Brexit, the University managed to improve its surplus from the previous year. The main drivers for this were above-target recruitment of Home and EU Undergraduate students, improved student retention and prudent cost control.

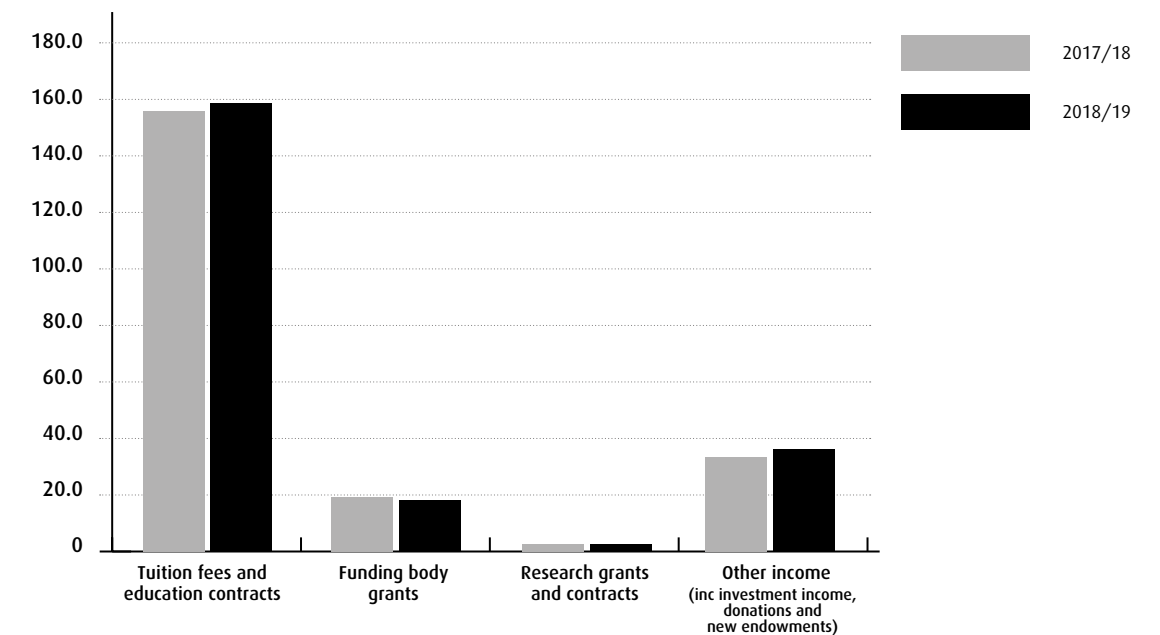
Looking ahead, the University is forecasting for reduced surpluses as a result of the impact of reduced Home/ EU student recruitment until 2021/22, as well as inflationary and pension cost pressure which it is anticipated will not be matched by increases in our tuition fee rates. Beyond this, we expect recruitment to pick up in line with increases of the number of 18 year-olds, along with increases in income streams from other sources such as Partnerships and Degree Apprenticeships. Strong planning and cost control will mitigate against the impact of our cost base increasing.

	Consolidated Year ended 31 July 2019	Consolidated Year ended 31 July 2018
	£m	£m
Results for the Year		
Income	212.2	204.6
Expenditure (excluding restructuring costs)	(204.3)	(198.0)
Taxation and other items	(0.1)	(0.1)
Surplus on normal operations	7.8	6.6
Staff restructuring costs	(2.0)	(1.1)
Surplus for the year	5.8	5.5

Income

Total income this year was £212.2m, an increase of £7.6m against the prior year. This represents a strong position given the increasingly competitive recruitment environment and the continued freezing of Home/ EU Full Time tuition fees for Undergraduates.

Income by source £m



Tuition Fees and Education Contracts account for 74.3% of the University's total income. Of this, 69.0% relates to fees from home and EU Full Time Students. Although recruitment targets were at a lower level than the previous year, the University exceeded these and increased retention. The overall figure is in line with the prior year once adjusted for Nursing students moving from the NHS contract to the tuition fee route. In addition, income from Full-Time International students has increased by 12.8% year-on-year, reflecting both an increase in fees charged and increased numbers of students at our Overseas campuses.

Funding Body Grants represent 8.4% of total income, down from 9.3% in 2017/18. The decrease reflects both a reduction in teaching grant income and a decrease in amount of capital grants released.

Research Grant income is £4.5m (2.1% of total income), a reduction of £0.8m compared to the previous year due to the reduced number and value of grants for which income has been recognised in-year.

Other operating income (including investment income and new endowments) totals £32.3m and represents 15.2% of total income, a £5.4m increase on the prior year. This includes £3.3m of new Health-related contract income recognised in-year. In addition, subsidiaries companies trading income has increased by 15.4% on the prior year, reflecting the strong performance of our overseas campuses.

Financial Review

continued

Operating Expenditure

Expenditure in the year totalled £206.3m, a 3.7% increase over the prior year.

Staff costs increased against the previous year by £0.8m (0.6%) to £117.2m; an additional £2.0m was incurred relating to the restructuring of academic and administration provision across the University. Staff costs (excluding restructuring costs) represent 57.8% of total expenditure. Average staff numbers reduced by 68 compared to the prior year, with the decrease in numbers offset by pay inflation and pay scale movement. Pension service cost and contributions of £18.8m represent a high proportion (15.8%) of total staff expenditure. The continuing pressures on staff costs from rising Local Government Pension Scheme (LGPS) and Teachers' Pension Scheme (TPS) contributions will require the University to manage increases as part of its planning and budgeting cycle.

Spend on other operating expenses increased by £6.3m to £68.7m compared to the previous year, and represents 33.3% of total expenditure. Of this, £4.4m relates to new payments to partner institutions, relating to both the aforementioned Health-related contracts and to new Partnership and Degree Apprenticeship programmes.

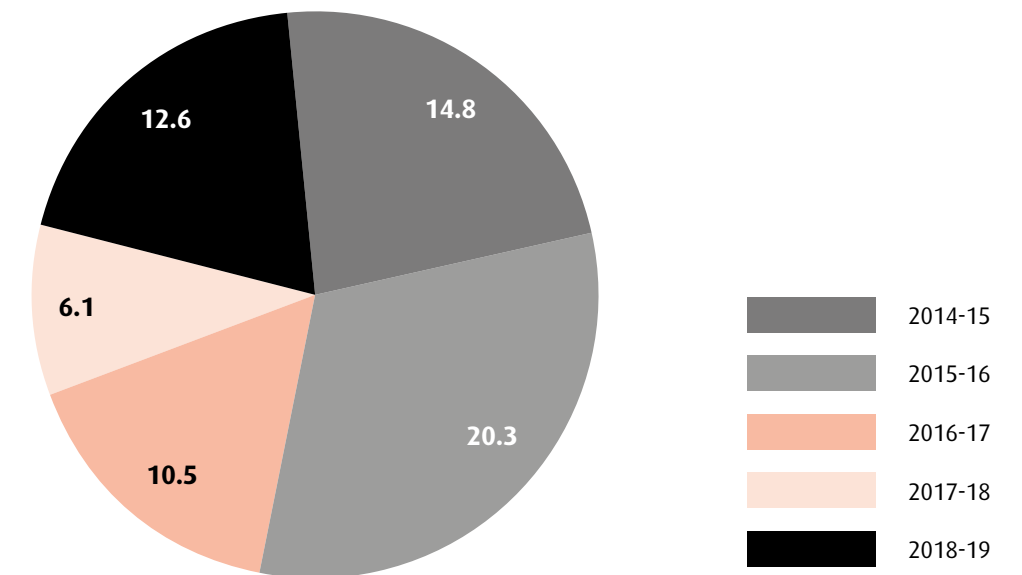
Depreciation has decreased slightly to £11.6m, a 2.3% decrease from 2017/18. Depreciation makes up 5.6% of total expenditure in 2018/19, reflecting the long period of estates development at the London Campus.

Interest and other finance costs have decreased by £0.4m against last year. This reflects both a reduction in the net charge of £2.4m (from £2.6m in 2017/18) on the University's Local Government Pension Scheme (LGPS) liabilities, and a small decrease (£0.1m) in the ongoing interest expense relating to the bank loans utilised to fund the London Campus estate infrastructure developments, which this year was £4.2m.

Capital Investment

Over the last five years the University has spent £64.3m on capital investment, as detailed in the chart below:

Capital Expenditure £m



In 2018/19 we continued to invest in our estates, with expenditure in-year including space enhancements to the Williams Building to enhance the workplace environment; a comprehensive IT desktop refresh across the University; improving the facilities in the Grove building to improve space and consolidate the University's digital estate, and the installation of up to date Audio Visual equipment in many of our teaching rooms to enhance the quality of teaching and learning.

There will be a planned increase in the University's capital expenditure over the next couple of years, with major projects including the development of the new West Stand in order to increase our existing teaching space in Sports Science and Nursing subjects, and the commencement of the Network and Telephony infrastructure replacement programme.

Financial Review

continued

Net Assets

Net assets for 2018/19 stand at £82.0m, a decrease of £15.2m against the previous year, despite the recording of a £5.8m surplus.

The main reason for the reduction in assets relates to an increase in the net liability of the LGPS pension scheme from £83.5m last year to £110.2m this year. This deterioration of the balance sheet position reflects the revised actuarial assumptions with a significantly lower net discount rate (2.1%) compared to 31 July 2018 (2.8%), this arising primarily from a fall in AA corporate bond yields.

The overall impact of these revised actuarial assumptions are a £20.9m actuarial loss recognised in the Statement of Comprehensive Income and Expenditure.

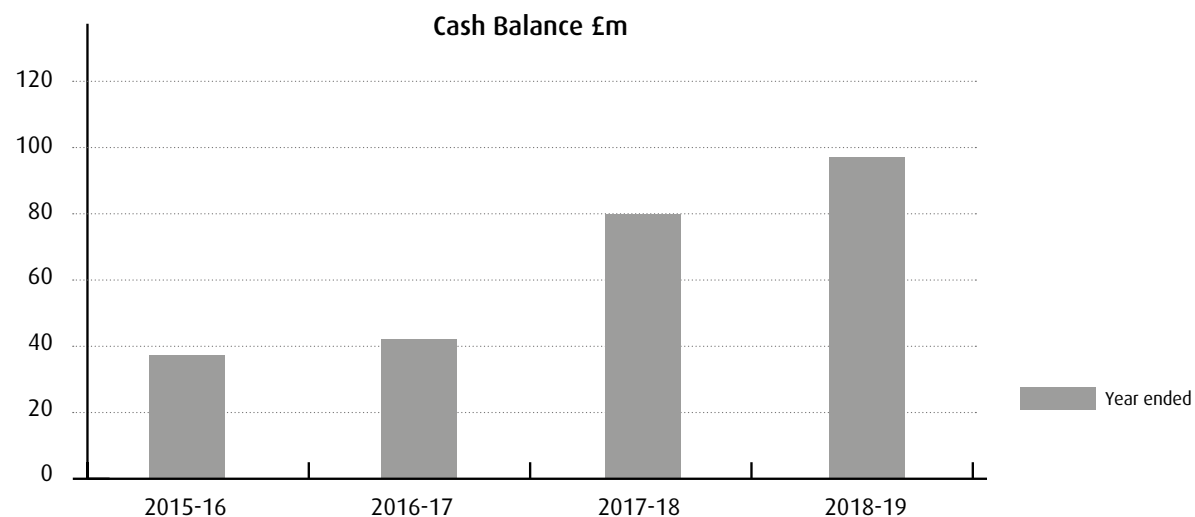
The LGPS deficit is anticipated to fluctuate year on year given the deficit is estimated using the actuary's assumptions to value its liabilities, including the discount rate, inflation

assumptions and future life expectancies. A further factor contributing to those changes is the schemes assets which are dependent on the performance of equity markets.

Working capital has increased by £9.7m to £67.7m due to the combined effects of increased cash and short term deposit balances. These are offset by smaller increases in creditors and in debt balances that continue to reflect effective credit control measures in the year.

Cash Flow and Treasury Management

The level of group cash in hand and cash equivalents increased by £16.9m at the end of the financial year to £96.7m. Cash equivalents are short term deposit balances held with Lloyds Bank on fixed short term (less than 3 months) deposit and AAA credit rated cash investment funds managed by Royal London Asset Management.



This positive cash inflow is generated from the net of operating and financing activities in the year. In addition, cash previously held as security against term loans (£30m) has now been released as a result of a refinancing exercise with Barclays and Lloyds. This figure is now fully included within cash and cash equivalents.

Cash in hand and short term deposit levels fluctuate throughout the year due to the timing of tuition fee and other receipts, operating and capital programme expenditures. The average monthly cash balance of the University in the year

increased from £74.0m in 2017/18 to £82.9m this year, with the balance ranging from a minimum of £63.1m to a maximum of £111.3m over the year.

These cash in hand levels are in line with our target to maintain a minimum working capital cash level at 2 months of expenditure. The University recognises the importance of continuing to maintain this level of cash and of generating appropriate levels of surplus to meet its bank loan covenant requirements and achieve the positive cash inflows necessary to support capital investment plans.

Risks

The University is exposed to a number of risks as a result of several external factors including changes in Government policy and legislation, our future relationship in the European Union and increased competition for student recruitment.

Actions are being taken to mitigate those risks that threaten the achievement of the University's strategic aims. The University has a well-established set of procedures to assess and manage risks at both the corporate and departmental level which includes the corporate risk register.

The key risks which could directly threaten financial sustainability are outlined below:

— Post-18 Review in to Education and Funding

The Government's Review of Post-18 Education and Funding reported in May 2019. One of the headline recommendations was a tuition fee freeze for three more years to 2022-23 and reduction in fee cap for new entrants from 2021/22 to £7,500 for Home and EU Undergraduates, with a further proposal that the balance in funding to be made up by the Government with a focus on high value subjects. At present it is not clear which of the report's recommendations will be taken up by the Government.

The University will continue to plan for a variety of scenarios and to proactively influence Government and other stakeholders. Our strategy seeks to mitigate for the uncertainty by looking to further diversify our income streams and ensuring we are pro-active in managing our cost base.

— Failure to achieve student recruitment and retention targets

Tuition fees are a substantial proportion of total income, being dependant on both strong recruitment and retention to ensure a level of surplus in line with forecast. Increased competition for a reducing number of 18 year olds has further increased the risk in this area.

The University will mitigate the risk of volatility in the UK/EU undergraduate student cohort through the continuous review of its course portfolio, assessing our areas of strength, identifying the areas at risk and deciding on the most sustainable curriculum. The University also has strategies in place to improve student retention.

A key aim of the University strategy is designed to improve the student learning experience, including providing an inspiring choice of courses and learning pathways that empower students with ambition, skills and knowledge to succeed.

— Impact of Brexit

There still remains ongoing uncertainty over the Brexit negotiations and the potential impact on our recruitment and retention of both staff and students from the EU, as well as having a wider impact on research and innovation, such as access to EU research funding.

The University aims to mitigate against these risks both through sound financial and strategic planning and through playing an influential role in engaging with policy makers in actively shaping policy and agenda-setting.

— Unaffordable operating and pension costs

In the current economic climate costs are rising at a higher rate than income with significant pressures from legislative compliance, non-pay inflation, rising employer pension costs and exchange rate volatility.

The University has effective cost control measures in place as part of its management of operations to mitigate rising costs.

Pension costs and contributions are not within the University's direct control and in recent years we have seen increases in pension costs that impact on the University's income and expenditure.

The LGPS balance sheet deficit has a dependency on actuarial valuation assumptions. The University engages with the Trustees and actuaries of the LGPS to ensure the valuation of its share of assets and liabilities in the fund are correctly stated and to influence the fund's investment strategy.

The employer's contribution rate for the Teachers' Pension Scheme increased in September 2019 by 7.1%. The University is managing for this increase by exercising sound financial planning and prudent cost control.

— Insufficient capital funds to support infrastructure developments

The University makes long term investments in its campus wide estates developments. In addition to the bank secured loans that have in part funded recent infrastructure investments it depends on making sufficient financial surpluses in order to reinvest in the future capital expenditure programme. Detailed medium and long term planning and regular in-year monitoring of the financial position mitigate against the risk of insufficient funds and cash flows.

The University's Board of Governors Committee reviews the key risks throughout the year so that appropriate mitigating actions are taken and monitored.



Corporate governance

The University's framework of governance is established in the Instrument and Articles of Government (see mdx.ac.uk/about-us/policies/charity-information). The University is committed to best practice in all aspects of corporate governance. It aims to conduct its business in accordance with the principles identified by the Committee on Standards in Public Life (Nolan Committee), and in the Higher Education Code of Governance issued by the Committee of University Chairs.

In adopting this Code of Governance the University is satisfied that it complies with all the primary elements that are the hallmarks of effective governing bodies operating in the UK HE sector. The University maintains a register of interest of members of the Board of Governors and senior officers which is available for inspection on request to the Clerk to the Board of Governors.

Charitable status

Middlesex University is a higher education corporation established under the provisions of the Education Reform Act 1988. The University is also an exempt charity under schedule 3 of the Charities Act 2011, with the Office for Students (OfS) acting as its principal regulator. The University was notified on 17 September 2018 that it had been added to the register of English Higher Education Providers (the Register). For the purposes of charity law the Governors are the trustees of the University. The charitable purpose of the University is the advancement of education for the public benefit.

The Board of Governors

The Board of Governors oversees the activities of the University and determines its strategic direction. The specific powers of the Board are set out in the Instrument and Articles of Government.

The Board has a duty to enable Middlesex University to develop its Vision and Strategy and achieve success in meeting its objectives for education, research and enterprise. In doing this, it seeks at all times to safeguard the reputation and values of the institution.

The Board has a formal function to hold the Vice-Chancellor to account for the effective management of the University. The Board is a steering body and fundamentally serves to add value to the University's affairs by offering independent expert input to, and constructive challenge of, the decisions of the Executive.

The Board has formal decision-making responsibility in a number of key areas, including the approval of the

University's Strategy and other major strategic policies which sit underneath this or for which it has a legal responsibility to oversee. Other major tasks crucial to the success and sustainability of the University are the appointment and performance management of the Vice-Chancellor and other senior post holders, adoption of its annual Financial Statements, budgets, financial forecasts and the appointment of the University's internal and external auditors.

The Board is responsible for approving annual returns to the Office for Students as required.

The Board of Governors comprises a majority of members from outside the University, from whom the Chair and Deputy Chair position are drawn, together with the Vice-Chancellor and members of the staff and student bodies.

Conduct of business

The Board has six Board meetings per year and two away days to consider long term strategy. The formal Board meetings are supplemented by informal briefing sessions on relevant issues and attendance at key University events. This helps to ensure that Governors are part of the wider community of the University and that they are fully briefed on the activities of and challenges and opportunities facing the University.

There is a clear division of responsibility in that the roles of Chair and Deputy Chair of the Board of Governors are separated from the role of the University's Vice-Chancellor.

The Board has a number of standing committees to help it discharge its business effectively.

Finance and Infrastructure Committee

The Finance and Infrastructure Committee's role is to consider the effective and efficient use of the University's financial resources, estate, facilities and ICT infrastructure, including ensuring the solvency of the University and the safeguarding of its assets, and to make recommendations to the Board or act with delegated decision-making powers from the Board.

Audit and Risk Committee

The Audit and Risk Committee is responsible to the Board of Governors for adequate and effective risk management, control and governance (including ensuring the probity of the financial statements and the effective management and quality assurance of data submitted to funding bodies) and for the economy, efficiency and effectiveness of the institution's activities. The Committee meets with the University's external

and internal auditors in attendance. The Committee considers detailed reports together with recommendations for the improvement of the University's systems of internal control and management's responses and implementation plans.

The Committee reports to the Board on the adequacy and effectiveness of the University's arrangements for:

- Risk management, control and governance
- Financial reporting (i.e. the integrity of financial reporting arrangements, including the corporate governance statement and the statement of members' responsibilities as reported in the annual financial statements)
- Economy, efficiency and effectiveness (Value for Money)
- Data quality.

It also receives and considers reports from the Office for Students as they affect the University's business and monitors adherence to the regulatory requirements. While senior executives attend meetings of the Audit and Risk Committee as necessary, they are not members of the Committee and the Committee meets annually with the Auditors on their own for independent discussions.

The University's internal auditors monitor the systems of internal control in accordance with an agreed plan of input and report their findings to management and the Audit and Risk Committee.

Management is responsible for the implementation of agreed audit recommendations and the internal auditor undertakes periodic follow up reviews to ensure such recommendations have been implemented.

The Audit and Risk Committee also advises the Board of Governors on the appointment of internal and external auditors and the remuneration for both audit and non-audit work.

Corporate governance

continued



Remuneration Committee

The Remuneration Committee is constituted to consider and determine the salaries, emoluments, terms and conditions (and, where appropriate, severance payments) of the Vice-Chancellor and members of the senior executive team within an overall framework approved by the Board of Governors. The Board approved an Executive Team Remuneration Policy and Procedure in 2018, which includes the determination of an annual VCE collective bonus payment, based on performance against an annually agreed set of University KPIs. A review of this scheme is planned following completion of the 2019 round.

Decisions to change salaries and emoluments are made based on the appropriate benchmark information and a review of performance against previously set objectives. In agreeing any changes to the remuneration of the Vice-Chancellor and other members of the senior executive team, the Remuneration Committee is mindful of the affordability of any such revisions.

The Committee applies a strong, evidence-based ethos to its discussions. During 2017, the Committee developed a remuneration policy that was ratified by the Board of Governors at its meeting on 27 November 2017. The policy intends to:

- Give confidence that the Remuneration Committee is exercising its accountability for senior pay in a responsible and equitable way
- Ensure that individuals are paid fairly in a way that reflects relative accountabilities, job size and performance

- Offer rates of pay that enable the University to secure, retain and engage high calibre and high performing leaders with the skills, knowledge, experience and attributes we require
- Ensure that remuneration is proportionate to wider pay rates within the sector, whilst taking into account the need to demonstrate responsible investment of public monies
- Ensure that the University's reward arrangements underpin the delivery of the University Strategy 2017-22.

The Vice-Chancellor's Appraisal and Performance Review is conducted by the Chair of the Board, following consultation with the other independent members of the Remuneration Committee.

All of the Committee members are independent members of the University's Board of Governors. Remuneration Committee meetings are also attended by the Clerk to the Board as Committee Secretary. The Director of Human Resources attends all meetings by invitation of the Committees to provide specialist knowledge and support. The Committee met twice in 2018/19 and the Vice-Chancellor was not present at either meeting.

Details of remuneration for the year ended 31 July 2019 are set out in note 9 of the financial statements.

Governance, Nominations and People Committee

The Governance, Nominations and People Committee's role is to oversee the appointment of the governors, the chairing and membership of committees, the effectiveness of the University's governance, and the effectiveness of the University's people strategies, and to make recommendations to the Board or act with delegated decision-making powers from the Board.

Academic Board

Academic Board is the academic authority of the University as delegated by the Board of Governors, and draws its membership from academic staff and students of the University. The Academic Board is responsible for the academic standards of the University and the regulation of academic matters.

Membership of the Board of Governors the period up to the approval of the financial statements

Ms Geraldine Proudler (Chair), Independent governor appointed 14 March 2014
 Mr Martin Taylor (Deputy Chair), Independent governor appointed 8 July 2013
 Mr John Athanasiou, Independent governor appointed 10 March 2017
 Mr Anas Badar, Student governor appointed 1 July 2019
 Ms Ayah Benberna, Student governor appointed 1 July 2018. Demitted office 1 July 2019
 Professor Tim Blackman, Vice-Chancellor*
 Professor Rebecca Bunting, Independent governor appointed 1 July 2019
 Mr Simon Darling, Independent governor appointed 1 July 2019
 Mr Michael Ekpe, Independent governor appointed 1 July 2019
 Ms Elita Eliades, Staff governor appointed 27 November 2017
 Mr Chris Fenton, Independent governor appointed 10 March 2017
 Ms Firoozeh Ghaffari, Staff governor appointed 23 September 2013. Demitted office 1 July 2019
 Mr Mark Leach, Independent governor appointed 1 July 2019
 Mr Andy Wilson, Independent governor appointed 23 September 2019
 Mr James Kennedy, Interim Vice-Chancellor
 Mr Mark Jopling, Independent governor appointed 10 March 2017
 Mr Matt Lewis, Independent governor appointed 10 March 2017
 Ms Marianne Neville-Rolfe, Independent governor appointed 14 March 2014
 Mr Paul Pugh, Independent governor appointed 10 March 2017
 Dr Mona Sakr, Staff governor appointed 23 September 2019
 Mr Tevin Tobun, Independent governor appointed 19 September 2016

*Professor Tim Blackman stepped down from his role as Vice-Chancellor of Middlesex University in September 2019 to take up a new post as Vice-Chancellor of the Open University.

Internal Control

The University's Board of Governors is responsible for ensuring that the University maintains an effective system of internal control that supports the achievement of strategic aims and objectives whilst safeguarding assets for which it is responsible. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The system of internal control is based on an ongoing process designed to identify the principal risks to the achievement

of policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. This process has been in place for the year ended 31 July 2019 and up to the date of approval of the financial statements, and accords with Office for Students Guidance. The review procedures cover business, operational and compliance risk as well as financial risk.

Corporate governance

continued

The Board of Governors has delegated the day to day responsibility to the Vice-Chancellor, as Accountable Officer, for reviewing the adequacy of the system of internal control and making any appropriate amendments.

He is also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

The following processes are in place to ensure the effectiveness of the University's internal control and risk management:

- The Board of Governors meets six times a year to consider the plans and strategic direction of the institution. It is advised by its key committees, receiving regular reports from each committee and other reports from management as required. In addition the Board of Governors holds two away days each year to discuss the strategic plan in greater detail. The assumptions and aims are reviewed against domestic demand, international demand, funding and research and business development.
- The Board of Governors ensures that its meeting calendar enables risk management and internal control to be considered on a regular basis during the year. Its review of the effectiveness of the system of internal control is informed by the work of the internal auditors who operate to the standards defined in the Office for Students guidance of audit practice:
- The Executive team receives reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms which are embedded within the operational units. The Executive team also ensures that the University is meeting its many statutory and regulatory compliance obligations and provides reports to the Board of Governors as required.
- The Executive team and the Audit and Risk Committee also receive regular reports from internal auditors, who provide independent opinion on the adequacy and effectiveness of the University's system of internal control, together with recommendations for improvement. The Audit and Risk Committee's role in this area is to conduct a high level review of the arrangements for internal financial control.
- The Internal Auditors provide the Board of Governors with an independent opinion each year on the adequacy and effectiveness of the University's risk management, control and governance processes.

- The Internal Controls Committee is responsible for overseeing an assessment of the effectiveness of internal control on a rolling basis and provides periodic reports to the Governors through the Audit and Risk Committee. The Committee identifies and evaluates the key controls required for significant risks faced by the University and to consider a risk-based assessment of effectiveness.
- An organisation-wide risk register is maintained and is available on the University's intranet. The register is reviewed and updated regularly, and management report on the actions taken to mitigate risks. The register and strategic plan are cross-referenced to each other as an additional mechanism for the identification of risks.
- Departmental plans report on the local management of corporate risks, identify risks at an operational level and include plans for the mitigation of these risks.
- In accordance with our Risk Management Policy, the Strategic Risk Register undergoes a comprehensive annual review. The purpose of this review is to ensure that our strategic risks continue to be articulated appropriately in light of progress during Strategy implementation.
- Monthly management accounts are presented to the Finance Committee and governors. The annual budget and financial forecasts are presented to the Finance committee ahead of formal approval by the Board of Governors.

The Board of Governors is of the view that there is an ongoing process for identifying, evaluating and managing the University's significant risks, that it has been in place for the year ended 31 July 2019 and up to the date of approval of the annual accounts, and that it is regularly reviewed by the Board.

These processes enable the University to identify those elements of internal control which require further strengthening and these reviews have not identified any significant area of internal control weakness for the University.

Going Concern

After reviewing detailed papers at its meeting on 25 November 2019, the Board of Governors considered that the University has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Statement of the responsibilities of the Board of Governors

The Board of Governors conducts periodic reviews of effectiveness in accordance with the CUC Code of Practice.

The last review was completed in 2015. Six new governors were appointed to the Board in 2017 and five new governors appointed during 2019. The Board will benefit from the next review once the new Board is fully established.

In accordance with the University's Instrument and Articles of Government, the Board of Governors is responsible for the administration and management of the University's affairs, including ensuring an effective system of internal control, and is required to present audited financial statements for each financial year.

The Board of Governors is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the University, and to enable it to ensure that the financial statements are prepared in accordance with the University's Articles, the Statement of Recommended Practice on Accounting in Further and Higher Education Institutions and other relevant UK accounting standards.

In addition, within the Office for Students terms and conditions of Funding for Higher Education Institutions (for the period to 31 July 2019) and the Funding Agreement with the National College for Teaching and Leadership (NCTL), the University's Board of Governors – through its designated accountable officer – is required to prepare financial statements for each financial year which give a true and fair view of the University's state of affairs and of the surplus or deficit and cash flows for that year.

In preparing the financial statements, the Board of Governors has ensured that:

- Suitable accounting policies are selected and applied consistently
- Judgements and estimates are made that are reasonable and prudent
- Applicable accounting standards have been followed
- Financial statements are prepared on the going concern basis unless it is inappropriate to presume that the institution will continue in operation. The Board of Governors is satisfied that it has adequate resources to continue in operation for the foreseeable future: for this reason the going concern basis continues to be adopted in the preparation of the financial statements.

The Board of Governors has taken reasonable steps to:

- Ensure that funds from whatever source administered by the higher education institution for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation
- Ensure that funds provided by the Office for Students are applied in accordance with the terms and conditions of funding for higher education institutions and any other terms and conditions attached to them
- Ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources
- Safeguard the assets of the University, prevent and detect fraud, and ensure that risk management is in place
- Ensure that the Board of Governors' report and other information included in the Financial Statements are prepared in accordance with relevant legislation in the UK and that the requirements of the Office for Students accounts direction have been met
- Secure the economical, efficient and effective management of the University's resources and expenditure
- Ensure that the University operates an effective health and safety policy.

Independent Auditor's Report to the Governors of Middlesex University



Opinion

We have audited the financial statements of Middlesex University ("the University") and its subsidiaries ("the Group") for the year ended 31 July 2019 which comprise the consolidated and university statement of comprehensive income and expenditure, the consolidated and university statement of changes in reserves, the consolidated and university balance sheet, the consolidated statement of cash flows and notes to the financial statements, including a summary of 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 Group's and of the University's affairs as at 31 July 2019 and of the Group's and the University's income and expenditure, gains and losses, changes in reserves and of the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education and relevant legislation.

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 Group and University 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Governor's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the University's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Governors are responsible for the other information. 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 we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information including the Strategic Report, Financial Review and Statement of Corporate Governance and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Independent Auditor's Report to the Governors of Middlesex University

continued

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

In our opinion, in all material respects:

- Funds from whatever source administered by the higher education institution for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation.
- Funds provided by the OfS and Research England have been applied in accordance with the Terms and Conditions of Funding and any other terms and conditions attached to them.
- The requirements of the OfS's accounts direction have been met.

Responsibilities of the Governors

As explained more fully in the Governors responsibilities statement, set out on page 61, the Governors 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 Governors 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 Governors are responsible for assessing the Group and the University'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 Governors either intend to liquidate the Group or the University 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.

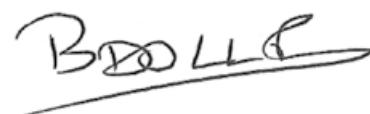
Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

In addition, we also report to you whether income from funding bodies, grants and income for specific purposes and from other restricted funds administered by the University have been properly applied only for the purposes for which they were received and whether income has been applied in accordance with the Statutes and, where appropriate, with the Terms and Conditions of Funding with the OfS and Research England.

Use of our report

This report is made solely to the University's Governors, as a body, in accordance with Section 75 of the Higher Education Research Act 2017. Our audit work has been undertaken so that we might state to the University's Governors 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 University and the Governor's members as a body, for our audit work, for this report, or for the opinions we have formed.



James Aston (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Gatwick, UK

Date: 28 November 2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Financial Statements

Consolidated Statement of Comprehensive Income and Expenditure

Year Ended 31 July 2019

	Notes	Year Ended 31 July 2019		Year Ended 31 July 2018	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
Income					
Tuition fees and education contracts	3	157,608	148,535	153,511	146,013
Funding body grants	4	17,775	17,775	18,931	18,931
Research grants and contracts	5	4,529	4,159	5,325	5,193
Other income	6	31,632	28,951	26,268	23,815
Investment income	7	411	395	402	388
Total income before endowments and donations		211,955	199,815	204,437	194,340
Donations and endowments	8	220	220	129	129
Total income		212,175	200,035	204,566	194,469
Expenditure					
Staff costs	9	119,245	109,228	117,558	109,057
Other operating expenses	10	68,687	67,577	62,410	61,756
Depreciation	14	11,601	11,512	11,866	11,783
Interest and other finance costs	11	6,811	6,779	7,217	7,217
Total Expenditure	12	206,344	195,096	199,051	189,813
Surplus before tax		5,831	4,939	5,515	4,656
Taxation	13	(65)	-	(29)	-
Surplus for the year		5,766	4,939	5,486	4,656
Other comprehensive income					
Actuarial (loss)/gain in respect of LGPS pension scheme	29	(20,902)	(20,902)	18,376	18,376
Actuarial loss in respect of Enhanced pension scheme	21	-	-	(574)	(574)
Foreign exchange translation (loss)/gain on foreign currency net investment in subsidiaries		(16)	-	25	-
Total comprehensive (expense)/income for the year		(15,152)	(15,963)	23,313	22,458

Consolidated Statement of Comprehensive Income and Expenditure (continued)

Year Ended 31 July 2019

	Notes	Year Ended 31 July 2019		Year Ended 31 July 2018	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
Represented by:					
Endowment comprehensive income/(expense) for the year	22	72	72	(22)	(22)
Unrestricted comprehensive (expense)/income for the year		(15,294)	(15,974)	23,407	22,541
Revaluation reserve comprehensive income for the year		(61)	(61)	(61)	(61)
Attributable to the University		(15,283)	(15,963)	23,324	22,458
Attributable to the non-controlling interest		131	-	(11)	-
Total comprehensive (expense)/income for the year		(15,152)	(15,963)	23,313	22,458
Surplus for the year attributable to:					
Non controlling interest		131	-	(11)	-
University		5,635	4,939	5,497	4,656
Surplus for the year		5,766	4,939	5,486	4,656

All items of income and expenditure, and the surplus for the year, is derived from continuing activities.

Consolidated and University Statement of Changes in Reserves

Year Ended 31 July 2019

Consolidated	Income and expenditure reserve		Revaluation reserve	Total	Non controlling interest	Total including non controlling interest
	Endowment	Unrestricted				
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 August 2017	568	53,478	19,847	73,893	(36)	73,857
Surplus for the year	125	5,372	-	5,497	(11)	5,486
Other comprehensive income	-	17,802	-	17,802	-	17,802
Transfers between revaluation and income and expenditure reserve	-	61	(61)	-	-	-
Foreign exchange translation gains on foreign currency net investment in subsidiaries	-	25	-	25	-	25
Release of restricted funds spent in year	(147)	147	-	-	-	-
Total comprehensive income for the year	(22)	23,407	(61)	23,324	(11)	23,313
Balance at 31 July 2018	546	76,885	19,786	97,217	(47)	97,170
Surplus for the year	217	5,418	-	5,635	131	5,766
Other comprehensive income	-	(20,902)	-	(20,902)	-	(20,902)
Transfers between revaluation and income and expenditure reserve	-	61	(61)	-	-	-
Foreign exchange translation loss on foreign currency net investment in subsidiaries	-	(16)	-	(16)	-	(16)
Release of restricted funds spent in year	(145)	145	-	-	-	-
Total comprehensive expense for the year	72	(15,294)	(61)	(15,283)	131	(15,152)
Balance at 31 July 2019	618	61,591	19,725	81,934	84	82,018

Consolidated and University Statement of Changes in Reserves (continued)

Year ended 31 July 2019

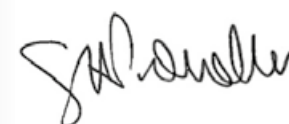
University	Income and expenditure reserve		Revaluation reserve	Total	Non controlling interest	Total including non controlling interest
	Endowment	Unrestricted				
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 August 2017	568	51,932	19,847	72,347	-	72,347
Surplus for the year	125	4,531	-	4,656	-	4,656
Other comprehensive income	-	17,802	-	17,802	-	17,802
Transfers between revaluation and income and expenditure reserve	-	61	(61)	-	-	-
Release of restricted funds spent in year	(147)	147	-	-	-	-
Total comprehensive income for the year	(22)	22,541	(61)	22,458	-	22,458
Balance at 31 July 2018	546	74,473	19,786	94,805	-	94,805
Surplus for the year	217	4,722	-	4,939	-	4,939
Other comprehensive income	-	(20,902)	-	(20,902)	-	(20,902)
Transfers between revaluation and income and expenditure reserve	-	61	(61)	-	-	-
Release of restricted funds spent in year	(145)	145	-	-	-	-
Total comprehensive expense for the year	72	(15,974)	(61)	(15,963)	-	(15,963)
Balance at 31 July 2019	618	58,499	19,725	78,842	-	78,842

Consolidated and University Balance Sheet

Year ended 31 July 2019

	Notes	As at 31 July 2019		As at 31 July 2018	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
Non-current assets					
Fixed assets	14	215,069	214,872	214,076	213,952
Investments	15	36	61	36	61
		215,105	214,933	214,112	214,013
Current assets					
Stock	16	4	4	12	12
Trade and other receivables	17	25,140	23,971	22,793	21,976
Investments	18	-	-	7,500	7,500
Cash and cash equivalents	23	96,662	90,539	79,734	74,972
		121,806	114,514	110,039	104,460
Less: Creditors: amounts falling due within one year	19	(54,117)	(49,829)	(52,005)	(48,802)
Net current assets		67,689	64,685	58,034	55,658
Total assets less current liabilities		282,794	279,618	272,146	269,671
Creditors: amounts falling due after more than one year	20	(82,362)	(82,362)	(83,638)	(83,528)
Provisions					
Pension provisions	21	(116,257)	(116,257)	(89,228)	(89,228)
Other provisions	21	(2,157)	(2,157)	(2,110)	(2,110)
Total net assets		82,018	78,842	97,170	94,805
Restricted Reserves					
Income and expenditure reserve - endowment reserve	22	618	618	546	546
Unrestricted Reserves					
Income and expenditure reserve - unrestricted		61,591	58,499	76,885	74,473
Revaluation reserve		19,725	19,725	19,786	19,786
		81,934	78,842	97,217	94,805
Non controlling interest		84	-	(47)	-
Total Reserves		82,018	78,842	97,170	94,805

The financial statements were approved and authorised for issue by the University Board of Governors on 25 November 2019 and were signed on its behalf on that date by:



Geraldine Proudler
Chair of the Board of Governors



James Kennedy
Interim Vice-Chancellor



Eran Kochlany
Interim Chief Financial Officer

Consolidated Statement of Cash Flows

Year ended 31 July 2019

	Notes	Year ended 31 July 2019 £'000	Year ended 31 July 2018 £'000
Cash flow from operating activities			
Surplus for the year		5,766	5,486
Adjustment for non-cash items			
Depreciation	14	11,653	11,832
Profit on fixed asset disposal	14	-	(55)
Decrease/(increase) in stock	16	8	(5)
Increase in debtors	17	(2,347)	(2,475)
Increase in creditors	19 / 20	4,122	4,182
Increase in pension provision	21	6,127	6,148
Increase/(decrease) in other provisions	21	47	(675)
Adjustment for investing or financing activities			
Investment income	7	(411)	(402)
Interest payable	11	6,811	7,217
Endowment income		(214)	(124)
Profit on the sale of fixed assets		-	55
Capital grant income		(1,201)	(1,597)
Net cash inflow from operating activities		30,361	29,587
Cash flows from investing activities			
Proceeds from sales of fixed assets		-	55
Capital grants receipts		1,432	1,597
Withdrawal of deposits		7,500	22,500
Investment income		411	402
Payments made to acquire fixed assets		(12,646)	(6,086)
		(3,303)	18,468

Consolidated Statement of Cash Flows (continued)

Year ended 31 July 2019

	Notes	Year ended 31 July 2019 £'000	Year ended 31 July 2018 £'000
Cash flows from financing activities			
Interest paid	11	(6,811)	(7,217)
Endowment cash received		214	124
Repayments of amounts borrowed	9/20	(3,517)	(3,359)
		(10,114)	(10,452)
Increase in cash and cash equivalents in the year		16,944	37,603
Increase in cash and cash equivalents in the year		16,944	37,603
Cash and cash equivalents at beginning of the year	23	79,734	42,106
Foreign exchange translation (loss)/gain on foreign currency net investment in subsidiaries		(16)	25
Cash and cash equivalents at end of the year	23	96,662	79,734

Notes to the Accounts

for the year ended 31 July 2019

1. Statement of Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

A. Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2015 and in accordance with Financial Reporting Standards (FRS 102). The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102. The financial statements are prepared in accordance with the historical cost convention (modified by the revaluation of land and buildings fixed assets).

B. Going Concern

The University's business activities and future activities are set out in the University strategic report and overview on pages 7 to 48. After reviewing the University financial position, forecasts and financial facilities, the Board have a reasonable expectation that the University has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the University has continued to adopt the going concern basis in preparing the financial statements.

C. Basis of Consolidation

The consolidated financial statements include the University and all of its subsidiaries for the financial year to 31 July 2019. Details of the subsidiary undertakings included are given at note 28. The subsidiaries are consolidated on a line by line basis with intra-group transactions and balances eliminated on consolidation.

The results of subsidiaries acquired or disposed of during the period are included in the Consolidated Statement of Comprehensive Income and Expenditure from the date of acquisition or up to the date of disposal.

A 49% non-controlling interest exists in Middlesex International (Mauritius) Limited and a 30% non-controlling interest exists in MDXU Limited, both being a subsidiary undertaking. The value of these minority interests has therefore been disclosed in the financial statements.

The consolidated financial statements do not include the income and expenditure of the Middlesex University Students' Union (MDXSU) as the University has no financial interest, does not exert control or dominant influence over policy decisions. The grant expenditure included at note 10 represents the University contribution to MDXSU activities.

D. Income Recognition

Income from the sale of goods or services is credited to the Consolidated Statement of Comprehensive Income and Expenditure when the goods or services are supplied to the external customers or the terms of the contract have been satisfied.

Tuition Fee income chargeable to students or their sponsors is stated gross of any expenditure which is not a discount and credited to the Consolidated Statement of Comprehensive Income and Expenditure over the period in which the students are studying. Where the amount of the tuition fee is reduced, by a discount for prompt payment, income receivable is shown net of the discount. Bursaries, scholarships or fees waived by the University are accounted for gross as expenditure and not deducted from income.

Investment income is credited to the Consolidated Statement of Comprehensive Income and Expenditure on a receivable basis.

Grant funding including funding council block grant and research grants from government sources and from non-government sources are recognised as income when the University is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the Balance Sheet and released to income as the conditions are met.

Capital grants

Government and all other source capital grants are recognised in income when the University is entitled to the funds subject to any performance related conditions being met.

E. Accounting for Charitable Donations and Endowments

Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor imposed restrictions are recognised in income when the University is entitled to the funds. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

Donations with no restrictions are recognised in income when the University is entitled to the funds.

Investment income and appreciation of endowments is recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms of the restriction applied to the individual endowment fund.

There are four main types of donations and endowments identified within reserves:

- **Restricted donations** – the donor has specified that the donation must be used for a particular objective.
- **Unrestricted permanent endowments** – the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the University.
- **Restricted expendable endowments** – the donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the University has the power to use the capital.
- **Restricted permanent endowments** – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

F. Agency arrangements

Funds the University receives and disburses as paying agent on behalf of a funding body (or other body) are excluded from the Consolidated Statement of Comprehensive Income and Expenditure of the University where the University is exposed to minimal risk or enjoys minimal economic benefit related to the transaction. The balances and movement of these funds are disclosed in notes 30 to 32.

G. Accounting for Retirement Benefits

The University contributes to two principal staff pension schemes for the University's staff, the Teachers' Pension (TPS), independently administered by the Department for Education (DfE) and the Local Government Pension Scheme (LGPS), independently administered by the London Borough of Barnet.

The schemes are defined benefit schemes which are externally funded and for the period up to 5th April 2016 were contracted out of the State Second Pension (S2P) when contracting-out ceased on the introduction of the Government's new state pension on 6th April 2016.

The TPS is valued every four years and the LGPS every three years by professionally qualified independent actuaries.

Both schemes provide defined benefits to members (retirement lump sums and pensions), earned as employees worked for the University. However, the arrangements for the TPS mean that liabilities for these benefits cannot ordinarily be identified specifically to the University. The scheme is therefore accounted for as if it was a defined contribution scheme and no liability for future payments of benefits is recognised in the Balance Sheet.

Defined Contribution Scheme

A defined contribution scheme is a pension scheme under which the University pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The University's obligations for contributions to the TPS whilst being a defined benefit scheme is treated as a defined contribution scheme as explained above and are recognised as an expense in the Consolidated Statement of Comprehensive Income and Expenditure in the periods during which services are rendered by employee members.

Defined Benefit Scheme

Defined benefit schemes are pension schemes other than defined contribution schemes. Under defined benefit schemes, the University's obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne, in substance, by the University. The Group recognises a liability for its obligations under the LGPS net of plan assets. This net defined benefit liability is measured as the estimated amount of benefit that employees have earned in return for their service in the current and prior periods, discounted to determine its present value, less the fair value (at bid price) of scheme assets. The calculation is performed by a qualified actuary using the projected unit credit method. Where the calculation results in a net asset, recognition of the asset is limited to the extent to which the University is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme.

Other pension benefits

The University continues to make a small and diminishing number of supplementary payments to former staff and dependants of those staff, who took early retirement during the 1990's. The liabilities of the pension enhancement can be estimated under FRS 102 and are included in the financial statements at note 21.

H. Employment Benefits

Short term employment benefits include benefits payable during employment such as salaries and compensated absences (e.g. paid annual leave) and are recognised as an expense in the year in which the employees render service to the University.

Short term employee benefits are those due to be settled within 12 months of the year-end date.

Any unused benefits are accrued and measured as the additional amount the University expects to pay as a result of the unused entitlement.

An accrual is made for the cost of annual leave entitlements earned by employees but not taken before the year end which employees can carry forward into the next financial year.

I. Leases

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property or equipment from the lessor to the lessee. All other leases are classified as operating leases.

Arrangements that do not have the legal status of a lease but convey a right to use an asset in return for payment are accounted for under this policy where fulfilment of the arrangement is dependent on the use of specific assets.

The University as Lessee

Finance leases

Leases in which the University assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of finance lease and the corresponding lease liabilities are initially recognised at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Operating leases

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Any lease premiums or incentives are spread over the minimum lease term.

J. Foreign Currencies

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign

currencies at the balance sheet date are translated to the functional currency at the foreign exchange rate ruling at that date.

Foreign exchange differences arising on translation are recognised in surplus or deficit (except for differences arising on the retranslation of a financial liability designated as a hedge of the net investment in a foreign operation that is effective, or qualifying cash flow hedges, which are recognised directly in Other Comprehensive Income). Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to the Group's presentational currency, Sterling, at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated at an average rate for the year where this rate approximates to the foreign exchange rates ruling at the dates of the transactions. Exchange differences arising from this translation of foreign operations are reported as an item of Other Comprehensive Income.

When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while still retaining control, the relevant proportion of the accumulated amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while still retaining significant influence or joint control, the relevant proportion of the cumulative amount is recycled to the Consolidated Statement of Comprehensive Income and Expenditure.

Exchange differences arising from a monetary item receivable from or payable to a foreign operation, the settlement of which is neither planned nor likely in the foreseeable future, are considered to form part of a net investment in a foreign operation and are recognised directly in equity.

K. Tangible Fixed Assets

Valuation

Fixed assets are stated at cost/deemed cost less accumulated depreciation and accumulated impairment losses. Certain items of land and buildings fixed assets that have been revalued on the date of transition to the 2015 HE SORP are measured on the basis of deemed cost, being the revalued amount at the date of the revaluation 31 July 2014.

Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

Land and buildings

Capitalisation

Costs incurred in relation to land and buildings after initial purchase or construction are capitalised to the extent that they increase the expected future benefits to the University.

Depreciation

Freehold land is not depreciated as it is considered to have an indefinite useful life. Freehold buildings are depreciated on a straight line basis over their expected useful lives as follows

Freehold Buildings

Freehold Buildings	50 years
Major Improvements	50 years
Minor Refurbishments	10 – 20 years

Buildings include long leasehold premises and property depreciated over the life of the lease up to a maximum of 50 years. Capitalised costs of leasehold building improvements are depreciated over the shorter of their useful life or the remaining term of the lease.

Equipment

Capitalisation

Fixtures, Fittings and Equipment, including computers and software, costing less than de minimums £30,000 per individual item or group of related items is recognised as expenditure through write off in the year of acquisition. All other equipment is capitalised.

Depreciation

Capitalised equipment is stated at cost and depreciated on a straight line basis over its expected useful life as follows:

Fixtures, fittings and equipment	5 – 10 years
Computer equipment (Hardware and Software)	4 years
Motor vehicles: Van and minibus fleet	5 – 10 years
Motor cars fleet	3 years

Assets under construction

Assets in the course of construction are accounted for at cost, based on the value of architects' certificates and other direct costs incurred to the end of the year. They are not depreciated until they are brought into use.

Borrowing costs

Borrowing costs which are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised.

Impairment

A review for impairment of fixed assets is carried out if events or changes in circumstances indicate that the carrying amount may not be recoverable, whether through the economic benefits of use or through disposal. Where there is evidence of impairment, fixed assets are written down to the recoverable amount.

Repairs and maintenance

Expenditure to ensure that a tangible fixed asset maintains its previously recognised standard of performance is recognised in the Consolidated Statement of Comprehensive Income and Expenditure in the period it is incurred. The University has a planned maintenance programme, which is reviewed on an annual basis.

Fixed assets identified for disposal

Fixed assets identified for disposal are stated at the lower of cost or net realisable value.

L. Investments

Non-current asset investments, including investments in subsidiaries, jointly controlled entities and associates are held on the Balance Sheet at original cost of the investment less a provision for impairment in value where appropriate in the University's accounts.

Current asset investments are held at fair value with movements recognised in the surplus or deficit.

M. Stock

Stocks of finished goods and work-in-progress are held at the lower of cost and estimated net realisable value, and are measured using an average cost formula.

Where appropriate, a provision is made for obsolete, slow moving or defective items.

N. Cash and cash equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value. These include investments held as part of the University's treasury management activity with a maturity date of three months or less at the date of deposit.

Cash flows comprise increases or decreases in cash.

O. Provisions, contingent liabilities and contingent assets

Provisions are recognised in the financial statements when:

- the University has a present obligation (legal or constructive) as a result of a past event;
- it is probable that an outflow of economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

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

A contingent asset arises where an event has taken place that gives the University a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the University.

Contingent assets and liabilities are not recognised in the Balance Sheet but are disclosed in the notes.

P. Taxation

The University is an exempt charity within the meaning of Part 3 of the Charities Act 2011, and, as such, is a charity within the meaning of Section 506 (1) of the Income and Corporation Taxes Act 1988. It is therefore a charity within the meaning of Paragraph 1 of schedule 6 to the Finance Act 2010 and accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by section 478-488 of the Corporation Tax Act 2010 (CTA 2010) or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes.

The University receives no similar exemption in respect of Value Added Tax (VAT). Irrecoverable VAT on inputs is included in the costs of such inputs. Any irrecoverable VAT allocated to fixed assets is included in their cost.

The University's UK subsidiaries are liable to Corporation Tax and VAT in the same way as any other commercial organisation.

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full on timing differences that exist at the balance sheet date and that result in an obligation to pay more tax, or a right to pay less tax in the future. The deferred tax is measured at the rate expected to apply in periods in which the timing differences are expected to reverse, based on the tax rates and laws that are enacted or substantively enacted at the balance sheet date. Unrelieved tax losses and other deferred tax assets shall be recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax assets and liabilities are not discounted

Q. Financial assets

Financial assets, other than investments, are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

R. Financial liabilities

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

S. Reserves

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include balances which, through endowment to the University, are held as a permanently restricted fund which the University must hold in perpetuity.

Other restricted reserves include balances where the donor has designated a specific purpose and therefore the University is restricted in the use of these funds.

2. Accounting estimates and judgments

In preparing these financial statements, the board and management have made judgments, estimates and assumptions that affect the application of the University's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgments are continually evaluated and are based on historical experience and other facts, including expectations of future events that are believed to be reasonable under the circumstances.

Key areas subject to judgment are as follows:

A. Pension enhancements on termination (see note 21)

The critical underlying assumptions in relation to the estimate of the pension enhancement obligation such as life expectancy and the discount rate on corporate bonds. Variations in these assumptions have the ability to significantly influence the value of the provision for unfunded liabilities recorded and annual expense.

B. Onerous contract provision (see note 21)

Determine whether contracts entered into by the University and Group as lessee are onerous. These decisions depend on an assessment of whether the aggregate cost required to fulfil the contract are higher than the economic benefit to be obtained from it.

The underlying assumptions in relation to the estimate of the present value of the total commitment under the lease such as the annual obligation over the period of the lease and the discount rate to be used.

C. Leases classification (see note 26)

Determine whether leases entered into by the University and Group either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

D. Local Government Pension Scheme (LGPS) defined benefit pension scheme (see note 29)

Obligation to fund pensions

The critical underlying assumptions in relation to the estimate of the defined benefit LGPS pension scheme obligation include longevity (member life expectancy), anticipated future salary increases, asset valuations and the discount rate on corporate bonds. Variations in these assumptions have the ability to significantly influence the value of the liability recorded and annual defined benefit expense.

The sensitivities regarding the principal assumptions used to measure the scheme liabilities calculated by a qualified independent actuary are set out below:

Change in financial assumptions at 31 July 2019:	Approximate % increase to defined benefit obligation	Approximate monetary amount (£'000)
0.5% decrease in the real discount rate for liabilities	11%	36,616
0.5% increase in the rate of increase in salaries	1%	4,058
0.5% increase in the rate of increase in pensions (Consumer Price Index (CPI) increases)	10%	31,966

Change in demographic assumptions at 31 July 2019:

The principal demographic assumption is the longevity assumption. For sensitivity purposes the actuary estimates that a one year increase in member life expectancy would approximately increase the University defined benefit obligation between 3 to 5%. In practice the actual cost of one year increase in member life expectancy will depend on the structure of the revised assumption i.e. if improvements to member survival rates predominantly apply at younger or older age groups.

Funding deficit plan

The underlying assumptions in relation to the estimate of the present value of the obligation in respect of the funding deficit plan for the LGPS pension scheme such as the salary inflation over the period of the funding deficit plan and the discount rate to be used.

E. Impairment of tangible assets

Determine whether there are indicators of impairment of the University and Group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating activity, the viability and expected future performance of that activity.

Other key areas of estimation uncertainty are as follows:

Tangible fixed assets (see note 14)

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors.

2. Accounting estimates and judgments (continued)

In re-assessing asset lives, factors such as technological innovation and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset, and projected disposal values.

Trade debtors (see note 17)

The estimate for receivables relates to the recoverability of the balances outstanding at the year end. A review is performed on an accounts receivable aging method to determine whether debt is recoverable by aged group and a predetermined rate.

Notes	Year ended 31 July 2019		Year ended 31 July 2018	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
3. Tuition fees and education contracts				
	108,734	107,700	104,663	103,943
	31,181	23,142	27,639	20,861
	3,442	3,442	2,972	2,972
	1,614	1,614	353	353
	9,351	9,351	10,635	10,635
	3,286	3,286	7,249	7,249
	157,608	148,535	153,511	146,013
4. Funding body grants				
Recurrent grant				
	10,286	10,286	2,597	2,597
	-	-	8,082	8,082
	42	42	28	28
Specific grants				
	1,656	1,656	1,549	1,549
	4,507	4,507	4,703	4,703
	83	83	375	375
	1,201	1,201	1,597	1,597
	17,775	17,775	18,931	18,931
5. Research grants and contracts				
	730	730	803	803
	601	601	223	223
	628	556	1,214	1,204
	419	121	226	121
	1,297	1,297	1,729	1,729
	12	12	15	15
	53	53	159	159
	752	752	945	928
	37	37	11	11
	4,529	4,159	5,325	5,193

Notes	Year ended 31 July 2019		Year ended 31 July 2018	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
6. Other income				
	9,235	9,235	9,280	9,280
	5,452	5,452	1,516	1,516
	338	338	393	393
	620	620	562	562
	1,782	1,782	1,621	1,621
	6,052	6,052	5,991	5,991
	6,478	4,349	5,615	3,650
	1,675	1,123	1,290	802
	31,632	28,951	26,268	23,815
7. Investment income				
	3	3	1	1
	408	392	401	387
	411	395	402	388
8. Donations and endowments				
	214	214	124	124
	6	6	5	5
	220	220	129	129
9. Staff costs				
	89,308	79,500	88,648	80,315
	9,091	8,921	9,096	8,965
	4,063	4,063	3,877	3,877
	14,759	14,720	14,840	14,803
	117,221	107,204	116,461	107,960
	2,024	2,024	1,097	1,097
	119,245	109,228	117,558	109,057

Other pension costs represent the University employers contributions to the Teachers' Pension Scheme (TP) and the Local Government Pension Scheme (LGPS) shown at note 29.

9. Staff costs (continued)

	Year Ended 31 July 2019	Year Ended 31 July 2018
	Number	Number
Average group staff numbers by major category, expressed on a full time equivalent basis, during the year were:		
Academic	957	977
Administration and senior management	815	855
Technical	85	87
Other (including Research)	49	55
	1,906	1,974
Vice-Chancellor remuneration:	£'000	£'000
Basic salary	265	260
Payments in lieu of pension contributions	30	7
	295	267
Pension contributions	-	36
Total remuneration	295	303

The Vice-Chancellor's remuneration shown in the year was approved by the University's Remuneration Committee. In determining the remuneration of the Vice-Chancellor the Remuneration Committee considers pay benchmarking data in respect of Heads of Institution provided annually by Universities and Colleges Employers Association (UCEA) and the Committee of University Chairs (CUC). Specific benchmarks includes median and mean comparisons as well as quartile pay and total pay data for all institutions, post-92 universities and universities within a similar institutional income bracket. The consideration includes assessment of individual performance based on the University's senior staff appraisal scheme. The assessment includes consideration of the Vice-Chancellor's individual performance against targets agreed by Chair of Board of Governors, with a particular focus on the Vice-Chancellor's contribution to progress in achieving the University's strategic aims. The level of pay awards to other senior staff are also taken into account.

The Vice-Chancellor voluntarily withdrew from the LGPS on 1 May 2018 and, in accordance with an understanding reached upon joining the University and ratified by the Remuneration Committee, has received, from the date of withdrawal, a monthly salary adjustment (shown within remuneration as 'payments in lieu of pension contributions'). As a result of this change the cost to the University of the Vice Chancellor's total remuneration has decreased.

The Vice-Chancellor was awarded a 2% pay increase to take effect from 1 August 2018, in line with the National Pay Award. A one-off, unconsolidated, performance-related bonus was awarded to the Vice-Chancellor in recognition of his leadership and performance during the academic year 2017/18, payable in January 2019, which he declined.

On 8 May 2019 the University announced the resignation of Professor Tim Blackman from the position of Vice-Chancellor with effect from 31 August 2019. On 2 September 2019 James Kennedy (Chief Financial Officer) was appointed Interim Vice-Chancellor, who will receive a responsibility allowance of £56.1k per annum whilst performing these interim duties in addition to his basic salary which was £153k during the year ended 31 July 2019.

9. Staff costs (continued)

Pay multiple

The relationship between the Vice-Chancellor's remuneration and that for all other staff, expressed as a pay multiple, during the year were:

University	Year Ended 31 July 2019		Year Ended 31 July 2018	
	Basic Salary £'000	Total Remuneration £'000	Basic Salary £'000	Total Remuneration £'000
Vice-Chancellor pay	265.2	294.8	260.0	303.1
Median pay for all other staff	40.8	47.0	40.0	46.6
Pay Multiple	6.5 : 1	6.3 : 1	6.5 : 1	6.5 : 1

The pay multiple represents the Vice-Chancellor's pay divided by the median pay for all other staff at the University (excluding subsidiary companies), on a full time equivalent basis.

The median pay for all other staff is calculated using pay data for the year and includes the total costs of agency workers hired via recruitment companies to work for the University, these costs are reported at note 10, other operating expenses.

In preparing the calculation of median pay for agency workers, on a full time equivalent basis, certain assumptions have been used to determine an estimate for the total of full time equivalents as this data is not held within the University payroll system records collected for all other staff at the University.

Senior staff remuneration:

The number of senior staff (excluding the Vice-Chancellor) expressed on a full time equivalent basis, who received basic annual salaries in the following ranges were:

	Year Ended 31 July 2019 Number	Year Ended 31 July 2018 Number
£100,000 to £104,999	1	3
£105,000 to £109,999	1	2
£110,000 to £114,999	1	1
£115,000 to £119,999	1	1
£120,000 to £124,999	2	2
£125,000 to £129,999	3	1
£130,000 to £134,999	-	1
£135,000 to £139,999	1	-
£140,000 to £144,999	1	1
£145,000 to £149,999	-	1
£150,000 to £154,999	1	1
£155,000 to £159,999	1	-
	13	14

9. Staff costs (continued)**Severance payments**

The total amount of compensation for loss of office paid to all staff across the University during the year were:

	Year Ended 31 July 2019 £'000	Year Ended 31 July 2018 £'000
Compensation paid or payable	2,024	1,113
Compensation recorded within staff costs	<u>2,024</u>	<u>1,113</u>

The compensation pay for loss of office comprises of amounts paid or payable where a liability existed at 31 July 2019 to 89 employees (2018: 59) and was funded from general income. The compensation pay and benefits were approved by the University's Remuneration committee or the respective delegated authority as appropriate.

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University. Staff costs include compensation paid to key management personnel. Middlesex University defines 'key management personnel' as members of the Executive Team. If a member of staff was a member of the Executive Team at any point in the year, their total paid compensation is disclosed. Compensation consists of salary and benefits including any employer's pension contribution.

The pension contributions of key management personnel are in respect of employer's contributions to either the Teachers Pension or the Local Government Pension Scheme and are paid at the same rate as for all other member employees.

	Year Ended 31 July 2019 £'000	Year Ended 31 July 2018 £'000
Key management personnel compensation	<u>1,514</u>	<u>1,429</u>

10. Other operating expenses

	Year ended 31 July 2019		Year ended 31 July 2018	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Premises and maintenance costs	11,009	9,509	11,294	9,673
Marketing and recruitment	9,834	11,179	9,072	10,761
Catering, accommodation and partners	16,534	16,503	12,243	12,238
General expenses	5,375	5,207	5,093	4,953
IT equipment and maintenance	5,983	5,983	6,215	6,207
Other central costs	7,721	7,350	6,986	6,601
Outsourcing and professional advisors	6,335	6,112	5,822	5,768
Learning resources	4,849	4,735	4,784	4,682
Staff development	1,047	999	901	873
	<u>68,687</u>	<u>67,577</u>	<u>62,410</u>	<u>61,756</u>

Other operating expenses (consolidated) include:**Auditors' remuneration**

BDO LLP external auditors' remuneration in respect of:

	31 July 2019 £'000	July 2018 £'000
Audit of University annual financial statements	127	127
Audit of UK subsidiary company annual financial statements	10	10
External auditors' remuneration in respect of audit of overseas subsidiary company annual financial statements	40	31
External auditors' (BDO LLP) remuneration in respect of non-audit services	11	14
Other including internal auditor remuneration	130	118
	<u>318</u>	<u>300</u>

Operating lease rentals

Land and buildings	1,833	2,174
Equipment	125	51
	²⁶ <u>1,958</u>	<u>2,225</u>

Operating lease rental expenses for the year ended 31 July 2018 has been restated to reflect the changes detailed in note 26.

Grant to Students' Union (MDXSU)	³⁴ <u>1,048</u>	<u>951</u>
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	Notes	Year ended 31 July 2019		Year ended 31 July 2018	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
11. Interest and other finance costs					
Interest on bank loans not wholly repayable within 5 years		4,191	4,191	4,342	4,342
Exchange differences		32	-	-	-
Other finance costs		52	52	101	101
Interest charge on pension enhancement provision	21	155	155	149	149
Interest charge on net LGPS pension scheme deficit	29	2,381	2,381	2,625	2,625
		6,811	6,779	7,217	7,217

	Year ended 31 July 2019		Year ended 31 July 2018	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
12. Analysis of total expenditure by activity				
Academic faculties	88,330	77,371	83,485	74,165
Academic services	43,183	42,828	41,462	41,928
Research grants and contracts	4,359	4,160	5,221	5,089
Residences, catering and conferences	9,494	9,494	9,432	9,432
Premises	26,411	26,411	26,465	26,465
Central services and administration*	30,138	30,138	28,705	28,705
Other expenses	2,405	2,670	3,184	2,932
	204,320	193,072	197,954	188,716
Staff restructuring costs	2,024	2,024	1,097	1,097
	206,344	195,096	199,051	189,813

*Central services and administration expenditure includes costs of student and staff facilities and amenities, and general education expenditure.

	Year ended 31 July 2019 £'000	Year ended 31 July 2018 £'000
13. Taxation		
UK corporation tax on profits of a trading subsidiary	-	(7)
Foreign taxes	65	36
	65	29

The University is an exempt charity within the meaning of Part 3 of the Charities Act 2011, and, as such, is a charity within the meaning of Section 506 (1) of the Income and Corporation Taxes Act 1988. The University is recognised as a charity by HM Revenue & Customs. It is therefore a charity within the meaning of Para 1 of Schedule 6 to the Finance Act 2010 and accordingly, the University is potentially exempt from UK Corporation Tax in respect of income or capital gains received within categories covered by section 478-488 of the Corporation Tax Act 2010 (CTA 2010) or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes.

The Board does not believe that the University is liable for any UK corporation tax on profit arising out of its activities during the year.

The foreign tax charges arise from the activities of certain overseas trading subsidiary companies within their local regions during the year.

14. Fixed Assets

Consolidated	Freehold Land £'000	Leasehold Buildings £'000	Freehold Buildings £'000	Fixtures, Fittings and Equipment £'000	Assets in the Course of Construction £'000	Total £'000
Cost or valuation						
At 1 August 2018	32,125	11,615	211,655	23,554	2,909	281,858
Exchange Revaluation	-	-	-	56	-	56
Additions at cost	-	95	1,748	3,442	7,305	12,590
Transfers between categories	-	113	433	1,001	(1,547)	-
Disposals	-	(1,057)	(690)	(6,303)	-	(8,050)
At 31 July 2018	32,125	10,766	213,146	21,750	8,667	286,454
Consisting of:						
Valuation as at 31 July 2014	29,101	-	145,099	-	-	174,200
Cost	3,024	10,766	68,047	21,750	8,667	112,254
	32,125	10,766	213,146	21,750	8,667	286,454
Depreciation						
At 1 August 2018	-	6,172	48,685	12,925	-	67,782
Exchange Revaluation	-	-	-	52	-	52
Charge for the year	-	957	6,145	4,499	-	11,601
Disposals	-	(1,057)	(690)	(6,303)	-	(8,050)
At 31 July 2019	-	6,072	54,140	11,173	-	71,385
Net book value						
At 31 July 2019	32,125	4,694	159,006	10,577	8,667	215,069
At 31 July 2018	32,125	5,443	162,970	10,629	2,909	214,076

14. Fixed Assets (continued)

University	Freehold Land £'000	Leasehold Buildings £'000	Freehold Buildings £'000	Fixtures, Fittings and Equipment £'000	Assets in the Course of Construction £'000	Total £'000
Cost and valuation						
At 1 August 2018	32,125	11,615	211,655	22,544	2,909	280,848
Additions at cost	-	95	1,748	3,284	7,305	12,432
Transfers between categories	-	113	433	1,001	(1,547)	-
Disposals	-	(1,057)	(690)	(6,297)	-	(8,044)
At 31 July 2019	32,125	10,766	213,146	20,532	8,667	285,236
Consisting of:						
Valuation as at 31 July 2014	29,101	-	145,099	-	-	174,200
Cost	3,024	10,766	68,047	20,532	8,667	111,036
	32,125	10,766	213,146	20,532	8,667	285,236
Depreciation						
At 1 August 2018	-	6,172	48,685	12,039	-	66,896
Charge for the year	-	957	6,145	4,410	-	11,512
Disposals	-	(1,057)	(690)	(6,297)	-	(8,044)
At 31 July 2019	-	6,072	54,140	10,152	-	70,364
Net book value						
At 31 July 2019	32,125	4,694	159,006	10,380	8,667	214,872
At 31 July 2018	32,125	5,443	162,970	10,505	2,909	213,952

14. Fixed Assets (continued)

Disposals include the write off of historical tangible fixed assets that are fully depreciated. The gross cost of these assets amounted to £7,957k (2018: £3,920k).

A full valuation of the University's land, academic, research, ancillary and support buildings was carried out on 31 July 2014 by Jones Lang LaSalle Limited, Chartered Surveyors.

The basis of the valuation was as follows:

- Land was valued at market value.
- Educational assets, be that academic/research or ancillary/support buildings were valued using the direct comparison method. This method considers recent sales and letting transactions of appropriate properties, which are adjusted to reflect differences in size, location, physical characteristics, local demand/supply and tenure.
- 'Trophy' educational assets, which include the College Building, The Grove, Hatchcroft and the Sheppard Library which incorporate significantly higher levels of fit-out have been valued to reflect the unique nature of the building space and/or specialised equipment fit-out.

The net book value of land and buildings comprises:

	At 31 July 2019 £'000	At 31 July 2018 £'000
University		
Freehold Tenure:		
Land, at valuation	29,101	29,101
Buildings, at valuation	123,028	127,316
	152,129	156,417
Land, stated at cost	3,024	3,024
Buildings, stated at cost	35,978	35,654
	39,002	38,678
	191,131	195,095
Leasehold Tenure:		
Buildings, stated at cost	4,694	5,443
Net book value	195,825	200,538

The net book value of assets in the course of construction for fixtures, fittings and equipment includes the following amounts in respect of assets held under finance leases:

	At 31 July 2019 £'000	At 31 July 2018 £'000
University		
Cost	4,827	-
Accumulated depreciation	-	-
Charge for year	-	-
Net book value	4,827	-

15. Non-Current Investments

Consolidated	Subsidiary companies £'000	Other non-current investments £'000	Total £'000
At 1 August 2018	-	36	36
At 31 July 2019	-	36	36
University	£'000	£'000	£'000
At 1 August 2018	25	36	61
At 31 July 2019	25	36	61

Subsidiary companies

The board believe that the carrying value of the investments in trading subsidiary companies is supported by the subsidiary company net assets and/or their business plans. Investments in the subsidiary companies are stated at cost. The University holds a £2m provision against MU Ventures Limited (2018: £2m) and a £4k provision against Middlesex University (Malta) Limited (2018: £3k). Details of the subsidiary companies are shown in note 28.

Other non-current investments

The non-current investments have been valued at market value.

Other non-current investments consist of:	Consolidated and University £'000
Shares in CVCP Properties plc	36
	36

CVCP Properties plc is a company owned by 135 UK university institutions, whose executive heads (vice-chancellors or principals) are members of Universities UK. Universities UK is the representative organisation for the United Kingdom's universities.

On 27 June 2019 the University sold its shareholding in Argentium International Limited for £7k.

16. Stock

	Year ended 31 July 2019		Year ended 31 July 2018	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Research grants and contracts – work in progress	4	4	12	12
	4	4	12	12

17. Trade and other receivables

Amounts falling due within one year:

	Year ended 31 July 2019		Year ended 31 July 2018	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Trade debtors	3,226	2,848	3,057	2,927
Tuition fees	8,985	8,031	6,849	5,985
Other receivables	2,327	857	2,242	834
Prepayments and accrued income	8,655	5,989	8,635	6,363
Amounts due from consolidated subsidiary companies	-	4,299	-	3,857
	23,193	22,024	20,783	19,966

Amounts falling due after more than one year:

	Year ended 31 July 2019		Year ended 31 July 2018	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Other receivables	700	700	700	700
Prepayments	1,247	1,247	1,310	1,310
	25,140	23,971	22,793	21,976

18. Current Investments

	Year ended 31 July 2019		Year ended 31 July 2018	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Short term deposits	-	-	7,500	7,500
	-	-	7,500	7,500

19. Creditors: amounts falling due within one year

	Notes	Year ended 31 July 2019		Year ended 31 July 2018	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
Secured loans	20	3,655	3,655	3,518	3,518
Unsecured loans		1	-	1	-
Obligations under finance leases	26	1,931	1,931	-	-
Research grants received on account		9,291	9,291	10,176	10,176
Other liabilities due within one year		9,705	8,922	9,523	9,102
Trade payables		5,586	4,341	5,384	4,357
Social security and other taxation payable		2,723	2,589	2,631	2,655
Accruals and deferred income		21,225	19,100	20,772	18,994
		54,117	49,829	52,005	48,802

	Notes	Year ended 31 July 2019		Year ended 31 July 2018	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
20. Creditors: amounts falling due after more than one year					
Deferred income		7,491	7,491	7,865	7,865
Other liabilities due after one year		63	63	207	97
Obligations under finance lease	26	2,896	2,896	–	–
Secured loans		71,912	71,912	75,566	75,566
		82,362	82,362	83,638	83,528
Analysis of secured loans:					
Due within one year or on demand (note 19)		3,655	3,655	3,518	3,518
Due between one and two years		3,862	3,862	3,655	3,655
Due between two and five years		12,736	12,736	12,148	12,148
Due in five years or more		55,314	55,314	59,763	59,763
Due after more than one year		71,912	71,912	75,566	75,566
Total secured loans		75,567	75,567	79,084	79,084
Secured loans repayable to Barclays Bank by 2030		27,240	27,240	29,082	29,082
Secured loans repayable to Lloyds Bank by 2037		48,327	48,327	50,002	50,002
		75,567	75,567	79,084	79,084

The secured bank loan facilities are repayable over the terms shown below. Interest is charged at the rates shown and all rates are fixed until their rate is renewed at a fixed future date or at the end of the loan term.

The loans are secured against the University campus properties to which they relate.

Lender	Borrower	Property name	Amount outstanding at 31 July 2019 £'000	Term	Fixed Until	Interest rate %	Expiry date
Barclays Bank plc	University	Part of Hendon Campus	27,240	25 Years	2030	6.0300%	2030
Lloyds Bank plc	University		10,376	28 Years	2037	6.5950%	2037
Lloyds Bank plc	University		12,930	27 Years	2037	6.4250%	2037
Lloyds Bank plc	University	Part of Hendon Campus, 1 Burroughs Parade and Ivy Hall	8,639	26 Years	2037	6.5450%	2037
Lloyds Bank plc	University		3,997	26 Years	2026	6.7050%	2037
Lloyds Bank plc	University		4,332	26 Years	2016	Variable (from 7 June 2016)	2037
Lloyds Bank plc	University		8,053	25.5 Years	2017	Variable (from 7 June 2017)	2037
			48,327				
			75,567				

21. Provisions for liabilities

Consolidated and University	Obligation to fund deficit on LGPS Pension £'000	Pension enhancements on termination £'000	Total Pension Provisions £'000	Restructuring Provision £'000	Onerous Contract Provision £'000	Total Other Provisions £'000
At 1 August 2018	83,493	5,735	89,228	417	1,693	2,110
Utilised in year	–	(472)	(472)	(367)	(872)	(1,239)
Additions in 2018/19	27,346	155	27,501	1,234	52	1,286
At 31 July 2019	110,839	5,418	116,257	1,284	873	2,157

Obligation to fund deficit on LGPS pension (see note 29)

The obligation to fund the past deficit on the University's Local Government Pension Scheme (LGPS) arises from the contractual obligation with the pension scheme for total payments relating to benefits arising from past performance. Management have assessed future employees within the LGPS scheme and salary payments over the period of the contracted obligation in assessing the value of this provision.

Pension enhancements on termination

A pension provision in respect of pension enhancements payable to staff who left the University during the 1990's as part of an early retirement scheme. Currently there are 169 people (2018: 174 people) in the scheme. This provision will be utilised over the period of retirement. The provision is based upon the full actuarial valuation at 31 July 2018 by a qualified independent actuary and updated to 31 July 2019.

The assumptions used by the actuary that comply with FRS102 for calculating the provision for pension enhancements on termination at 31 July 2019 are as follows:

Financial assumptions:	Consolidated
Discount rate for liabilities	2.1%
Retail price inflation (RPI increases)	3.4%
Consumer price inflation (CPI increases) – Pension increase rate	2.4%

Longevity assumptions:

Life expectancy is based on VitaCurves with improvements in line with the CIMI 2018 model, an allowance for smoothing of recent mortality experience and long term rates of 1.25% per annum for males and females.

Restructuring provision

The restructuring provision is an estimated liability from the agreement to offer staff voluntary redundancy or be subject to redundancy where activities have been re-organised or discontinued as a result of restructuring.

The amounts provided include the final settlement of unfunded pension costs of former staff specified in the University's voluntary redundancy scheme and the estimated future costs of lump sum redundancy payments and unfunded pensions payable to staff who have agreed terms at 31 July 2018.

It is estimated that the provision will be fully utilised or released in the statement of comprehensive income and expenditure in 2019/20 dependent upon the agreed departure date of the relevant employees.

Onerous contract provision

The cost of an onerous contract relating to parts of the former New Southgate campus, where the cost of meeting the existing lease obligations exceed the economic benefits expected to be received under the lease. The provision represents the lease period up to 7 June 2020.

22. Endowment Reserves

Restricted net assets relating to endowments are as follows:	Notes	Restricted permanent endowments £'000	Expendable endowments £'000	2019 Total £'000	2018 Total £'000
Balances at 1 August 2018					
Capital value		400	127	527	546
Accumulated income		-	19	19	22
		400	146	546	568
New endowments	8	-	214	214	124
Investment income	7	2	1	3	1
Expenditure		(2)	(143)	(145)	(147)
Total endowment comprehensive income for the year		-	72	72	(22)
At 31 July 2019		400	218	618	546
Represented by:					
Capital value		400	210	610	527
Accumulated income		-	8	8	19
		400	218	618	546
Analysis by type of purpose:					
Prize funds, scholarships and bursaries		400	54	454	484
General		-	164	164	62
		400	218	618	546
Analysis by asset:					
Cash and cash equivalents				618	546
				618	546

23. Cash and cash equivalents

	At 1 August 2018 £'000	Cash Flows £'000	At 31 July 2019 £'000
Consolidated			
Cash and cash equivalents	79,734	16,928	96,662
	79,734	16,928	96,662
	At 1 August 2018 £'000	Cash Flows £'000	At 31 July 2019 £'000
University			
Cash and cash equivalents	74,972	15,567	90,539
	74,972	15,567	90,539

University cash represents £15.3m of funds held in operating bank accounts.

Cash equivalents of the University represent £75.2m of funds deposited for short term (with maturity of three months or less at the date of deposit) investment purposes with three other parties:

£45.8m is deposited with Royal London Asset Management Ltd. A further £19m in deposits is held with Lloyds Bank plc and £10m in deposits with Barclays Bank plc which operate in the London market and licensed by the Prudential Regulation Authority. The interest rates for the Lloyds Bank plc and Barclays Bank plc deposits are fixed for the duration of the deposit at the time of placement.

Cash and cash equivalents of the University include £410k (2018: £559k) in respect of monies held on behalf of third parties as disclosed in notes 30 to 32.

24. Capital and other commitments

Provision has not been made for the following capital commitments at 31 July 2019:

	31 July 2019		31 July 2018	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Commitments contracted for at 31 July	2,916	2,916	1,918	1,918
Authorised by the board but not contracted for at 31 July	26,045	26,045	20,209	20,209
	28,961	28,961	22,127	22,127

25. Contingent liabilities

Middlesex University (Malta) Limited

The University will be closing its Malta campus in September 2022 but remains fully committed to its long-term relationship with Malta. It will be refocusing activities in Malta to work collaboratively with partners rather than through a small campus model.

A contingent liability exists in relation to campus closing activities aimed at providing the best student experience as possible. In the unlikely event of the campus not having sufficient assets to meet its liabilities, those liabilities would fall to be met by the University as a whole. The group has therefore given a written undertaking of support to its subsidiary Middlesex University (Malta) Limited for twelve months from the date of approval of these financial statements.

At 31 July 2019, the date of its latest audited balance sheet, Middlesex University (Malta) Limited had total net liabilities of £600k (2018: £474k), after deducting total assets of £1,775k. The maximum value of future operating losses recognised at present value using a discount rate is £564k for the financial years ending 31 July 2022. A provision for this amount cannot be recognised because there is no obligation at the end of the reporting period.

MU Ventures Limited

The University has given a written undertaking to support the UK subsidiary company MU Ventures Limited for twelve months from the date of approval of these financial statements.

There are no other known contingent assets or liabilities.

26. Lease obligations

Lessee – operating leases

At 31 July the group was committed to making the following future minimum lease rental payments in respect of non-cancellable operating leases:

Total rentals payable under operating leases:

	31 July 2019			Restated 31 July 2018
	Land and Buildings £'000	Equipment £'000	Total £'000	Total £'000
Future minimum lease payments due:				
Not later than 1 year	2,186	124	2,310	2,363
Later than 1 year and not later than 5 years	5,625	116	5,741	7,504
Later than 5 years	8,347	–	8,347	9,496
Total lease payments due	16,158	240	16,398	19,363

Group commitments in respect of land and building lease rentals have been restated for the year ended 31 July 2018 to reflect the minimum lease payments due under the Malta Campus lease agreement terms which commenced on 1 November 2017.

Lessee - finance leases

At 31 July the University was committed to making the following future minimum lease rental payments in respect of finance leases:

Total payment under finance leases:

	31 July 2019	31 July 2018
	Equipment £'000	Equipment £'000
Future minimum lease payments due:		
Not later than 1 year	1,931	–
Later than 1 year and not later than 5 years	2,896	–
Total lease payments due	4,827	–

27. Events after the reporting period

There have been no material events after the reporting date which would require disclosure or adjustment to the financial statements for the year ended 31 July 2019.

28. Subsidiary undertakings

The transactions relating to the following trading subsidiary companies, wholly-owned or effectively controlled by the University, have been included within the Consolidated Financial Statements.

Principal trading subsidiary	Parent interest in ordinary shares voting rights	Principal activity	Country of incorporation
MU Ventures Limited	100% owned	Contract research and consultancy services	England and Wales
MU Services Limited	100% owned	Professional support services	England and Wales
Middlesex Services Limited (Hong Kong)	100% owned	Student recruitment and marketing services	Hong Kong
Middlesex Uni (SEA) SDN BHD	100% owned	Student recruitment and marketing services	Malaysia
Middlesex International (Dubai) FZ-LLC	100% owned	Training and development, academic staff provision	Dubai/United Arab Emirates
Middlesex University (Malta) Limited	100% owned	Education services and campus administration	Malta

On 31 January 2019 Middlesex University acquired 100% ownership of Middlesex University (Malta) Limited after purchasing the remaining 76% shareholding of MU Ventures Limited in the company.

MU Ventures Limited owns 100% of Middlesex Educational Consulting (Beijing) Co., Ltd., a company incorporated and registered in China providing student recruitment and marketing services to the University in that region overseas.

On 17 December 2018 MU Ventures Limited acquired 51% ownership of Middlesex Education Private Limited, a company incorporated and registered in India providing student recruitment and marketing services to the University in that region overseas.

MU Services Limited was incorporated in England and Wales on 2 November 2017 and is a dormant company having not trading during the year.

MDXU Limited (previously 70% owned by Middlesex Services Limited (Hong Kong) and 30% owned by The Tiger Investment and Finance Company Limited) was dissolved and deregistered on 30 November 2018.

Middlesex Educational Services (Mauritius) Limited was dissolved and de-registered on 12 November 2018.

Middlesex International (Dubai) FZ-LLC owns 51% of Middlesex International (Mauritius) Limited with 49% owned by Medine Limited.

Middlesex University Higher Education Corporation – Dubai Branch (previously named MU UK Consultants Limited) does not have share capital disclosed above, but the results, assets and liabilities for the year ended 31 July 2019 are included in the consolidated financial statements by virtue of the fact that the University has dominant influence over financial and operating policies. The company is incorporated and registered in Dubai/UAE providing student recruitment and marketing services to the University in that region overseas.

The board believe that the carrying value of the investments in the trading subsidiary companies as disclosed at note 15 is supported by the subsidiary company's net assets and/or business plans.

29. Pension Schemes

The University's employees belong to two principal pension schemes, the Teachers' Pension Scheme (TPS) for most academic staff and the Local Government Pension Scheme (LGPS) for all other staff. The schemes are defined benefit schemes providing benefits based on career average design. Benefits accrued prior to the schemes transition to career average arrangements are protected providing benefits based on a final pensionable salary. The University's pension service costs and contributions for the year in respect of these two schemes included at note 9 was £18,783k (2018: £18,680k).

McCloud Judgement

In December 2018 the Court of Appeal passed the McCloud judgement which relates to age discrimination in relation to judges and firefighters pensions. Although the case only relates directly to these two schemes it is anticipated that the principles of the outcome could be accepted as applying to all public service defined benefit pension schemes.

Whilst there is uncertainty of how this judgement may affect Local Government Pension Scheme (LGPS) members' past or future service benefits it has been possible to approximate the cost within the LGPS falling due to the University.

As at 31 July 2019 the estimated funding liability calculated by a qualified independent actuary, using financial assumptions in accordance with the requirements of FRS102 and included within the Past Service Costs figure on Page 100 is £152k.

For the University's other defined benefit scheme, the Teachers' Pension Scheme (TPS), the McCloud judgement will only be an impact to the extent the change in benefits increases cash financing through the employer contribution rates set for the scheme.

Guaranteed Minimum Pensions (GMP)

In October 2018, a High Court ruling found Guaranteed Minimum Pensions (GMP) must be equalised between men and women, and that past benefit underpayments must be corrected. Employers such as the University, with defined benefit pension schemes and contracted out of the State additional Pension (S2P) from 17 May 1990 to 5 April 1997 are covered by the ruling, and will be impacted by increased defined benefit pension obligations.

The Government consulted on a solution to fund the cost of GMP with the outcome issued in January 2018. A further consultation on the methodology and legislation required to implement the preferred option is awaited and expected to be implemented from 6 April 2021.

It has been possible to approximate the equalisation cost of the GMP funding liability within the Local Government Pension Scheme (LGPS) falling due to the University. As at 31 July 2019 the estimated funding liability calculated by a qualified independent actuary, using financial assumptions in accordance with the requirements of FRS102 and included within the Past Service Costs figure on Page 100 is £670k.

For the University's other defined benefit scheme, the Teachers' Pension Scheme (TPS), GMP will only be an impact to the extent the change in benefits increases cash financing through the employer contribution rates set for the scheme.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is operated by the Department for Education (DfE) and is governed by statutory regulations. Under the definitions set out in Financial Reporting Standard 102 (FRS102), the TPS is a multi-employer pension scheme. As the TPS pension benefits are underwritten by central government and the University has no future obligation to make contributions to the scheme, this is effectively a defined contribution scheme in so far as it affects the University. As a result, contributions to this scheme are accounted for as if the scheme was a defined contribution scheme.

The TPS is a statutory, contributory, unfunded, defined benefit scheme. The regulations under which the TPS operates are the Teachers' Pensions Regulations 1997, as amended. Contributions are credited to the government exchequer on a "pay as you go" basis under arrangements governed by the Superannuation Act 1972. A notional asset value is ascribed to the Scheme for the purposes of determining contribution rates.

29. Pension Scheme (continued)

The University has set out below the information available on the latest Scheme funding valuation and the employer's contribution rates.

The Scheme is subject to a full actuarial valuation every four years with the most recent funding valuation carried out as at 31 March 2016. The funding valuation report was published by the Government Actuary's Department on behalf of the DfE on 5 March 2019. The key highlights from this report are as follows:

Whole scheme valuation of balance sheet	At 31 March 2016 £bn
Aggregate scheme liabilities	218.1
Aggregate scheme notional assets	196.1
Total surplus/(shortfall)	(22.0)

The employer's contribution rates set by the Schemes actuary and approved by the DfE for the University's academic staff are from 1 September 2015 (to 31 August 2019) 16.48% of pensionable salaries (inclusive of the administrator levy of 0.08%). The employer's contribution rate determined by the valuation at 31 March 2016 and applicable from 1 September 2019 (to 31 March 2023) is 23.68% (inclusive of the administrator levy of 0.08%).

The total contribution made by the University for the year ended 31 July 2019 was £10,838k (2018: £10,722k) of which employers contributions totalled £6,734k (2018: £6,609k) and employees contributions totalled £4,104k (2018: £4,113k).

More information about the TPS can be obtained from www.teacherspensions.co.uk

Local Government Pension Scheme

The Local Government Pension Scheme (LGPS) is a funded defined benefit scheme, with assets held in separate trustee administered funds. It is administered locally by the London Borough of Barnet and is a multi-employer scheme. The total of all contributions into the LGPS for the year ended 31 July 2019 was £10,302k (2018: £10,180k) of which employers contributions totalled £8,133k (2018: £8,035k) and employees contributions totalled £2,169k (2018: £2,145k).

For the period to 31 July 2019 (date extended from period to 31 March 2019 under an arrangement with the scheme administrators) the overall employer contribution rate was 27.7% (2018: 27.7%).

From 2014, the University entered into a funding deficit recovery plan with the scheme administrators. This treatment required the employers cost of providing pension benefits to be broken down into two distinct contribution elements: employers current scheme funding and a deficit reduction contribution. Contributions under the plan are set for three years and renewed as part of the results of the full triennial actuarial valuation of the Fund. The latest actuarial valuation was published for the period to 31 March 2016.

Under the current three year funding deficit recovery plan, for the period from 1 August 2018 (date extended from 1 April 2018) to 31 July 2019, employers current scheme funding was 18.4% (2018: 18.4%) of pensionable salaries and the deficit reduction contribution was £2,763k (2018: £2,698).

The total employer contributions expected to be paid into the scheme during the year ended 31 July 2020 is £8,257k. This is based on the indicative rate from 1 August 2019 of 18.4% of pensionable salaries for current scheme funding and a deficit reduction contribution of £2,829k. The funding deficit recovery plan, which covers the three year period from 1 August 2017 to 31 July 2020, set out to achieve an equivalent total annual employers contribution rate of 27.7% (three years ending 31 July 2017: 26.6%).

For the period to 31 March 2016 the scheme was contracted out of the State Additional Pension (S2P) of pension provision. Contracting out on a defined benefit basis ended in April 2016, when the government's state pension reforms came into force.

More information about the LGPS can be obtained from www.lgpsmember.org/.

Financial Reporting Standard 102 (FRS102)

The following information is based upon a full actuarial valuation of the Fund at 31 March 2016 updated to 31 July 2019 by a qualified independent actuary, using financial assumptions in accordance with the requirements of FRS102.

29. Pension Schemes (continued)**Basis for estimating assets and liabilities**

The liabilities have been assessed using the projected unit method, an estimate of the pensions that will be payable in future years are dependent on the following major assumptions:

Longevity assumptions:**Member life expectancy**

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2018 model, an allowance for smoothing of recent mortality experience and long term rates of 1.25% per annum for males and females.

Based on these assumptions the average future life expectancies assuming retirement at age 65 (years) are:

		At 31 July 2019	At 31 July 2018
Current pensioners (retiring today)	Males	21.0	21.9
	Females	23.3	24.3
Future pensioners (retiring in 20 years)*	Males	22.3	23.9
	Females	25.1	26.5

* Figures assume members aged 45 as at the last formal valuation date (31 March 2016).

Historic life expectancy

Life expectancy for the prior period end are based on the fund's Vita Curves. The allowance for future life expectancies are shown below:

Period ended	Prospective Pensioners	Pensioners
31 July 2018	CMI 2013 model assuming the current rate of improvements has peaked and will converge to a long term rate of 1.25%	CMI 2013 model assuming the current rate of improvements has peaked and will converge to a long term rate of 1.25%

The longevity assumptions used to value the obligations in the University's closing position are different to those used to value the obligations in the University's opening position.

Commutation

An allowance is included for future retirements to elect to take 50% of the maximum additional tax-free cash up to HMRC limits for pre-April 2008 service and 50% of the maximum tax-free cash for post-April 2008 service.

Financial assumptions:	At 31 July 2019	At 31 July 2018
Retail prices inflation (RPI increases)	3.4%	3.4%
Consumer prices inflation (CPI increases)	2.4%	2.4%
Rate of increase in pensions (CPI increases)	2.4%	2.4%
Rate of increase in salaries	2.7%	2.7%
Discount rate for liabilities	2.1%	2.8%

Investment Returns:

The return on the funding market value terms for the period to 31 July 2019 is estimated based on actual fund returns as provided by the scheme administrators and index returns where necessary. Details are set out below:

Actual returns from 1 July 2018 to 30 June 2019	6.0%
Total returns from 1 August 2018 to 31 July 2019	7.3%

29. Pension Schemes (continued)**Share of plan assets by major category:**

The estimated share of plan assets as a percentage of total plan assets as at 31 July 2019 is set out below:

Major asset category:	At 31 July 2019	At 31 July 2018
Equities	57%	58%
Bonds	31%	30%
Property	3%	0%
Cash	9%	12%
Total	100%	100%

	Year Ended 31 July 2019 £'000	Year Ended 31 July 2018 £'000
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Analysis of the amount shown in the balance sheet:

Fair value of scheme assets	220,908	202,112
Present value of scheme liabilities	(331,747)	(285,605)
Net pension liability – Deficit on the scheme	(110,839)	(83,493)

Amount recorded within pension provisions (note 21):

Current service costs	11,299	11,775
Past service cost (including curtailments)	897	137
Total operating charge	12,196	11,912

Analysis of the amount charged to interest payable (note 11):

Interest cost on scheme liabilities	8,092	7,725
Interest income on scheme assets	(5,711)	(5,100)
Net charge to interest payable	2,381	2,625

Total charged to statement of comprehensive income and expenditure before deduction for tax

	14,577	14,537
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Analysis of amounts recognised in other comprehensive income:

Return on fund assets in excess of interest	9,090	5,889
Changes in financial assumptions	(29,992)	11,853
Experience gain on liabilities	-	634
Remeasurements of net defined benefit pension liability	(20,902)	18,376

29. Pension Schemes (continued)

	Notes	At 31 July 2019 £'000	At 31 July 2018 £'000
Movement in deficit during the year			
Deficit at beginning of year		(83,493)	(95,367)
Movement in the year:			
Contributions or benefits paid by the University		8,133	8,035
Current service costs		(11,299)	(11,775)
Past service cost (including curtailments)		(897)	(137)
Other finance charge		(2,381)	(2,625)
(Loss)/gain recognised in other comprehensive income		(20,902)	18,376
Deficit at end of year	21	(110,839)	(83,493)
Movement in present value of the scheme liabilities			
Opening present value of the defined benefit obligation		285,605	282,308
Movement in the year:			
Current service costs		11,299	11,775
Interest cost		8,092	7,725
Past service cost (including curtailments)		897	137
Member contributions (including unfunded pension payments)		2,169	2,145
Actuarial (gain)/loss arising from changes in financial and demographic assumptions		29,992	(11,853)
Other experience loss		-	(634)
Estimated benefits paid net of transfers in		(6,307)	(5,998)
Present value of liabilities at the end of the year		331,747	285,605

29. Pension Schemes (continued)

	Year to 31 July 2019 £'000	Year to 31 July 2018 £'000
Analysis of movement in the fair value of scheme assets		
Opening fair value of scheme assets	202,112	186,941
Movement in the period:		
Interest income on assets	5,711	5,100
Return on assets less interest	9,090	5,889
Contributions paid by the University	8,133	8,035
Member contributions	2,169	2,145
Estimated benefits paid	(6,307)	(5,998)
Fair value of scheme assets at end of period	220,908	202,112
Actual return on scheme assets		
Interest income on assets	5,711	5,100
Return on assets excluding amounts included in net interest	9,090	5,889
	14,801	10,989
30. Department for Education – Teacher Training Bursaries		
Balance brought forward	160	126
Funds received	1,793	1,138
	1,953	1,264
Disbursed to Students	(1,835)	(1,104)
Balance carried forward at 31 July	118	160

The Department for Education (DfE) training bursaries are a financial incentive to attract and retain high quality graduates into the teaching profession.

The DfE bursaries received as detailed in this note are available solely for students; the University acts only as a paying agent. All of the funding and related disbursements are therefore excluded from the statement of comprehensive income and expenditure and shown within note 19, other liabilities due within one year.

31. MillionPlus

	At 31 July 2019 £'000	At 31 July 2018 £'000
Balance brought forward	272	255
Subscriptions received from affiliated universities	492	461
	764	716
Campaign expenses	(474)	(444)
Balance carried forward at 31 July	290	272

MillionPlus is a university think-tank seeking to solve complex problems in the higher education sector. It is funded by subscriptions received from its affiliated member universities.

The University acts as a paying agent for MillionPlus. All of the funding and related disbursements are therefore excluded from the statement of comprehensive income and expenditure account and shown within note 19, other liabilities due within one year.

32. Collaborative research funds

	Project VALCRI £'000	Other Projects £'000	Total £'000
Balance brought forward	-	127	127
Partner funds received	1,062	288	1,350
	1,062	415	1,477
Distributions to partners	(1,062)	(413)	(1,475)
Balance carried forward at 31 July	-	2	2

The University is the lead partner-coordinator for a number of European Commission and UK Government Research funding agreements involving other named collaborative partners.

Where the University receives funding as the lead coordinator in a collaborative research agreement it acts as paying agent for the funding of the other participants with no discretion over which the funds received are put acting in accordance with the instructions and directions of the funder. The funds received by the University as agent are not recognised as assets in its balance sheet as the funds are not within its control. The receipt of the funds is not recognised as income, nor is the distribution to another named partner recognised as expenditure and as such excluded from the statement of comprehensive income and expenditure and shown within note 19, other liabilities due within one year.

The proportion of the grant funding that is attributable to the University for delivering its component of the grant's purpose is recognised in note 5 dependent on the performance related conditions being met.

33. Financial instruments

The University has the following debt instruments measured at amortised cost.

Financial assets that are debt instruments measured at amortised cost:

	Year Ended 31 July 2019		Year Ended 31 July 2018	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Trade debtors	3,226	2,848	3,057	2,927
Tuition fees	8,985	8,031	6,849	5,985
Other receivables	2,327	857	2,242	834
Accrued income	5,147	2,584	5,440	3,326
Amounts due from subsidiary companies	-	4,299	-	3,857
Investments	-	-	7,500	7,500
Cash and cash equivalents	96,662	90,539	79,734	74,972
	116,347	109,158	104,822	99,401

Financial liabilities measured at amortised cost:

	Year Ended 31 July 2019		Year Ended 31 July 2018	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Secured loans	75,567	75,567	79,084	79,084
Unsecured loans	1	-	1	-
Obligations under finance leases	4,827	4,827	-	-
Other liabilities and payables	12,491	11,574	12,361	11,854
Trade payables	5,586	4,341	5,384	4,357
Accruals	11,299	11,158	12,185	12,110
	109,771	107,467	109,015	107,405

34. Related Party Transactions

During the year ended 31 July 2019 the University had transactions with a number of organisations which fell within the definition of Related Parties under FRS102. Transactions are disclosed where members of the Board of Governors and senior management disclose an interest in a body with whom the University undertakes transactions.

The University has taken advantage of the exemption within FRS102 Section 33 'Related Party Disclosures' and has not disclosed transactions with other wholly owned subsidiary companies.

A Register of Interests is maintained for members of the Board of Governors and senior management and included within the financial statements are the following transactions with related parties:

34. Related Party Transactions (continued)

	Income £'000	Expenditure £'000	Balance at 31 July 2019 due to/(from) the University £'000
Senior manager			
Company director of MURTC Limited (Company reg no 06834218)	-	4	-
Senior manager			
Director/Trustee of The Leadership Foundation for Higher Education (Charity reg no 1101959)	-	15	-
Senior manager			
Company Director of UCAS Media Limited (Company reg no 02737300)	-	30	-
Independent Governor			
LLP member at CMS Cameron McKenna Nabarro Olswang LLP (Company reg no OC310335)	-	54	-
Independent Governor			
CEO Wonkhe Ltd (Company reg no 08784934)	-	4	-

An Independent Governor in post during the year has a role as a Colleague and Network Technology Director in Lloyds Banking Group. Lloyds Bank plc is the main banker for the University, providing lending, deposit and transaction banking services.

Nature of Transactions

All income and expenditure disclosed relates to fee and supplier invoices processed through the accounts receivable and payable system received and payable in the normal course of business.

Student Union (MDXSU)

Middlesex University considers the Students' Union at Middlesex University (MDXSU) to be a related party due to the level and nature of the transactions between the organisations.

During the year the board agreed to pay MDXSU a grant of £1,048k (note 10) for the year ending 31 July 2019 (2018: £951k). MDXSU (Charity registration number 1140254) is represented on the University's Board of Governors. The grant was provided in accordance with the University's normal policies and procedures. Although MDXSU receives an annual grant and the University works closely with them, they are an independent organisation which represents student interests on a local, regional and national level.

Board of Governors Expenses

The University Board of Governors members are the trustees for charitable law purposes. No Independent Governor has received any remuneration or waived payments from the University during the year in respect of their services as a trustee (2018: nil).

The total expenses paid to four Independent Governors were £2,807 (2018: £1,293 to three Independent Governors). This represents travel expenses incurred in attending Board and Committee meetings and University events in their official capacity.

Principal address and professional advisors

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Internal auditors

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Bankers

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Taxation advisors

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JG Poole & Co LLP E-space South, 26 St Thomas Place, Ely CB7 4EX

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Estate Planning law

CMS Cameron McKenna Nabarro Olswang LLP Cannon Place, 78 Cannon Street, London EC4N 6AF

Employment/Immigration law

Eversheds LLP Franciscan House, 51 Princes Street, Ipswich IP1 1UR

SA Law LLP Gladstone Place, 36-38 Upper Marlborough Road, St Albans, Hertfordshire AL1 3UU

Appendix A

Trade union activities

The Trade Unions (Facility Time Publication Requirements) Regulations Middlesex University:

1 April 2018 to 31 March 2019

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require the University to publish information on trade union facility time annually and the table of data for the reporting period 1 April 2018 to 31 March 2019 is as follows:

Table 1 – Relevant union officials

Number of employees who were relevant union officials during the relevant period	25
Full-time equivalent employee number	23.9fte

Table 2 – Percentage of time spent on facility time

Percentage of time	Number of employees
0%	0
1 – 50%	24
51 – 99%	0
100%	1

Table 3 – Percentage of pay bill spent on facility time

	Figures
Total cost of facility time	£179,707
Total pay bill	£109,170,900
Percentage of the total pay bill spent on facility time	0.17%

Table 4 – Paid relevant trade union activities

Time spent on paid trade union activities* as a % of total paid facility time hours	15%
Time spent on paid trade union duties** as a % of total paid facility time hours	85%

*Activities encompass such things as branch meetings, elections and conference attendance

**Duties encompass such things as casework, representation of employees

