



Middlesex
University
London



FINANCIAL STATEMENTS 2019/2020

For the year ended 31 July 2020

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WELCOME FROM THE VICE-CHANCELLOR

I am extremely proud to have joined Middlesex University as Vice-Chancellor and I feel privileged to be leading our ambitious global university into our next chapter.

It has been a truly inspiring year to join this ambitious global university. In a challenging year for the sector Middlesex has risen to the occasion. The strengths of our culture – innovation, agility, inclusion and collaboration – are exemplified in how everyone across our global campuses responded in the face of the COVID-19 pandemic.

We understand the importance of making high quality education accessible to all through flexibility in learning modes. Our rapid adaptation to online learning and homeworking in March demonstrates our commitment to this goal. We were still able to provide transformative experiences for our students, with online learning and teaching. We continued to offer our student support services online and – crucially – we kept an open dialogue with students to ensure their needs were addressed.

It is especially true when facing challenges such as COVID-19 that our success comes through our partnerships, and I'm immensely proud of our local and global response. In Barnet 500 Middlesex Nursing and Midwifery student volunteers worked on the COVID-19 frontline in hospitals and other healthcare settings. A Middlesex research team has been working with academic and industry collaborators on the development of a rapid, intuitive test that would detect levels of both the coronavirus and anti-viral antibodies. Whether through supporting and partnering with students, focusing research on factors which are impacting on lives now and into the future or working with our long-established partners in the NHS, Barnet and beyond, Middlesex has made a real difference in a short timescale but with long-term impact. We redoubled our influencing and engagement with Government and other decision makers to highlight the substantial

contribution students and staff made to tackle the crisis, as well as to ensure they received the support they needed to play their full role in the recovery from the pandemic in the UK and beyond.

Ever since the University first opened its doors, professionals, academics and students have worked in collaboration. We are a values based university, united by a shared purpose to change society for the better through our research, our education and our network of partners. We build global communities – formed from a unique combination of practitioners, professionals, organisations, students and academics – to create collaborative advantage and achieve sector leading quality in what we choose to do. Looking back over the past year, there are some amazing examples of these partnerships. We have, for instance, continued collaborating with 17 partner academic institutions from 14 countries on the four-year multidisciplinary research project RECONNECT, which is aimed at understanding and providing solutions to the recent challenges faced by the European Union.

At Middlesex we apply knowledge and skills to create impact through our distinctive practice-orientated education, research and engagement. We empower our students to shape their own lives and the world around them and support them to becoming distinctive graduates who have benefitted from work centred learning. Our teaching is technologically-enhanced across all courses and is focused on influencing and changing the world locally, nationally and globally. We also believe that research should have a positive impact on the public realm, improving equality, diversity and inclusion in an authentic way and reaching disadvantaged or excluded groups. This year has seen Middlesex leading research on areas such as gender justice and security in the Middle East and South Asia, sustainability in fashion design entrepreneurship, the typography of online child sex abusers, and the real Living Wage.

We see technological innovation, creativity and entrepreneurialism as means to effect social change, and we believe that healthy lives and a sustainable environment are central to enhancing societal, organisational and personal achievements and wellbeing. For instance, this year we developed a mobile app for Youth Offending Teams to reduce risky behaviours and re-offending and we examined the educational environment, teaching methods and support that enable university teachers to ensure the inclusivity of LGBTQ+ students. In 2019/20 we also worked hard

to build a sustainable future and to reduce our footprint on the physical environment, for example emitting 16% less carbon (TCO₂) compared with 2018/19.

Despite the challenges that lie ahead, we begin our next chapter with a renewed sense of confidence and ambition. The key purpose of our new strategy is to enable us to be a high performing community – by 2030 we should be internationally recognised and sector-leading in our chosen themes and in relation to the outcomes we can achieve. The issues we and our students are concerned with, such as diversity, social justice, innovation, health, sustainability and prosperity are so important that anything less than first class work on them is not good enough. Our innovative collaborative culture is central to how we will deliver our ambitions and we will make an impact on the challenges which influence societal wellbeing. We will also co-lead with our students to shape the future of our University and will foster entrepreneurial skills and mindset in all students to enhance prosperity and social value.

Looking ahead, in response to the impact of COVID-19 and the additional challenges for the sector, our financial approach must be one of caution and prudence. UK policy decisions and new levels of competition have also impacted negatively on our student recruitment and on our finances. In addition to the reported deficit for 2019/20 we expect to face a further deficit in 2020/21. The University aims to support the community in emerging from the crisis in a strong and confident position for the future and a careful management of our finances and cash flow in the next year will help us keep things as stable as possible.

I want to say a heartfelt thank you for our staff's continuing commitment to our work as a University during some very difficult times. I am confident that we will keep looking out for each other and remain an integrated and innovative community, diverse in our backgrounds but united in our values and our ambition.

Professor Nic Beech
Vice-Chancellor

ABOUT MIDDLESEX UNIVERSITY

In Middlesex we bring ambitious minds from all over the world into one community and we help them towards their own unique success. We are confident of our role in an ever-changing world.

We are proud of our history, which goes back to the specialist London colleges and institutions that became a successful polytechnic and our elite modern university of today. This heritage has laid the foundations for who we are now – a global institution with an international outlook that works to make a positive difference to the world through our practical approach to teaching, cutting-edge research, and creative innovation.

At a time of significant change, agility has become normal for all universities. The strengths of the Middlesex culture which have enabled us to react effectively to the recent challenges are also the attributes that mean we will be able to adapt for the future.

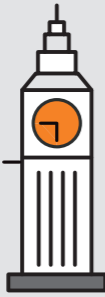
Our legacy of innovation includes the UK's first Business degree and professional doctorate, and our sector-leading work-based learning and transnational education. 140 years on from the opening of our founding institution, St Katherine's College, we continue to take a distinctive approach to teaching with practice at the heart of everything we do. Our students experience education, research and the world of work side-by-side, and they develop the confidence and future-ready skills sought by top employers. We educate over 400 teachers and 1,700 nurses and midwives every year who go on to make incredible contributions as part of the nation's workforce. Our Apprenticeships programmes, such as the Police Constable Degree Apprenticeship, aim to increase social mobility and provide new routes into public sector professions. We are also driving technological innovation, problem-focused research and industry engagement. For instance, teaching in our augmented reality midwifery, neonatal and anatomy equipment, and our cyber factory – the first in the UK – prepares our students to step into the workplace of the future.

With 167 nationalities on campus, studying and working here means getting to know people from different cultures and to understand different perspectives. This gives our people an edge and gives our campus a special energy. We were the 2nd highest ranked UK university in the 2020 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 welcome enterprising and mindful students, staff, professionals and businesses into our active, global network. We have three overseas campuses in Dubai, Mauritius and Malta, which use their educational and research outputs to effect personal and social change across the world, and our international reputation and global connections enhance our global community.

In our outlook, Middlesex reflects the determined and multi-cultural spirit of London. 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. As an institution we are seeking to improve equality, diversity and inclusion in an authentic way and reach disadvantaged or excluded groups, and our students and staff regularly volunteer their time, knowledge and skills to support community projects.

MIDDLESEX IN NUMBERS

Over **19,200** students based on London campus



One of two UK universities to be awarded the highest **3 star Fairtrade University status**



More than **239,000** alumni across the world

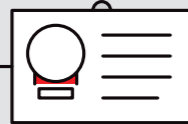


2nd highest ranked young university in the UK*



3 overseas campuses

Over **41,000** students study with us globally

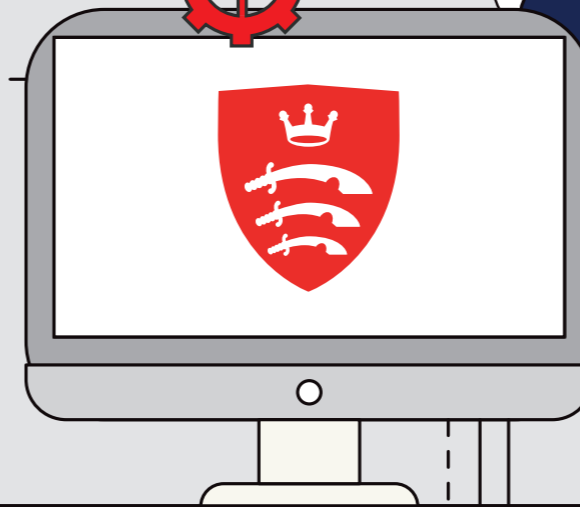
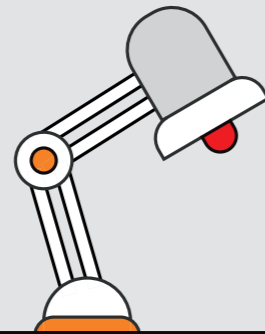


167 student nationalities on London campus

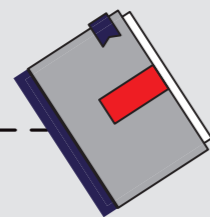


49% of students are first generation to attend university

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



381 undergraduate programmes and **238** postgraduate programmes



Largest employer in Barnet



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



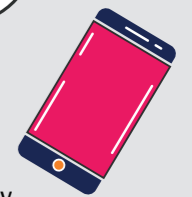
90% of research recognised as internationally significant



696 working towards Middlesex apprenticeships



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



*Times Higher Education Young Universities rankings (2020)

UNIVERSITY EXECUTIVE TEAM

Professor Nic Beech, Vice-Chancellor



Professor Nic Beech joined Middlesex University as Vice-Chancellor in February 2020 having previously been a Vice-Principal of the University of St Andrews and Provost of the University of Dundee.

He is President of the British Academy of Management and a member of the Council of the Academy of Social Sciences. His research focused on identity, diversity and change leadership in the creative

industries and health sectors and he has held visiting chairs in the UK, The Netherlands and Australia.

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



Professor Andrea Dlaska provides executive leadership to student success and the student experience and has within her portfolio the Academic Quality Service, the Centre for Academic Practice Enhancement, Employability, and Library and Student Support. She also has responsibility for the University's three international campuses in Dubai, Mauritius and Malta.

Andrea came to Middlesex University from the University of Surrey where she held the position of Pro Vice-Chancellor Learning and Teaching. Previous positions include Associate Dean and Head of Department at Surrey, 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 at Warwick University.

Sophie Bowen, Chief Operating Officer



Sophie Bowen is responsible for the management and leadership of the Planning Unit, Academic Registry, Computing and Communications Systems Services (CCSS), Student and Legal Affairs and Governance.

Prior to this, Sophie 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 including Director of Student Services. Sophie graduated from the University of Oxford with a BA and MPhil

(Research) in Sociology and holds an MBA from the Open University.

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

Mark Holton, Chief People Officer



Mark Holton joined Middlesex University as Chief People Officer in August 2019. Mark's role is to lead the organisational and workforce development. He is leading on the People and Culture strand of the 2030 Strategy and 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, as a member of the Group Leadership Team, he held the role of Director, Group Organisation Development. Within this role, his portfolio included Leadership, Professional, Academic and Organisation Development across the University Group.

Mark was also Executive Director of the University Research Centre for Global Learning, Education and Attainment, a Centre with global reach focussing on international, intercultural and equity arenas in education.

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, within Higher Education, delivery of programmes in China, South East Asia, The Middle East, West and South Africa.

OUR COVID-19 RESPONSE

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



Professor Carole-Anne Upton is Pro Vice-Chancellor for Research and Knowledge Exchange alongside her duties as Executive Dean of the Faculty of Arts and Creative Industries. This includes responsibility for the Research and Knowledge Transfer Office, chairing the University Research and Knowledge Exchange Committee, and strategic oversight of Research Excellence Framework (REF) and Knowledge Exchange Framework (KEF) preparations.

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.

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 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.





above: (left) Orla Hillary. Photo courtesy: Whittington Hospital
 above: MDX staff with boxes of protective visors which they produced for NHS employees

OUR COVID-19 RESPONSE

COMPASSION, COLLABORATION AND INNOVATION: OUR RESPONSE TO THE CORONAVIRUS PANDEMIC

At Middlesex, we have responded to the coronavirus outbreak as a global community, coming together and drawing on our collective strengths and resilience.

Across our campuses in London, Dubai, Mauritius and Malta, our people have been committed, innovative, agile and adaptive, as they have embraced new ways of working. Our students and staff, their wellbeing and their education, have remained at the heart of all our decisions and actions. As well as going above and beyond to support each other, our staff and students have dedicated time and energy to our local communities. They have been working and volunteering to support the NHS and other services, while academics across our Faculties have been conducting research into tackling the disease itself, and into the wider impacts of the outbreak and the lockdown.

From the start of the outbreak, we have taken a practical and considered approach. We set up a virtual Incident Management Team, whose aim was to support our University community and help them to support each other. The team brought together expertise in physical health, mental health, safety, facilities, academic, staff, and Students' Union. They have been tackling various challenges in such areas as teaching and assessments, accommodation, international travel, and campus events that have either had to be cancelled or moved online.

After managing the initial crisis, we reconfigured our governance model to bring together colleagues on a weekly basis, to plan for returning to campus and the start of the new academic year. We have had to rethink every aspect of what we do as a university and have taken the opportunity to make more permanent changes where these will support our staff, our students or our partners.

SUPPORT FOR OUR STUDENTS AND STAFF

Health and wellbeing

Mental health and wellbeing is always a top priority at Middlesex, so we have invested in an online service to support our global community. Togetherall (previously called Big White Wall) offers peer-to-peer support monitored by trained professionals, and a wide range of mental health resources, including clinical tests, tips and guided group courses. Topics range from managing stress and anxiety to giving up smoking.

Togetherall works collaboratively with Fika, a mental health and wellbeing smartphone app that our staff and students already had access to. We made sure all staff and students had specific support and resources on topics such as domestic violence, coping with bereavement, and working from home while looking after children.

The University's online spaces have played a vital role during the crisis. For students, we built the #TeamMDX online web pages offering links to online fitness classes, virtual activities, advice and support. We also built a platform for staff to access services and to share the many social and learning events that were organised from across the University. Examples include weekly crafting classes run by the Faculty of Professional and Social Sciences, a range of activities to help staff keep active from MDX Sports and Recreation, and online sessions from our personal development programme Invest in You. 'Working from Home' kits of computer equipment were provided to those staff who needed this, including remote access to specialist software.

We kept our halls of residence open for those students who were unable to return home, and released others from their accommodation contracts without financial penalty.

Our lively research blog, MDX Minds, kept people up-to-date with what was new in coronavirus research. As well as providing useful information, our research resources offered recreation and inspiration. For example, our Museum of Domestic Design and Architecture (MoDA) shared a large online library of images from its collection documenting the interior design of British homes since 1850, and musical performances were available through our SoundCloud.



above: We have focused on providing a COVID-19 secure environment on campus

Financial support for students

To support students experiencing financial difficulty, we released an additional £30,000 directly into our hardship fund. Santander Universities provided £25,000, in addition to agreeing that over £18,000 of unspent funding could be re-allocated to our hardship fund. The University's Welfare team arranged food vouchers and parcels from our caterers, Chartwells, for students who live in the local area and were self-isolating or in financial difficulty. In the April 2020 – July 2020 period, our students benefitted from nearly £22,000 of food vouchers and parcels. We have also extended payment terms in order to provide overseas students with additional flexibility in times of difficulty.

Our employability service, MDXworks, provided a range of support and training to help students adapt during lockdown and beyond. They offered advice and support on finding immediate work – a lifeline for the many students who had lost their part-time jobs. Students who had been booked to work by the University employment agency, Unitemps, were still paid for these hours even when events were cancelled or postponed.

In line with the sector and government advice, Middlesex has taken the following position on tuition fees: where we have been able to deliver alternative online teaching, supervision and assessments to our academic standards we will not be issuing tuition fee refunds. This is in line with regulatory policy where students continued to receive scheduled payments of loans for the remainder of the 2019/20 academic year.

OUR COVID-19 RESPONSE (continued)

ONLINE TEACHING AND LEARNING

From 23 March, we moved all our teaching and learning online. We have provided a wealth of support so that our students and staff could transition quickly to this new way of working, making sure that we have still provided the best learning experience possible. The transition to online teaching and learning was strengthened by our well-established Technology Enhanced Learning (TEL) Framework and training.

We bought 1,024 new laptops for students to borrow if they didn't have one, supplementing the existing stock of 330, adhering strictly to social distancing measures. We invested in a Zoom institutional license, and used resources such as Adobe Connect and Kaltura to continue with lectures and revision sessions. We provided resources, tips and support materials to help our students and staff to work remotely, with tailored support for Postgraduate Research students. Our Centre for Academic Practice Enhancement (CAPE) worked on a variety of additional webinars, training sessions, resources, intranet content and materials to help with the transition. We further connected with sector-wide training, resources and materials, and we adapted them to the Middlesex context.

We would like to acknowledge the many partners and suppliers who supported our efforts, providing expertise or licenses to allow us to maintain our teaching.



above: The #TeamMDX Staying Connected video showed how our community came together virtually during lockdown

Moving all teaching and learning online in late March led to energy savings circa 1.5 million kWh. There has been an associated reduction in Carbon Emissions, this is likely to be reversed in the 2020/21 year to meet the requirements of operating in line with COVID-19 guidance.

Fairness, equity and inclusion in assessments were at the heart of our approach. Working closely with our Students' Union (MDXSU), the Academic Board approved a No Detriment policy, which was holistic and carefully grounded in the University's specific context. Our aim was that no student should do worse than they would have done if the coronavirus outbreak had not happened. For example, the University granted blanket extenuating circumstances to all students, which enabled the deferral of assessments to a future date and extensions to submission dates without penalty. An additional COVID-19 profile was developed for final year undergraduate students so that Assessment Boards could choose the best outcome for students.

We worked closely with MDXSU to address students' needs and concerns. This included an online Q&A session held by the Vice-Chancellor and University Executive Team with the Students' Union. We also collaborated with MDXSU to relaunch the Make it Happen initiative, aiming to support and uplift students throughout assessments, through a dedicated virtual guide and a webpage with de-stressing tips and techniques, and other online activities.

During the lockdown, over 500 people partook in the LinkedIn mentoring groups set up by our Faculty of Arts and Creative Industries, with artists and professionals offering feedback and guidance to students looking to break into the competitive creative industry.

OUR FRONTLINE RESPONSE

Around 500 MDX Nursing and Midwifery students worked on the frontline, in hospitals and other healthcare settings.

Second and third year students were able to choose whether to continue their placements, and whether to opt in to the government's emergency register, ready to be called on if the health service was struggling to cope. Trainee Nursing Associate apprentices continued their work in their Trusts as healthcare assistants, and first year students could volunteer as healthcare assistants through the Capital Nurse programme. In total, 96 first year students have volunteered for this important work.

Our Department of Adult, Child and Midwifery was already working in the NHS to provide continuing professional development (CPD) and upskill staff in key clinical skills. But demand increased rapidly with the coronavirus. Our staff worked with policy makers and the Nursing and Midwifery Council on a daily basis to devise what was necessary and drew up rapid programmes to upskill those returning to practice.

Middlesex staff also supported a project by the Tavistock Clinic which pulled together wellbeing resources for health and social care staff facing extremely challenging working conditions. These were to support staff to learn new skills, such as personal care of patients who died from suspected or confirmed COVID-19. Our students and our CPD work features in Universities UK's #WeAreTogether social media campaign showcasing how universities have been helping the fight against the pandemic.

Producing equipment for NHS

Our staff produced nearly 70,000 protective visors for NHS employees at London hospitals, using the University's six laser cutters, which ran up to nine hours a day, seven days a week. Staff from the Faculty of Arts and Creative Industries also cut out material for hospital gowns and hundreds of sets of scrubs which were then sent to homeworkers to stitch together. We worked with the local London Fire Brigade based at Hendon Fire Station who helped to pick up and deliver the personal protective equipment (PPE) we produced.

COLLABORATION WITH THE COMMUNITY

Working alongside Barnet Council and the Barnet Multi-Faith Forum, we helped produce an inspiring video showing how local faith groups have been supporting the community during the pandemic.

Vice-Chancellor Nic Beech contributed to the film, which involved several other staff members and was edited by Jakub Holub, a third year BA Film student.

While teaching had moved online, we looked for ways to make our campus useful to the community. The Nations Africa Centre charity used campus space to distribute food parcels to local families. We joined a Free Car Park Finder database and offered free parking to NHS staff, health and social care workers, and volunteer responders, to make their journey to work easier.



above: Barnet Multi-Faith Forum video edited by an MDX student

OUR COVID-19 RESPONSE (continued)

SUPPORTING SCHOOLS AND COLLEGES

Throughout the lockdown, we ran a series of interactive tailor-made livestreams designed to support school teachers, advisors and students.

Hosted by Middlesex experts, the sessions offered top tips on issues such as finances, studying and wellbeing – 118 students and 57 teachers and advisors attended.

Our Summer Success Camp was aimed at disadvantaged 11 to 14 year olds to help prevent them from falling behind in their studies. Alongside a range of educational organisations, we created lessons and livestreamed events themed around video game design to help fill knowledge gaps. The virtual camp was free to students from our partner schools and any student from a disadvantaged background.

OUR INTERNATIONAL CAMPUSES

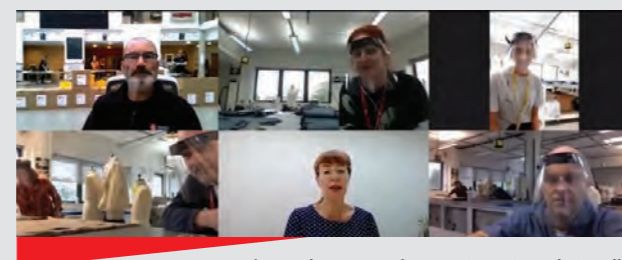
The #TeamMDX spirit has been thriving on all four of our campuses. Dubai, Malta and Mauritius all adapted rapidly to online learning and homeworking for staff, with lectures and one-to-one sessions being held online from the end of March.

Dubai was the first campus to move teaching online and, in the first four weeks of distance learning, delivered 4,000 live sessions on GoToMeeting alone. Other platforms included Kaltura, Zoom and Adobe Connect. Live lectures have been supported by one-on-one consultation with lecturers, the Centre of Academic Studies (CAS) and the library. In Malta, students could arrange an individual visit to the library by appointment, with social distancing in place.

Each Middlesex campus provided practical and emotional support to staff and students. In Mauritius, for example, a student support team set up a 24-hour hotline to support students with coronavirus-related issues. For international students who wanted to return home, the team acted as travel agents and the campus driver operated a shuttle to the airport. Basic food parcels were delivered to 52 students in need. The team also delivered laptops and liaised with landlords where necessary, to ensure students were assisted.

Our international campuses also dedicated time and resources to their local communities. Our lecturers, students and experts in Dubai created a special podcast broadcast on the popular Dubai Eye 103.8 radio show, showing how the pandemic has been affecting university students, from their studies to their future plans and their mental health. Dubai staff and students also contributed to a video showing appreciation for frontline workers. Our Malta campus donated their 3D printer to Malta's General Hospital to help produce face shields for all nurses and doctors – a gesture which was greatly appreciated by the community.

Wider knowledge-sharing activity included the online Statistical Analysis of COVID-19 Data seminar, delivered by Professor of Economics Ajit Karnik. It addressed the statistical properties of the virus, information on confirmed cases, deaths and recoveries in Dubai and other countries.



above: The Mayor of Barnet interviewed virtually colleagues who created PPE equipment for the NHS



RESEARCH AND KNOWLEDGE EXCHANGE

Our practice-based approach to research, with a strong interdisciplinary focus, played an important role to provide insights needed to tackle the pandemic and to support our community and vulnerable groups.

A significant amount of varied research and knowledge exchange activity in response to the pandemic took place across all Faculties.

Middlesex academic staff signed up to the COVID-19 Outbreak Expert Database created by Parliament's Knowledge Exchange Unit. The database signposts Parliament to research expertise, helping them stay informed about all aspects of the coronavirus emergency and response.

Some highlights from our Faculty of Science and Technology include the development and design of a real-time, non-invasive lung monitoring device for adults in hospital with COVID-19. We also led on research to develop a coronavirus testing kit to be used in Africa.

Research by the Department of Psychology looked at the impact of COVID-19 on people with diabetes. The aim was to understand the effect on physical and psychological health to allow better patient care and self-management. They also carried out research into volunteering to support the NHS and the community effort to respond to the pandemic, to help understand what works and what doesn't.

Research by our Department of Economics, in collaboration with Berkeley Mathematical Science Research Institute in

California, looked at differences in intentions to wear a face covering. Results of the first study showed that American males were less willing than females to wear a mask in public. This study received widespread press coverage in the US and UK. A second discovered that people are much more likely to wear face masks if they rely on reasoning instead of emotion. Both papers consistently found that right-leaning people are less likely than left-leaning people to wear a face mask to stop the spread of COVID-19.

Senior Lecturer in Law Dr Joelle Grogan coordinated the COVID-19 and States of Emergency Symposium, which showed that emergency powers implemented during the pandemic have impacted nearly 80% of the world's population. Over 100 experts contributed, including former judges of the European Court of Human Rights, as well as professors and scholars of constitutional, public, and international law. Senior Lecturer Dr Alice Donald and Professor of Human Rights Philip Leach contributed a commentary on human rights and COVID-19, while Senior Lecturer in Law Dr Ciara Staunton contributed a report on South Africa with her colleague Professor Melodie Labuschaigne from the University of South Africa.

In April, Middlesex academics called for research into the high number of Black, Asian and minority ethnic (BAME) coronavirus-related cases. Research Fellow Roger Kline, who regularly provides expert analysis on NHS staffing issues in the media, urged health authorities to understand why none of the BAME deaths involved staff who work in intensive care. Roger was appointed to the expert group for 'Developing an ethical framework for COVID-19 testing for NHS workers,' a project by the University of Cambridge. Based on his research, Roger has commented widely on issues relating to the coronavirus and its impacts upon NHS workforce.

OUR COVID-19 RESPONSE (continued)

We collaborated with mental health fitness app Fika on a nationwide study to understand the impact of the coronavirus on the emotional and physical wellbeing of higher education staff and students. Professor in Dance Vida Middelton documented how arts research was being conducted during the pandemic. This was part of wider work to find new ways to keep arts research going during lockdown.

Our researchers produced resources and offered advice to directly help families during the pandemic based on their research. For example, Senior Lecturer in Childhood Studies Dr Jacqueline Harding reviewed academic studies on play, for a report in conjunction with toy manufacturers Fisher Price. The report concluded that parents could reduce their stress levels during self-isolation by playing with their children, and that laughing with children during playtime is as good as a gym workout for the immune system. Experts from our Centre for Abuse and Trauma studies offered advice to parents on how they could keep their children safe online during the lockdown. Colleagues across the University blogged on coronavirus-related subjects, such as risk perception and the psychology of lockdown. These blogs helped us share what we know from research about dealing with the pandemic.

WORKING TOWARDS A NEW NORMAL

We have focused on providing a COVID-19 secure environment on campus, following government guidance at every stage.

This includes implementing 1m+ and 2m distancing as appropriate, new routes around campus to support distancing, as well as changes to cleaning, catering, waste disposal and other supporting services. Face coverings are required indoors except by those with an exemption, we have repurposed larger office spaces to provide more teaching space and have rethought how our specialist spaces in science and the creative arts can be effectively used. Our staff are encouraged

to continue to work from home where this is possible, and those needing to return to campus have completed risk assessments and are supported through our specialist teams.

At the onset of the lockdown, we started working to reassure our prospective students about their future studies. The Marketing and Student Recruitment teams quickly created a virtual experience on our website, where people could chat to staff and students, have a virtual tour of the campus, or sign up for online events. The programme of online events included Postgraduate Open events, which were attended by almost a 1,000 people, and 46 livestreams for Undergraduate offer holders by subject.

Over the summer, we made arrangements so that new and current students could have a successful start to the Autumn term. We followed government advice, putting the safety and wellbeing of our colleagues and students at the forefront of all decisions. Our planning was also informed by findings from the Middlesex COVID-19 Student Experience Survey. We have used a responsive, continuum blended learning model – a mix of virtual and face-to-face teaching. For example, big group lectures take place online while some smaller classes or practical activities happen on campus. If students are not able to practice their skills in the facilities on campus at any point during their course, then we will support them to create a learning environment at home with appropriate software and other resources. This model provides structure and consistency, while being flexible and agile enough to enable us to respond as conditions change. Importantly, it is designed to maximise student engagement and success with our values of equality, diversity and inclusion at its heart.

Our student support services are available online including all library services and access to the core texts. We also have academic, writing and numeracy support and employability, wellbeing and personal support available virtually. We continue to review our plans and inform our approach as we get more information from the government and, together with the Students' Union, we gather feedback, questions and ideas from our students.



FURTHER HIGHLIGHTS FROM 2019/20



PIONEERING TECHNOLOGY AND PRESTIGIOUS AWARDS FOR NURSING AND MIDWIFERY

Ground-breaking technology is allowing our student nurses to work in a virtual hospital ward.

We invested in five virtual reality headsets that can create digital scenarios to replicate situations that nurses would face in real life. The hard work of our Nursing staff and students has been recognised with three nominations in the Student Nursing Times awards.

Midwifery Lecturer Sarah Chitongo was awarded an esteemed Fellowship from the Royal College of Midwives. It was in recognition of her work to highlight the high number of deaths among black and minority ethnic women during labour and for pioneering the use of augmented reality technology in midwifery training. The Royal College of Midwives said Sarah's work to tackle inequalities is "saving lives."



top left: Midwifery Lecturer Sarah Chitongo
Photo courtesy: Royal College of Midwifery
bottom left: Virtual reality headsets used by out Nursing students

A NEW CULTURAL EDUCATION PARTNERSHIP FOR BARNET

Middlesex joined forces with local schools and arts organisations across the borough in the Barnet Cultural Education Partnership, with the aim of providing a rich cultural education for every young person in the borough.

The three-year project supports three areas: Performing Arts Education, Culture and Heritage, and Health and Wellbeing. There is a focus on children with special needs, pupil referral units, faith schools and home-schooled children. Our students participated right from the start, including performing at the launch event in October 2019, which was attended by over 120 arts teachers, practitioners and sector professionals. As part of this, our Dance and Theatre Arts students led practical workshops for a local school for children with severe and complex learning disabilities.



above: Barnet Cultural Education Partnership Launch Event

FOCUSING ON EQUALITY, DIVERSITY AND INCLUSION (EDI)

Middlesex is diverse and international. But we know that we can do more to achieve true equality in our University.

Nic Beech, our new Vice-Chancellor, joined us in February 2020 and launched the new strategy process with a focus on people and culture. We expanded Invest in You, our Wellbeing and Change Programme for staff, and invested in mental health resources, Fika and Togetherall, for both staff and students.

We held a Black Lives Matter forum for our black students, staff and alumni. This is the first of many steps to raise



above: MDX Black Lives Matter Forum

awareness, as well as to encourage a frank and honest conversation about what needs to change – in particular what we can do to ensure a lasting support and change network for black students and staff.



above: The SOB team with their Award in Manchester

COMPUTER SCIENCE SUCCESSES

In October 2019, we received a prestigious Collaborative Award for Teaching Excellence for our Student Observable Behaviours (SOBs) approach project which addresses poor progression.

Initially designed for Computer Science students, this is an interactive, innovative and empowering approach – underpinned by an online tool – to working with a diverse, mixed-ability student cohort from a range of backgrounds. The SOB approach and online tool have since been used by other programmes, currently supporting more than 1,000 students. Further Computer Science success this year includes the Research Group on Development of Intelligent Environments winning the 2019 British Computer Society Machine Intelligence Competition. Headed by Professor of Computer Science Juan Carlos Augusto, the research is particularly aimed at supporting vulnerable people and their carers at home.

RESEARCH AND TECHNOLOGY THAT DRIVE SOCIAL CHANGE

At Middlesex University, research continues to be practice-based and partnership-led, aiming to maximise future impact on the problems and opportunities of communities and businesses.

Furthermore, with a focus on EDI and innovative, applied research, our research is intentionally inclusive. Therefore, with much of our research we see technology as a means to make targeted interventions that assist the operation of support mechanisms for vulnerable or excluded groups. From using the latest technologies to examine the role of dance and creativity in the wellbeing of the elderly, to developing mobile apps that help tackle youth crime and empower young people on the margins of society, to our innovative Software Engineering and Artificial Intelligence techniques that are used to increase the inclusion of people with Down's Syndrome, research at Middlesex University is committed to changing lives.

FURTHER HIGHLIGHTS FROM 2019/20 (continued)



above: MDX Enactus Society's sustainable design competition's showcase event

SUSTAINABLE DESIGN AWARDS AND REDUCING OUR CARBON FOOTPRINT

Our University maintained its EcoCampus Platinum/ISO 14001 certification in 2019/20 and we were awarded a Fairtrade University three star status.

To reduce our energy usage, we have developed an online portal for catering and technology teams to see real time energy use. Our students' passion for sustainability was clear from the award-winning entries in the MDX Enactus Society's sustainable design competition. The Saving Water category was won by Foundation Year Business Management students Rohi Mahal and Hareen Weerasooriya, with their repurposed storage box for hydroponics. The sustainable fashion prize went to Fashion student Mara Cutas, for her clothing made from upcycled materials including tea bags, while Ben Readings won the tackling air pollution category with his solution to help convert scooters to electric.



above: Three star Fairtrade University Award

MIDDLESEX LAUNCHES THE LONDON DIGITAL TWIN RESEARCH CENTRE

In March 2020, the London Digital Twin Research Centre (LDTRC) was launched at our University, with a workshop that drew together international academic and industry specialists from the fields of communications, medical, and oil and gas.

They explored the potential of digital twin technology (which helps model performance and predict problems, or could be used to develop prototypes) and its benefits to businesses. One of the projects Middlesex is leading within LDTRC is looking at structural health monitoring of highways, and is supported by Newton Fund Institutional Links, in collaboration with Vietnam's University of Transport and Communications.

FIVE STARS FOR MIDDLESEX UNIVERSITY DUBAI

Middlesex University Dubai was awarded a Five Star rating in the 2020 Knowledge and Human Development Authority's Higher Education Classification, developed in partnership with QS™.

The University is proud to have scored five stars across Employability, Internationalisation, Research, Facilities, Happiness and Wellbeing, and Inclusiveness. Being a Five Star institution demonstrates that our Dubai campus offers a world-class standard of education and has highly-regarded international research and teaching standards.



STUDENTS WIN DRAMA AND WRITING PRIZES AT PRESTIGIOUS AWARDS

Two student films won prizes at the regional finals of a prestigious competition, the Royal Television Society (RTS) London Student Awards, which recognise the best audio visual work created by students in the capital.

Rohan Reddy won the Writing prize for his gritty slice of life drama Nice to Meet You, Florence! while Candido Tarallo and Vinicius Rigoni won the Drama category with their Italian-set short about sacrifice and spirituality. The film, Vocazione, was described by the judges as having "a confidence and maturity that introduced a hint of Antonioni."



above: Rohan Reddy
Photo courtesy: Jim Knight



above: Photo courtesy: Charlotte Cooke

FLOURISHING APPRENTICESHIP PROGRAMMES

Middlesex has 696 apprentices, with a particular focus on the public sector, and we plan to double numbers by 2023. Importantly, Middlesex apprenticeships are attracting a diverse cohort of learners.

We are lead partner in the Police Education Consortium, which delivers the new Police Constable Degree Apprenticeship programme with three forces: Surrey Police, Sussex Police and Hampshire Constabulary.

We began the pioneering Trainee Nursing Associate Apprenticeship in 2018 in collaboration with local employers. During National Apprenticeship Week 2020, Theresa Villiers MP met three Middlesex Nursing apprentices at Barnet Hospital, finding out how the programme is transforming lives and careers. Following this, in June, Theresa and Robert Halfon, MP for Harlow and Chair of the Education Select Committee, held a virtual roundtable with our police and nursing associate apprentices, to find out more about their journeys.



FACULTY OF ARTS AND CREATIVE INDUSTRIES

Despite the major challenges of the coronavirus, the Faculty of Arts and Creative Industries has thrived this year, with a wide range of inspirational projects and partnerships. The Faculty comprises our Media, Performing Arts, Design and Visual Arts courses.

Responding to the pandemic

The Faculty's academic and technical staff played a major role in our University's PPE production during the coronavirus outbreak. Working on campus and from home, our staff produced hundreds of essential gowns and scrubs to protect NHS staff in a range of London hospitals. Faculty staff also supported staff from across the University with the on-site production of nearly 70,000 protective visors for the NHS.

Our students benefitted from tips and advice from industry and alumni experts through new LinkedIn mentoring groups set up during the lockdown. The groups helped students looking to break into the competitive creative industries, which had been effectively shut down following the coronavirus outbreak.

The Faculty overcame the challenge of being unable to host a physical degree show on campus with the launch of the Creative Graduates website. This online platform showcased our London and Dubai graduates' profiles and celebrated their work across over thirty creative disciplines. In addition, we celebrated the work of our graduates with virtual exhibitions such as 2020VISION, dedicated to BA Fashion Design, BA Fashion Textiles and BA Fashion Communication and Styling courses, and LUCID, an online graduate showcase for BA Photography.



left: LUCID, the online graduate showcase for BA Photography

Outstanding student and alumni achievements

A string of successes for the University's Department of Visual Arts during Autumn 2019, includes work by three alumni and three staff being shown at the National Original Print Exhibition at the Bankside Gallery in central London. Two student films also won prizes at the regional finals of the prestigious Royal Television Society London Student Awards, which recognise the best in audiovisual work. MA Printmaking student Hilary Barnes' work was chosen for the Royal Academy's famous Summer Exhibition.

Alumnus Lawrence Abu Hamdan was 2019's joint Turner Prize winner for his 'ear witness theatre' piece about a prison in Syria. Lawrence studied at MDX in the mid-2000s and after graduation was approached by Artangel to develop his "walking performances," first presented at the MDX graduate show at Old Truman Brewery.

Other creative alumni successes include Printmaking Master's graduate Adam Hartnell completing a five-month residency at Pakistan's National College of Arts in Lahore, and art director and Illustration alumnus Adam Doyle creating a witty smartphone game, made up of his hand drawn pictures.

Staff successes

Highly acclaimed jazz pianist – and Middlesex lecturer for more than two decades – Nikki Iles received the Ivors Academy Gold Badge, presented to exceptional individuals who support the creativity of songwriters and composers. A creative team of Middlesex staff gave Alice in Wonderland a contemporary East End spin with a performance in an East London playground last summer. Alice in Canning Town featured a mix of professional actors and young people from the local area.

Showcasing our students' skills in practice

Our arts students and alumni explored issues of diversity and representation through their chosen creative field during Black History Month in October 2019. Among exciting new work were striking portraits of Jamaicans in Britain by Photography MA student Dexter McLean, and a theatre scratch night for black playwrights which covered themes including Windrush, mixed race identity, and racism in the workplace.

In January 2020, 28 of our Dance students starred in an outdoor mass participation dance performance against the backdrop of Wembley Stadium, to celebrate the launch of Brent's year as London Borough of Culture. Alongside professional dancers, the students helped lead groups of more than 300 local people from schools, dance clubs and community groups. This was one of the many ways students, staff and alumni got involved in the Brent Borough of Culture programme. There were also volunteering opportunities for those who work, live or study in our neighbouring borough.

A team of ten students helped central London's Chinese New Year celebrations run smoothly. They took responsibility for production and stage management, schedules and artist liaison, as martial artists, dancers and musicians welcomed in the Year of the Rat. Three BA Fashion and Textiles students helped to model and review Asda clothing in a feature television documentary about the retail giant.

On campus highlights include the Grove Atrium housing a life-size game of 'Human Cluedo' during the annual North London Story Festival, put on by our Graduate Academic Assistants, students and Senior Lecturer in Media James Graham. The theme for 2020 was crime. Speakers included Man Booker Prize nominee Stephen Kelman and Martin Rowson of *The Guardian*.

Research projects and community partnerships

Simon Read, Associate Professor of Visual Arts, was awarded a grant by the Arts and Humanities Research Council for a project called 'Imagining the measure of change: art, science and the estuary community.' Alongside coastal scientist Helene Burningham, he is collaborating with the Deben Estuary Partnership, which aims to protect the future of the Suffolk estuary.

As part of the University's commitment to social mobility, we are working alongside local schools and arts organisations on the Barnet Cultural Education Partnership, to provide a rich cultural education for every child and young person in the borough. The three-year project aims to break down barriers to cultural engagement and promote positive role models for local young people.

Dr Loraine Leeson, Senior Lecturer in Fine Art, is leading an arts and environment project in East London, working with a social group for older men called The Geezers. The group's latest venture is a floating water wheel that will help counteract the effects of pollution on the Waterworks River's fish and wildlife. Dr Loraine Leeson has also received funding from the Arts and Humanities Research Council to support children traumatised by conflict in Kashmir, India, using art and creative activities. During the project, local partner the Dolphin School will deliver drama, visual arts, and puppetry to children for therapeutic benefits.

In December 2019, Nobel Laureate Joseph Stiglitz, ex-Liberal Democrat Leader Sir Vince Cable and the BBC's Ben Chu were guest speakers at the Middlesex Journalism Conversation Series event which was open to our community. Economic experts, politicians and journalists spoke about issues such as inequality and how it is covered by news publications. In May 2020, Dr Sophie Knowles, Senior Lecturer in Journalism, published her research revealing women working in financial journalism are paid significantly less than male colleagues.

FACULTY OF PROFESSIONAL AND SOCIAL SCIENCES

The Faculty of Professional and Social Sciences comprises the Business School, the School of Health and Education, and the School of Law. With strong links with businesses and public sector bodies, the Faculty provides practical real-world learning. This prepares students to become change-makers and to create and share their knowledge between the fast-changing professional and academic worlds.



Responding to the pandemic

Our Nursing staff and students played a vital role in the coronavirus response in the local area. Nursing and Midwifery students worked in local hospitals while our Associate Lecturer in Nursing Orla Hillary was released for two days a week to help work in an intensive care unit. Our Nursing staff helped local NHS Trusts develop free online resources relating to COVID-19, and used our augmented reality technology to upskill NHS staff. This enabled staff to learn new skills, such as personal care of patients who have died from suspected or confirmed COVID-19. We also supported a project by the Tavistock Centre, pulling together wellbeing resources for health and social care staff facing extremely challenging working conditions.

Expertise with international reach

Our Professors of Employment Law applied their expertise to a wide range of international projects this year. They consulted on topics as diverse as whistleblowing legislation in North Macedonia, to political rights in China, to race discrimination in Ireland.

Work by our Lecturers in Law includes contributing to the International Symposium on the Right to Silence, and providing insight for a BBC Panorama programme on cases of killings by soldiers in Iraq and Afghanistan.

Our academics taught and shared knowledge in West Africa. For example, Yetunde Akinuoye, Senior Lecturer in Midwifery, provided mentorship, support and online teaching for the students at a midwifery school in Nigeria.

Senior Lecturer Sue Brailey went on an exchange to Bern University of Applied Science in Switzerland to teach on their BSc Midwifery programme.

Notable international research underway last year includes a project looking at how coastal communities are managing the social and ecological impacts of climate change in Fiji, and research into the use of movies, mobile gaming and digital books to reduce gender-biased social norms in north-west Nigeria.

Using technology to enhance learning and support our graduates

We have been chosen as one of seven partners to deliver online Nursing degrees. To be launched in 2021, these blended learning courses will open up the profession to a wider group of people, developing a workforce of digitally expert registered nurses.

Our investment in pioneering technology allows student nurses to work in a virtual hospital ward. Using virtual reality headsets, students tackle real-life scenarios digitally. Third year Adult Nursing and Midwifery students, and paediatric postgraduates are using the virtual wards. We are also leading on the development and introduction of an Electronic Practice Assessment Document (e-PAD) for clinical assessment – to be used across London.

2020 University graduates faced the most challenging recruitment market in more than a generation. Our Business School supported students through a programme of online events with employers, recruiters, and industry experts. Speakers included representatives from KPMG, Amazon, Unilever, and North London Chamber of Commerce.

Championing mental health

Due to the coronavirus outbreak, we had to bring the International Mental Health Nursing Research Conference we were hosting online. Our Centre for Coproduction in Mental Health and Social Care used social media to bring a range of mental health speakers to new listeners.

Our work with other university bodies include co-hosting a podcast and an open conference with the Museum of Domestic Design and Architecture (MoDA) on health, wellbeing and the built environment. Our academics also contributed to a range of books, articles and research into mental health.

We have increased student sessions with our Canine Teaching Assistants (CTAs) to twice a week to meet student demand. The CTAs were introduced in 2017 by the Head of Clinical Skills Fiona Suthers and her team in the Department of Adult, Child and Midwifery.

Promoting social mobility and social justice

International Politics graduate Harry Phinda has been part of the team behind 56 Black Men, a viral campaign to challenge stereotypes of black men and celebrate role models. Research on the real Living Wage by Dr Andrea Werner, a Senior Lecturer in our Business School, has contributed to a significant rise in the number of small and medium-size businesses committing to pay the Living Wage.

Research Fellow in our Business School Nick Clark has focused on the neglected issue of non-payment of wages, demonstrating that the scale of unpaid wages in the economy each year was far greater than previously thought. Working with an advisory group including trade unions, regulators, NGOs and employment lawyers, his findings have directly influenced government policy related to employment rights and their enforcement.

Award-winning academics

Dr Doirean Wilson, Senior Lecturer in Human Resource Management, received a Certificate of Excellence in the Mentor and Sponsor category at the Inclusive Companies Awards 2019. Anne-Wil Harzing, Professor of International Management, won an award for kind leadership. A Lifetime Achievement Award from the International Maternity Expo went to our Senior Lecturer in Midwifery Stephanie Michaelides.

After taking the prestigious title of Queen's Nurse title last year, Midwifery Lecturer Sarah Chitongo continued to excel. She picked up many more professional awards including a Fellowship from the Royal College of Midwives and a Rising Star Award at the Zenith Health Global Awards. She has been asked to work at the government's Racial Disparity Unit and is an Appointed Advisor for the United Nations Strategic Development Goals. Staff and students received several nominations in the annual Student Nursing Times Awards, including Nursing Associate Training Programme Provider of the Year.

A positive impact on our community and environment

There has been an outstanding continuing professional development contribution from the Faculty this year, including the Capital Nurse programme, which supports a sustainable nursing workforce in London. Our nurses and midwives have been on the frontline in the coronavirus response, which you can read about on page 17.

Our Centre for Enterprise and Economic Development Research undertook research into early stage innovative green businesses and their ability to access finance. These findings fed into the UK government's development and expansion of green funds, to support world leading green innovation.



FACULTY OF SCIENCE AND TECHNOLOGY

The Faculty of Science and Technology celebrated many successes this year. Bringing together leading academics from a wide variety of backgrounds, the Faculty comprises Natural Sciences, Computer Science, Design Engineering and Mathematics, Psychology and the London Sports Institute.

Responding to the pandemic

Faculty staff have led on important research in response to COVID-19. We designed and developed a real-time, non-invasive lung monitoring device for adults in hospital with COVID-19. A Faculty research team led on the development of a rapid test which would detect levels of both the SARS-CoV-2 coronavirus and anti-viral antibodies for COVID-19, and which would be as intuitive as a home pregnancy test. Our Department of Psychology examined the impact of social distancing on mood, wellbeing and diabetes self-management among people with diabetes. Psychology staff also carried out research into volunteering supporting the NHS and the community effort to respond to the pandemic, to help understand what works and what doesn't.

Student and Faculty successes

BBC One's Inside Out programme featured Dr Rhonda Cohen, Head of London Sports Institute, talking about her research with Dementia Club UK and the positive impact of community clubs on people with dementia. Amran Mohammed, Graduate Academic Assistant in Natural Sciences, was selected from more than 2,000 applicants to be a Future Leader in the Shaping Horizons Summit and Action Programme at the University of Cambridge. She joined 150 young leaders, from across the UK and Latin America, to meet senior world leaders to discuss, develop and deliver solutions to challenges in the regions.

The Faculty had some great sporting successes too. Barry Harte, the Faculty's Technical Manager, brought home a gold and three silver medals from the European Full-Contact Stick Fighting Championships in Italy. Student and professional footballer for Tottenham Hotspur Women Lucia Marte Leon, has been called up for Spain Under-23.



above: Periodic Table projection on the front of College Building

Awards and competition wins

Associate Professor in Computer Science Gill Whitney was awarded a Distinguished Service Certificate by the British Standards Institute. It recognises her valuable contribution to the development of British, European and International standards. The Department of Computer Science won a Collaborative Award for Teaching Excellence for its approach to our first-year Computing and Design Engineering curriculum. Our student team 'Brainstorm' won the Judges' Award for Most Innovative Solution at the Eurobot 2019 robotics competition. Held in Paris, the event featured 188 French and 33 international teams.

Middlesex robot Pepper caught the eye of the judges at the annual HEIST awards for excellence and innovation in higher education marketing. We picked up a bronze award for Best PR/Communications Campaign for Pepper's appearance in Parliament. The Faculty also took bronze in the Community/Business Engagement campaign category for our 2018 Science, Technology, Engineering and Mathematics (STEM) Festival.

A Faculty team of 118 students and staff, and colleagues from Professional Services, attended WorldSkills UK Live, the UK's largest skills, apprenticeships and careers event. The national finals of the WorldSkills UK competitions took place at the event, with our students winning a silver medal in Building Information Modelling and silver and bronze medals in Robotics. Our team also demonstrated exhibits and games to the school groups and families visiting the event. Lavanya Hemanth, a third year Biotechnology student, has been named in the next UK Squad for WorldSkills, which will be held in Shanghai in 2021. Lavanya is selected for the Chemical Laboratory Technician competition.

Research funding and awards

Dr Mariachiara Di Cesare, Senior Lecturer in Public Health, is part of an influential global consortium working to understand the challenge of obesity. Chiara and her colleagues published research papers in *Nature* and *The Lancet Global Health* journals. She also led work on a drug

treatment for atrial defibrillation (a condition where the heart beats irregularly) which has now been included in the 21st Edition of the World Health Organisation Model List of Essential Medicines.

We challenge the world to think afresh about solutions. A team from our Interaction Design Centre secured funding to research emerging technologies in defence scenarios. The project is part of the Ministry of Defence Human Social Science Research Capability framework. Other research grant awards include a Leverhulme Research Fellowship for Dr Emma Ward, Senior Lecturer in Psychology, who is looking at implicit memory decline in aging.

Campus events: welcoming the wider community

International academic and industry specialists came to Middlesex for the opening of the London Digital Twin Research Centre – a leading hub for study of digital transformation technologies. The launch event was combined with a workshop on Digital Twins for Global Digital Transformation which was attended by sponsors and partners.

On 21 November 2019, we were one of ten universities to project the Periodic Table onto their buildings in support of Chemistry Week. Supported by the Royal Society of Chemistry, the event highlighted important elements that are now in danger of running out and what we can do to help. Our Department of Psychology turned 50 in 2019. A celebratory event brought together past and present members of the Department and featured speeches on the future of the discipline.

Dr Britta Stordal and colleagues from the Department of Natural Sciences hosted students from four European universities for Biomedical Science International Week. The Faculty also hosted a Health IT Workshop which focused on legal, ethical and social aspects of new and emerging technologies in healthcare.

A VIBRANT STUDENT EXPERIENCE

Equality in the curriculum

One of our overarching aims is to reduce differences in outcomes that relate to students' backgrounds and prior attainment. We are continuing to work on making our curriculum even more inclusive and giving every student an equal chance to succeed. Last year, we started using Universal Design for Learning (UDL) methodology. Based on decades of research in neuroscience, the UDL methodology assumes that barriers to learning are in the design of the environment, not in the student. Our emerging inclusive curriculum framework is committed to decolonising the curriculum through culture change by reviewing with our students what and how we teach.

Improving teaching and learning

Technologically-enhanced teaching is a key feature of our practical and collaborative approach to learning across all our courses. We have been improving our Technology Enhanced Learning (TEL) standards – a framework that focuses on delivering a consistent, inclusive student experience. TEL standards are helping us ensure that when we use technology to support learning, it is as integrated and accessible as possible. For example, TEL standards are being used to improve My Learning, our student virtual learning environment platform. This particularly benefits our commuter students with a long journey in to campus, who are at greater risk of dropping out. We are running TEL training sessions for staff, via the Centre for Academic Practice Enhancement (CAPE), and providing templates based on existing good practice examples from across the University. Our well-established TEL Framework and training proved invaluable when the University had to move all teaching and assessment online in March in response to the COVID-19 outbreak.

We have used a blended approach in 2020/21 which allows us to adapt provision from fully online to a blended mix of interactive, face to face elements to enable our active, practice-based pedagogy, and independent learning activities individually or in groups.

We have also been strengthening our partnership with the Students' Union to improve teaching and learning. We have an annual list of joint priorities which in 2019/20 included a commitment to decolonising the curriculum and increasing the number of co-curricular opportunities for all students. A key aspect of co-designing the curriculum and enhancements to the student experience is to provide opportunities for students to give feedback on their learning experience. We made further improvements to the way students can provide feedback on their courses and teaching, and used the findings from the COVID-19 Student Experience Survey in our planning for the new academic year.

Changing the Culture

We launched the Agents of Change 2020 competition where students can submit stories, poems, films, photography, music, artwork or technology that drive positive social change. Entries were displayed in an online exhibition from September during Welcome Week. Students and staff voted for winners who received a total prize of £1,000. The competition is part of Changing the Culture, a University-wide initiative aimed at tackling sexual violence, harassment and hate crime. In its second year, Changing the Culture reflects our commitment to providing a safe, tolerant and inclusive home for all students.

SUPPORT FOR OUR STUDENTS

Personalising support

Personal tutors play a vital role in supporting students to settle into university and ease transition from one level to the next. We are piloting ways to support tutors and improve personal tutoring, including enhancing the dashboard that measures student engagement and alerts tutors to concerns, for example if a student is regularly missing lectures. We are also trialling a curriculum for tutorials. This will help tutors anticipate student concerns, particularly at transition points across the academic year, and highlight resources and opportunities to students.

Student health and wellbeing

We partnered with Premier Medical Centre to encourage more students to register with a GP, and make sure they were up to date with vaccinations, particularly meningitis, measles, mumps and rubella. We ran several events on campus and offered on the spot registration and vaccinations from pods in Sheppard Library. We had planned to run fortnightly GP clinics on campus but these were stopped because of the coronavirus outbreak.

All staff and students now have free access to the Fika smartphone app, which provides exercises and resources to help manage mental health and wellbeing. Staff and students can also receive online support from Togetherall, to help with anxiety, depression, stress and other mental health issues. It offers peer-to-peer support, a wide range of mental health resources, and is monitored by trained professionals. These are just two examples of how we have been making sure students have access to a range of mental health and wellbeing support. Others include our Keep Calm and Sing sessions which focused on deep breathing for relaxation, and Yoga for Wellbeing sessions.

The Students' Union worked with the charity Rethink Mental Illness to train students to become Wellbeing Heroes. Rethink Mental Illness funded the training and group work sessions. We have introduced a 20-minute mental health training for all new students, from online training providers UniHeads. This includes useful information such as how to support a friend experiencing mental health issues.

The Accommodation team continues to hire students living in halls as resident assistants. Throughout lockdown, we have worked closely with them to support those students who have stayed on in halls and to tackle issues of loneliness and isolation.

Our Canine Teaching Assistants (CTAs) project introduced last year has proved to be hugely popular with students. Students can join drop-in sessions and spend time with the dogs – which is proven to reduce stress and anxiety. Many who hadn't previously engaged with the University's Counselling Service decided to do so after meeting the CTAs. Academic research investigating the therapeutic use of dogs among university students is also underway. After the success of the dogs, in February 2020 we introduced Feline Teaching Assistants – cats who meet students for weekly, two-hour drop-in sessions.

Understanding our commuter students

Three quarters (76%) of our UK students travel over 40 minutes to reach our campus. Research we carried out last year found that students living within 20 minutes of campus have much higher continuation rates than those living further away. We set up an advisory group around commuter students and are now using research to develop ways to address this issue.



above: Students engaging with Canine Teaching Assistants



EMPLOYABILITY

Award-winning employability support

MDXworks is our dedicated careers and employability service, there to help our diverse student population prepare for a world of opportunities when they graduate. The team supports students to identify their aspirations and strengths, build their skills and confidence, and be ready to articulate their lived experiences, talents and value to potential employers, or develop their own business ideas. Advice and guidance is tailored and personalised, focusing on peer-to-peer learning and collaboration.

The University's collaborative approach means we work closely with employers and organisations that share our values of social justice, equality, inclusion and diversity. Our partnership with the Ministry of Justice continues to support graduates into key public service roles where they can draw on their own experience and background to drive social change. We are proud to have been shortlisted for the second consecutive year at the UK Social Mobility Awards which celebrate those organisations making an outstanding commitment to promoting social mobility.

Paid work opportunities

Our campus employment agency, Unitemps, offers students a range of part-time, flexible work. Paid at the London Living Wage, this not only helps students financially, but means they can build their CVs, confidence, skills and knowledge. Since its launch in 2017, Unitemps has helped over 2,000 candidates to find work, totalling 287,000 hours collectively, with a total turnover of £4 million. Plans for 2021 include an increase in paid, part-time roles for students within the borough of Barnet and beyond.

MDXworks created a dedicated webpage to support students to find paid work during the coronavirus outbreak, including homeworking opportunities and essential logistic services support roles.

New online resources

To improve our resources for students and graduates, we partnered with recruitment website JobTeaser. A range of new content includes personalised job and event notifications, and access to over 5,000 employers globally. We also launched mdx.studentcircus.com – a new portal for international students, offering visa guidance and a range of placements, internships and graduate opportunities. Our students now have free access to LinkedIn Learning, which offers video courses to help them develop business, technology-related and creative skills.

We developed a WhatsApp Student Community Group which connects our Student Ambassadors, Student Learning Assistants and student groups across the University. This enabled students who had not considered reaching out to the traditional adviser support offered by MDXworks to access other support and guidance services – mental health, wellbeing and financial support – that collectively help build confidence, resilience and aspiration.

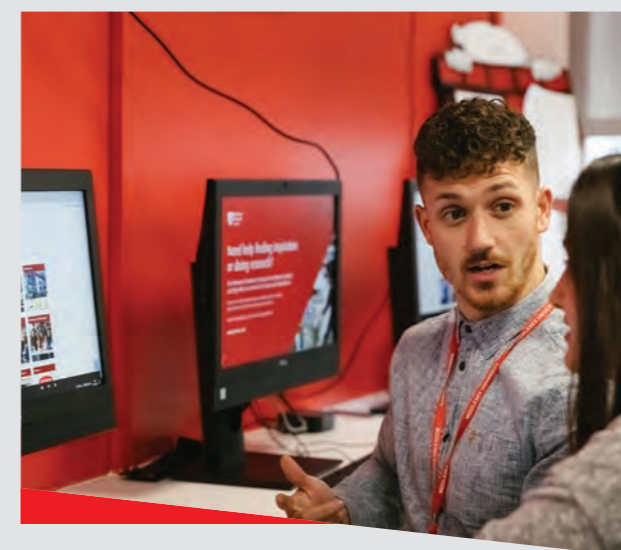
In 2019, over 800 Middlesex students attended our graduate careers festival, Gradstock, which received support from such employers as Warner Bros, the Civil Service, and Microsoft. Employers from across a range of industries exhibited, gave talks and networked with our students.

Ongoing programmes and services

- **MDXadvantage:** an intensive programme of activities for final year students offering, among others, alumni mentoring, assessment centre training, and tailored CV and LinkedIn support.
- **Emerging Professional Programme:** online and face to face activities helping students develop the skills employers need.
- **MDXequals:** a suite of programmes specifically designed to support students from all ethnic and socio-economic backgrounds, and those with disabilities and mental health problems.
- **MDXcelerator:** a University-wide programme of progressive support, activities, mentoring, workshops and incubation for student start-up businesses. It encourages students studying any subject to take their business ideas to the next level, with pitching opportunities to secure seed-funding, and tailored support at every step. In 2020, Neuroscience student Aleksandr Sukhanov won £7,500 to invest in his business called WOA (Walking on Air) which produces rain boots from renewable-sourced material and 100% bio-degradable shoes.
- **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.

We also host regular careers fairs, industry panels, talks and events, as well as question and answer sessions with industry experts, taster days, and networking events for students and employers.

All our job support services went fully online at the beginning of the coronavirus outbreak. We also offered online workshops – including the new industry insight sessions from employers such as the Ministry of Justice and tech start up WeSwap – and launched the Power Pitch Challenge. The challenge involved creating a 30-60 second video to convince the person watching they should hire you or buy your solution, providing a chance for students to practise their employability skills and compete for prizes. Following our gradual return to campus, these have been integrated in our ongoing services to ensure all our students and graduates have continuity of support.



STUDENT NUMBERS



London campus – home and EU students
15,600



London campus – international students
3,641



Dubai campus
3,823



Mauritius campus
1,180



Malta campus
170



Collaborative and validated
16,675

TOTAL

41,089





above: One MDX Staff Awards Tea Party

OUR PEOPLE AND CULTURE

Diversity and inclusion

Middlesex is a diverse and truly international institution. Our London campus alone hosts 1,805 staff members of over 74 different nationalities. We are committed to equality, diversity and inclusion for staff and students across everything we do – and we are proud of our achievements in this area. However, as the Black Lives Matters movement recently reminded us, we all have so much more to do.

Across the UK, as few as 4% of professors are from black and minority ethnic (BAME) communities. At Middlesex, around 16% of professors and senior staff are from minority ethnic backgrounds. While we strive to recruit staff from all backgrounds, we recognise the need to increase representation from BAME communities among our staff at all levels and believe it will encourage more BAME students to join us. This is an important part of our work to encourage young people from areas of low-participation to consider doing a degree, as these areas typically have a high proportion of BAME families.

Over the next year, Middlesex is working to the Principles and Standards of the Race Equality Charter to improve the representation, progression and success of BAME staff and students. The charter provides a framework through which institutions self-reflect on barriers standing in the way of BAME staff and students, and develop initiatives and solutions for action.

Networks play a vital role in creating a positive, safe and open working environment for staff. We have reformed our Equality, Diversity and Inclusion Committee and all of our staff and student networks. Our networks now include the Race Network, the LGBT+ Network, the Disability Network, the Gender Network, the Interfaith Network, and the Carers Network. The aim of these relationships is to provide support, share ideas, and help us develop practices and projects so that our University can be a place where everyone feels free to express themselves. We were proud to have improved from our 2019 score and to be placed in the top third of employers in the 2020 Stonewall Workplace Equality Index – the definitive benchmarking tool for employers to measure their progress on lesbian, gay, bi and trans inclusion in the workplace.

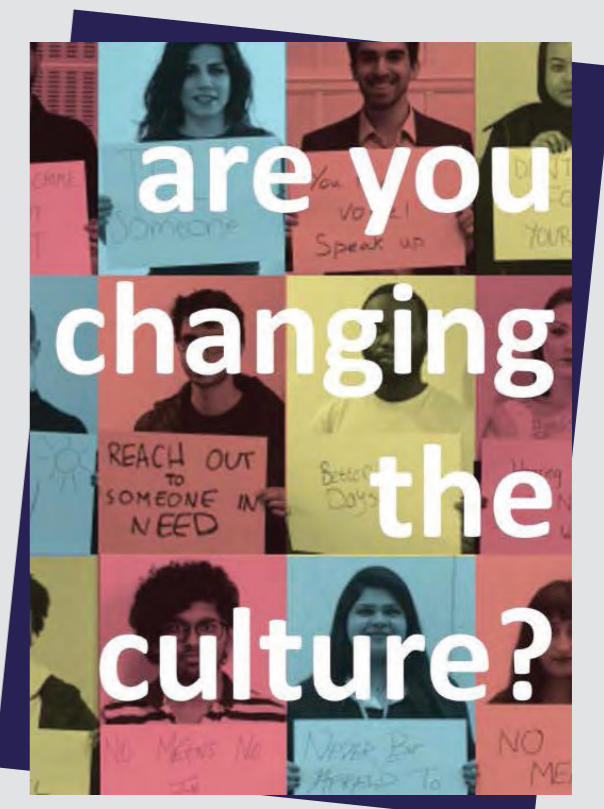
To further improve our inclusivity, we are signed up to the Athena SWAN Charter, which aims to advance gender equality in higher education and research institutions. We have formed a self-assessment team who have reviewed our current policies and practices alongside data and management information on gender equality. The self-assessment and the action plan which it drives have formed part of our submission for Bronze Award status. The results of our submission will be announced in early 2021.

Developing our people

Our first ever Chief People Officer, Mark Holton, was appointed in August 2019 to lead organisational and workforce development. He is leading on the People and Culture strand of the 2030 Strategy.

We expanded our Wellbeing and Change Programme, Invest in You, that supports staff to manage stress, develop resilience, and raise confidence, self-esteem and energy levels. During the coronavirus pandemic, as many sessions as possible have been offered online. We also planned to streamline our process for personal reviews. Your Review, which will launch in 2020/21, will help staff set objectives and plan for personal and career development through shorter, more regular catch up discussions and feedback. To help us regularly measure how we are doing against our vision and goals, and to engage our people on staff and cultural agendas, we introduced an agile staff engagement tool called Culture Amp.

Our MBA Senior Leadership Apprenticeship for Middlesex staff launched in 2020. Designed to fit within the participant's working day, taking a blended learning approach with face to face lectures, online content, action learning sets and coaching, the course is currently delivered online due to COVID-19. We signed up to the Technician Commitment, a sector-wide initiative led by the Science Council to ensure visibility, recognition, career development and sustainability for technical staff working in higher education and research.



Celebrating staff achievements

Despite the challenges of the lockdown, we celebrated our staff's achievements with our annual One Middlesex Staff Awards. This year's peer-nominated awards attracted more than 100 nominations from all Faculties and Professional Services, across our four campuses. We held our first ever tea party to celebrate all nominees in February 2020 and although the finalists' dinner could not take place on campus, we continued our celebrations virtually with videos, newsletters and online content.

TRADE UNION ACTIVITIES

Middlesex University The Trade Unions (Facility Time Publication Requirements) Regulations 2017

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 2019 to 31 March 2020 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	24.9 FTE

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	£185,767.00
Total pay bill	£109,170,900
Percentage of the total pay bill spent on facility time	0.17%

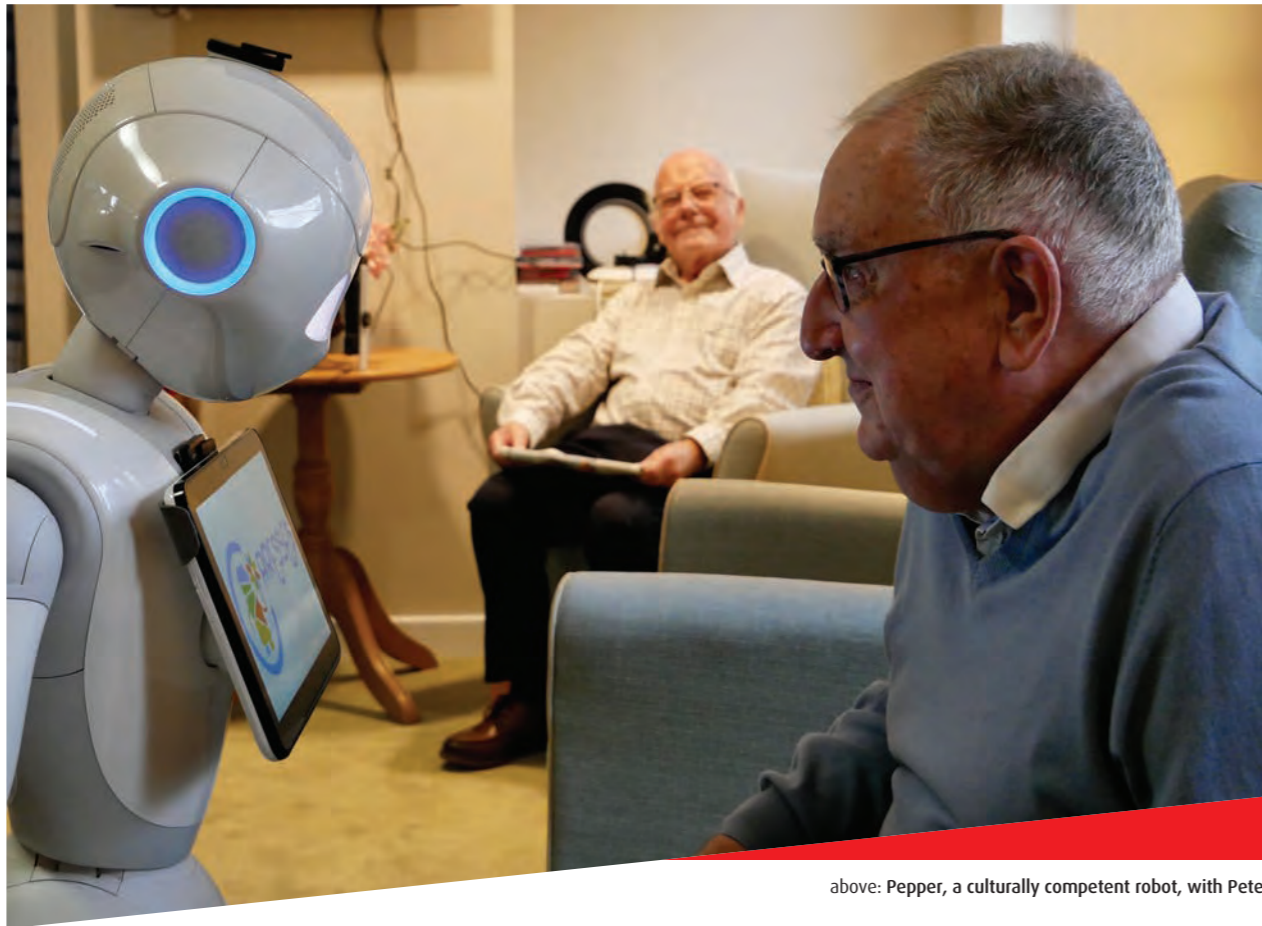
Table 4 – Paid relevant trade union activities

Time spent on paid trade union activities* as a % of total paid facility time hours	5.25%
Time spent on paid trade union duties** as a % of total paid facility time hours	94.75%

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

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





above: Pepper, a culturally competent robot, with Peter

OUR RESEARCH

Research at Middlesex is problem-focused, produces solutions and tools that empower people, and is experimental and creative.

We believe that research should have a positive impact on the public realm and we have long sought to ensure that our research is directly beneficial and impactful. In our approach, we harness co-creation and co-design with communities, groups and individuals, aiming to maximise future impact on the problems and opportunities of communities and businesses. In this respect, our research is intentionally inclusive, challenging the view that research belongs only within the university. This is particularly important for institutions like ours that are seeking to improve equality, diversity and inclusion in an authentic way and reach disadvantaged or excluded groups. We do all of this with a long-established approach to research that is practice-based and which is simultaneously interdisciplinary and partnership-led. Middlesex considers reflective practice and ‘learning from doing’ as research activity because, in an age of greater specialisation, change and non-standardisation, ‘doing’ is our laboratory and our experiment.

Preparations for REF2021 have intensified throughout the year and are at an advanced stage. Our Code of Practice has been approved and details of our planned submission have been duly uploaded to the REF Intention to Submit online site, as required. As a result of COVID-19, the final submission date was delayed by four months to 31 March 2021.

Our Human Resources team and academic colleagues have worked together on our submission to the Research Excellence Framework, which assesses the quality of research in UK higher education institutions. They recruited staff, provided staff data, supported equality, diversity and inclusion training requirements, and ensured that parts of the Code of Practice were adopted properly across our University.



At the heart of all of our work is a commitment to the idea that research can change lives, that knowing ‘why and how’ shapes knowing ‘how to.’ In 2019/20, progress continued across a wide range of research projects, with many notable new awards.

With much of our research, we hold a view of technology as a means to making targeted interventions that assist the mechanisms of support for vulnerable or excluded groups. Dr Fabia Franco, a Senior Lecturer in Psychology, is researching how musical games that use robotic assisted technologies could be integrated into older people’s care. She received a grant of £300,000 from the Dunhill Medical Trust. CARESSES (short for Culture-Aware Robots and Environmental Sensor Systems for Elderly Support) is a multidisciplinary, international research project with the University of Genoa, jointly funded by the EU and the Japanese Government, to develop and evaluate the world’s first culturally-aware robots, aimed at assisting in caring for the elderly. Middlesex Professor of Transcultural Health and Nursing Rena Papadopoulou develops the cultural content, models and guidelines so that robots are able to respond to the culture-specific needs and preferences of elderly clients.

Dr Sarah Bradshaw, Head of School of Law and Professor of Gender and Sustainable Development, was awarded a £66,000 grant from the Economic and Social Research Council to research Gender Responsive Resilience and Intersectionality in Policy and Practice. She will be part of an international network of scholars, policy makers and practitioners to promote gender and intersectionality. Their primary challenge will be to embed gender and intersectionality in resilience thinking, policy making and practice.

Middlesex research addresses things our world cannot avoid and we seek out the problems that are too often hidden in the shadows. Middlesex University is a key partner in the Gender, Justice and Security Hub research project, which aims to advance gender justice and inclusive security in conflict-affected societies around the world bringing together 44 partners in 17 countries over five years. Led by Professor Eleonore Kofman and Dr Neelam Raina at Middlesex, this major, global project is funded by UK Research and Innovation’s (UKRI) Global Challenge Research Fund (GCRF) and is the largest in the social sciences, creative industries and humanities ever awarded to our University. Every year in Palestine, 40,000 students graduate from about 20 higher education institutions, only to face a severe lack of jobs and opportunities. Dr George Dafoulas, Director of Programmes, Computer Science, is leading on a project to help these higher education institutions to promote cross border employability of their graduates. Project partners include universities in Spain, Italy and Germany, as well as government departments in Palestine. Professor of International Law William Schabas produced a major UN report on countries still using the death penalty. The report was released in multiple languages and was discussed in a session of the UN Economic and Social Council in July 2020.

A massive European research project, spearheaded by Professor of Health and Education Betsy Thom and Professor of Criminology Karen Duke, has made recommendations on how to help young people who have been in contact with the criminal justice system and have used drugs. The MDX Drug and Alcohol Research Centre working with partners in five other European countries will share their findings and advice on best practice with health, prison and social workers across Europe.

Director of the University’s Centre for Enterprise and Economic Development Professor Fergus Lyon received an Economic and Social Research Council grant (£164,000) for the Centre for the Understanding of Sustained Prosperity. The broad aim of the centre is to address the question: what can prosperity possibly mean on a finite planet? Dr James Derbyshire, Senior Research Fellow at our Business School, will be exploring the effectiveness of scenario planning tools and how they can help managers deal with uncertainty, following a £133,000 grant from the British Academy. Alfonso Pezzella, a Mental Health Lecturer at Middlesex, was awarded a research grant from Erasmus+ to develop a culturally competent and compassionate LGBT+ curriculum in health and social care education. Six other EU partners are collaborating on this project, including institutions in Romania, Cyprus, Spain, Denmark, Italy and Germany.

The women’s peace camp at Greenham Common ran from 1981 to 2000. Much of the related art, photography and cartoons are confined to archives and databases. Dr Alexandra Kokoli, Senior Lecturer in Visual Culture – Fine Art, was awarded a research fellowship by the Leverhulme Trust to document the art and visual activism from this time, arguing for its historical value and enduring legacies.

Working with MDXSU, we have embarked on a programme to map the emotional journey of Postgraduate Research students and our service blueprint. The programme aims to identify areas of improvement and ultimately strengthen our support for these students.

KNOWLEDGE EXCHANGE

Despite the impact of the coronavirus pandemic, a sustained amount and variety of knowledge exchange work took place throughout 2019/20.

Research knowledge and know-how created at Middlesex is used for wider public benefit wherever possible. Contract research, for example, may involve commissioned work for commercial businesses, but the benefits can reach much further. Our environmental projects are great examples. During the year, our Flood Hazard Research Centre undertook work for Collingwood Environmental Planning under an

Environment Agency Communities and Flood and Coastal Risk Management (FCRM) Research and Development Framework project. Professor of Environmental Science Lian Lundy's contract research involved water testing with LBBC Group, while the two continued to collaborate in the EU-funded project to develop a systems approach to large-scale flood risk assessment and management.



above: London Digital Twin Research Centre launch workshop

Improving lives through knowledge transfer

Ajit Shah, Professor in Bio-Analytical Science, set out to discover new biomarkers for cheating in sports, working with the Partnership for Clean Competition Research Collaborative. This research should make it possible to produce more effective drug tests – and better sports events for all of us.

Research Fellow at our Business School Dr Bianca Stumbitz and Professor of Organisational Psychology Suzan Lewis produced an exemplary study for the World Health Organisation on maternity leave legislation in support of breastfeeding around the world. It is perhaps the most detailed survey of how the law can be used to improve not only individual maternal and child health but community wellbeing.

Dr Simon Attfield, Associate Professor of Computer Science, contributed to work intended to keep us all a little bit safer – a Human Social Science Research Capability programme, funded by the Defence Science and Technology Laboratory. Dr Mahdi Aiash, Senior Lecturer in Computing and Communications Engineering, led a project to develop an intelligent threat hunting system as a contribution to improved cyber security, funded by InnovateUK.

Having received knowledge exchange funding, Dr Anne Donnelly, Director of Dance Programmes, collaborated with the Royal Swedish Ballet School to make and record performances together.

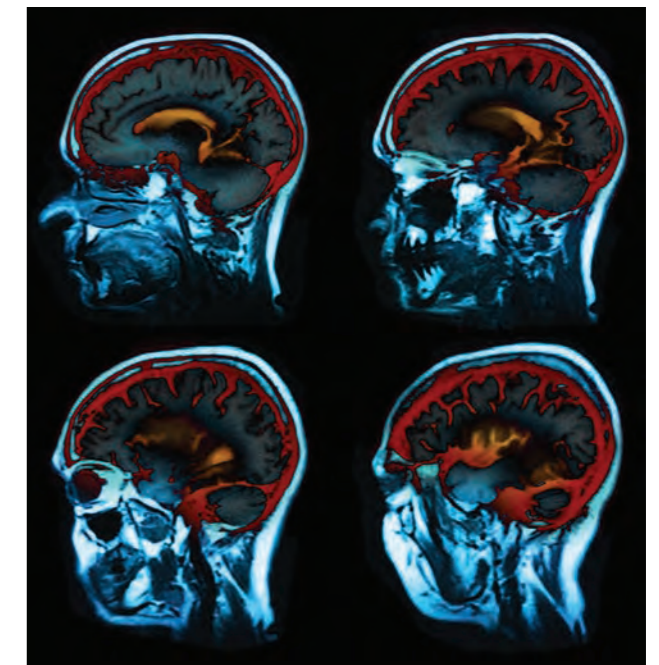
Dr Lisa Marzano, Associate Professor of Psychology, researched how to reduce the number of suicides on England's roads, with funding from Highways England. She was also awarded £50,000 funding from Network Rail for a Psychological Autopsy study of railway suicides. A second phase of the project will be funded in December 2020, subject to successful completion of this work.

The Visual Analytics for Sense-making in Criminal Intelligence system uses smart techniques to help solve crimes faster. The EU-funded project ended last year, but 2019/20 saw the first licensing revenue from this major project's transfer to the private sector. We usually seek benefit from protected patents. In 2019/20 that included new research and development partnerships with other universities and companies to develop emerging IP in medical technology, for example.

Middlesex once again made an outstanding contribution in continuing professional development (CPD). The Capital Nurse programme, which continued to support a sustainable nursing workforce in London, produced an approach and pathway through intravenous medication administration training and assessment across all London hospitals. This is a huge step forward in developing and maintaining nursing skills in the capital. Other CPD work included a bespoke module for midwifery professionals, training for the American football NFL Academy, and on dyslexia in Yorkshire.

We were expecting the long-awaited Knowledge Transfer Framework to begin this year, with institutions submitting material in May 2020. The coronavirus pandemic has delayed this. We already have a good set of metrics submitted for the three-year rolling assessment of knowledge exchange activity. This gives us more time to ensure it provides a satisfactory account of its work. Knowledge exchange is becoming more important nationally, and certainly in the government's perception of what universities contribute, so this exercise will be important for Middlesex in the coming academic year.

These are all excellent examples that demonstrate how our University's know-how and research can find the right audiences and enhance our reputation, while making all our lives a little better.



INFLUENCING POLICY AND CONTRIBUTING IN OUR LOCAL AREA

Influencing policy

Against a challenging backdrop of Brexit and the coronavirus outbreak, it is more important than ever that we continue to champion our students, staff and community. One way we have been doing this is by stepping up our policy and influencing work.

When Professor Nic Beech took over as Vice-Chancellor in February, he began meeting with local and national stakeholders. This included the Chief Executive of Barnet Council John Hooton. Their discussion focused on how we could strengthen collaboration between the University and the London Borough of Barnet. Our meeting with Michelle Donelan MP, Minister of State for Universities, allowed us to demonstrate how we support the interests of disadvantaged learners to enable them to fulfil their potential within society and what we need from Government to further support this. We developed and widely circulated a position paper in response to the Government's recommendations in the Post-18 Education and Funding (Augar) report, focusing on our areas of interest, such as apprenticeships and flexible learning.

We have maintained our pressure on the Government and other decision-makers calling for continued support and funding for apprenticeships. Now more than ever our apprentices can play a key role in society's recovery from the coronavirus pandemic. Our work includes welcoming influential local MP and ex-Secretary of State, Theresa Villiers, who spent time with Nursing Associate apprentices in February, witnessing them in action at Barnet Hospital and learning more about their experiences. In June, Education Committee Chair and MP for Harlow Robert Halfon joined Theresa Villiers for a virtual roundtable with nine of our Nursing Associate apprentices and Police Constable degree apprentices.

We signed up for former Minister for Women and Equality Justine Greening's Social Mobility Pledge to help level up opportunity across the UK and part of our work with them is to develop an insight report to raise the profile on issues faced by our diverse cohort of students, outline all of the work that we do to support our students and show how we support employers to diversify their workforce.

Our Summer and Winter Graduation events remain an opportunity for decision-makers to see the University and our students at their best. Last year's Winter Graduation

roundtable discussion with London and NHS stakeholders included guests from the Greater London Authority, NHS Trusts and British Chamber of Commerce, who met with graduands, Governors and staff.

Developing our future research policy

We have been raising the profile of our world-class research and making sure our voice is heard in policy making. We hosted a series of meetings with Research England to share our experience of delivering practice-based impactful research – and to make sure that we are feeding in to calls for research where we can excel. Our Vice-Chancellor is working with the Prime Minister's Council for Science and Technology on the role of technology in supporting social inclusion and ensuring modern universities' perspectives shape policy.

Contributing in our community

Collaboration with the Mayor of Barnet, Cllr Caroline Stock, has been very important for Middlesex throughout 2019 and 2020, culminating in her appointment as our Pro Chancellor in July 2020. We hosted the Mayor's Charity Supper Quiz which raised £5,000 and she led walks around the University as part of her Golden Kilometre challenge – a scheme aimed at getting primary school pupils fit by running or walking a kilometre a day. The Mayor of Morphou, Barnet's twin town in Cyprus, visited the University in March, joining Councillor Stock at an exhibition we hosted about Morphou.

Pupils from 17 schools and families from around London came to our annual STEM Festival in March 2020. Interactive exhibits, games and showcases brought scientific concepts to life and emphasised public health messages in the early weeks of the coronavirus pandemic. Hendon MP Matthew Offord and the Deputy Mayor of Barnet Cllr Lachhya Bahadur Gurung attended the festival and joined Vice-Chancellor Nic Beech for lunch.



above: Theresa Villiers MP with MDX Nursing Associate apprentices



above: Holocaust Memorial Day 2020

A powerful display in the Quad in January featured 111 pairs of shoes that represent the number of women killed by violence by men in 2019. The Metropolitan Police attended the exhibition giving advice and support to staff and students. We started hosting Barnet Refugee Service's youth club, set up by Spanish Lecturer Maria Jimenez. Teenage refugees from countries such as Iran, Syria, Afghanistan and Somalia enjoyed a range of weekly activities and social interaction at the University as they adjust to life in Britain.

Multi-faith and diversity events

We have built a strong partnership with the Barnet Multi Faith Forum. Joint events included a special ceremony to unveil the plaque for our interfaith trees and plant snowdrop bulbs. Nic Beech chaired online the Forum's Annual General Meeting in July, which was followed by a discussion on faith and the coronavirus pandemic.

To mark Black History Month we hosted the launch of the memoir of Ghana's former First Lady and first ever female presidential candidate, Dr Nana Konadu Agyeman-Rawlings. We also created a campaign book bringing together an array of student work produced as part of our Changing the Culture Initiative. By giving voice to different affected groups, and increasing our collective understanding of these important issues, we hope it will help to drive forward culture change towards a more tolerant, respectful and safer university community.

We hosted a Christmas and Chanukah celebration at the end of 2019, with school pupils turning on the lights, followed by carol singing, Chanukah songs and seasonal treats.

Around 500 people remembered Holocaust and genocide victims in an inspiring event in January 2020, organised by the London Borough of Barnet and held in the Quad.

Working with businesses, entrepreneurs and industry

Over the year, we worked closely with membership and umbrella organisations to connect with and influence businesses.

We continued to be active members of industry bodies including the Confederation of British Industry, London Chamber of Commerce and Industry, and North London Chamber of Commerce and Enterprise. We have used these networks to influence higher education and skills policy and build new partnerships. We sponsored a range of events, including the West London Business Awards at Twickenham Stadium in February 2020.

We also continued to support entrepreneurship. This year, we led Barnet's Big Idea Entrepreneurial Competition, a joint initiative with Barnet Council and Barnet and Southgate College. NatWest helped us judge our Junior Entrepreneur of the Year competition, involving several local schools. Janthana Kaenprakhamroy, founder and CEO of Tapoly, and Middlesex alumna, gave a keynote speech at a London Centre for Small and Medium-sized Enterprises (SME) Development event on female entrepreneurship.



above: STEM Festival 2020

above: Mayor's Charity Supper Quiz

Inspiring school and college students

Our Make Your Mark programme supports young people to make choices about higher education and careers. Campus visits and hands-on workshops offer young people from 15 London partner schools, which have a higher than average number of students eligible for free school meals, the opportunity to experience university, ask questions and interact in an open and inclusive environment. Several events were cancelled due to the coronavirus outbreak, but we still hosted 372 students and shared curriculum-based, engaging activities digitally to support their remote and classroom learning.

In early March, we hosted the North London Higher Education Fair. Over 1,000 students from 21 schools and colleges came along to discover more about university courses, interact with academics and students from Middlesex and take part in activities.

Our work with Barnet Youth Zone is another example of where community engagement meets hands-on learning. Two of our BA English students launched the Homework

Club which helps local youth to develop life skills. The students develop teaching and mentoring skills, while sharing experiences of university life with the young people. We also delivered higher education progression sessions with Uni Connect, an Office for Students funded programme, supporting 110 students and 86 staff.

We have worked with Linking London's Uni Connect Outreach Hub and Westminster Kingsway College to develop an online mentoring scheme with their high achieving Level 3 STEM students to encourage more applications to STEM courses. We have developed a package of activities to support City and Islington College students who will follow a specific pathway depending on what subjects they choose at A level/BTEC. The activities have become a compulsory part of their learning and incorporated into their Moodle online learning platform.

Access and Participation Plan

Middlesex University's Access and Participation (A&P) plan sets clear benchmarks for our progress in supporting under-represented groups. Our entry profile for under-represented groups exceeds national averages across numerous indicators, with 86% of UK and EU students falling within at least one widening participation category. In response to COVID-19 we have adapted our programmes and begun new activities to better support under-represented groups. Some highlights of our work with these groups include:

- **Scholarships:** This year the University's Community Scholarship scheme encouraged 150 applications and enrolments from households with an income below £25,000.
- **Widening participation activities:** From April to July 2020, Middlesex delivered regular live streams to students and teachers offering advice on topics including student finance and the latest info on studying at university.

We worked closely with local schools and colleges to provide personalised resources and activities throughout lockdown and the holidays.

Through our partner HE networks, we offered virtual activities in areas of low higher education participation to students and teaching staff in addition to online tuition for students retaking their Maths GCSEs.

- **Upcoming activities in 2020/21:** During the summer, Middlesex prepared to launch Digital Skills Camps over the August and October 2020 holidays to reduce the impact of learning loss for disadvantaged students aged 11-14 and to support them in their academic studies.

We are planning mentoring programmes with local youth organisation Unitas to help their young people develop employability skills and through colleges with targeted STEM learners to support their journey into higher education. We will also partner with campaigns such as Moving On Up to develop our support to key agendas such as Black Lives Matter.



above: Dubai Campus

OUR INTERNATIONAL CAMPUSES

MIDDLESEX UNIVERSITY DUBAI

Over 3,500 students currently study with Middlesex University at our campus in Dubai, with 110 nationalities represented.

The University campus went from strength to strength in 2019/20. We were awarded a Five Star rating in the 2020 Knowledge and Human Development Authority's Higher Education Classification – demonstrating the world-class standard of education on offer.

We also became the first university in the United Arab Emirates to receive partner status with the Global Association of Risk Professionals (GARP), which represent the best in financial education around the world. All the University's Accounting and Finance programmes are now recognised by at least one of the key global professional bodies. GARP will provide six students and one faculty member with a scholarship towards the Financial Risk Manager Part I exam, along with many other benefits.

We launched a Centre for Innovation in Human Experience, the first of its kind in the region. Its three specialised labs are equipped with state-of-the-art technology and resources for Data Science, Robotics, Virtual and Augmented Reality, and Human Centred Design. The University is the first in the region to reduce, reuse and recycle plastic, with the ultimate aim of eliminating single-use plastic on campus.

Student successes

Our students won a range of scholarships and awards. Ten BA Honours Accounting and Finance students were selected to receive a full scholarship from the Institute of Management Accountants. Two Law students were awarded the 2019 DIFC Courts scholarship for their commitment to developing the global rule of law and their high academic achievement. Law graduate Lauren Fredah was accepted to the New York

State Bar – she said that the support she received at Middlesex helped her achieve this life-long goal. Fashion student, Mohak Chauhan won Emerging Talent 2019 and Best Designer for a red carpet outfit she created for Hollywood star Serena Laurel. Special Olympics athlete Hamda Al Hosani received an honorary degree for her exemplary work in the field of sports.

Conferences and events

Our Teaching and Learning Committee held their first conference, titled Enhancing our Pedagogic Practice: Preparing Students for the Changing World of Tomorrow.

We hosted the Emerging Research Paradigms in Business and Social Sciences conference, attended by 180 delegates from over 60 institutions around the world. The British Computing Society Conference we hosted gave students an opportunity to network with sector experts and employers. Middlesex students picked up a series of awards, including first place in the undergraduate poster category.

MIDDLESEX UNIVERSITY MAURITIUS

Our Mauritius campus has been open for ten years. The student population is 1,180 with 648 new students joining last year.

Widely recognised as a leading local education provider on the island, staff are frequently consulted by media as thought leaders in their disciplines, and contribute to local policy development and regulations. The campus also arranges various panel discussions, masterclasses and public lectures. Last year, social media became an even more important and effective platform to showcase the campus, students and staff. Our website, YouTube videos, Facebook page, Instagram and virtual open days are considered as best practice and are often followed by local competitors.



above: Mauritius Campus

Students excelled in industry competitions and staff continued to publish high-quality research outputs in academic journals. Last year's achievements included graduate Sarentha Luther receiving the Chevening Scholarship to study for a Master's in the UK, and Alaba Angole receiving the Rhodes Scholarship to read Social Anthropology in Oxford in October 2020.

Academic courses

Several new programmes have been accredited to start in 2020/21. These include BSc (Hons) Cyber Security and Digital Forensics, MSc Network Management and Cloud Computing, MSc Cyber Security and Pen Testing, and LLM Commercial Law. Three Business Management (BA Hons) degrees will focus on Innovation and Entrepreneurship, Project Management, and Supply Chain and Logistics.

Improving our campus

Following an increased demand for student accommodation on campus, we are expanding the current Student Life Residences. Three additional blocks will be ready in 2021 and will increase the current 140-bed accommodation to 330.

MIDDLESEX UNIVERSITY MALTA

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. All students can complete their degrees on campus for the full duration of their studies. We will ensure



above: Malta Campus

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 Middlesex spirit remained strong throughout the year, with colleagues supporting students and the local community during lockdown. This was largely due to their rapid adoption of technology, with lecturers and students making use of Kaltura, Adobe and Zoom to conduct lectures as well as one-to-one sessions. Most courses adapted easily to the change of situation. In the case of equipment-reliant courses or where students require access to a laboratory, the team offered simulation options and adapted their assessment methods.

We continued to strengthen our close partnership with the Emerging Technologies Laboratory at the Malta Information Technology Agency (MITA). Students were given unrestricted access to lab equipment to use for their academic projects.



APPRENTICESHIPS

An increased number of apprentices has studied with Middlesex University in 2019/20 and our large public sector apprenticeship contracts have continued to be delivered during the coronavirus crisis.



above: Police Constable apprentices Ben (left) and Ryan (right)
Photo courtesy: Charlotte Cooke

Improving systems and processes

Our online systems have proved to be highly effective and we have an apprentice retention rate of 94%. We successfully developed and implemented Aptem, the University's apprenticeship management system. This key achievement was led by our Centre for Apprenticeships and Skills (CAS), who collaborated with Faculties and Professional Services teams throughout the year. As well as managing the initial assessment, employers, tutors and apprentices can use the system to track progress and support learning (for example, using the integrated Zoom functionality to carry out student reviews). The system also allows us to supply required data to the Education and Skills Funding Agency.

Contracts and accreditation

During the year, Middlesex University led a Police Education Consortium of four universities to successfully validate and gain College of Policing approval for the Police Constable degree apprenticeship (PCDA), for the Degree Holders Entry Programme (DHEP), and for a specialist version of the DHEP for Detectives. This achievement involved extensive collaboration at all levels with Canterbury, Cumbria and Portsmouth Universities, and Surrey, Sussex and Hampshire Police Forces. The first cohort of apprentices started in December 2019 and the contract will deliver around 4,000 police constables over the next ten years.

Middlesex University was listed as one of only six providers for Digital Degree Apprenticeships for Health Education England (HEE). This means that NHS Trusts can work directly with us on these apprenticeships, which we expect will be a growing market following the coronavirus pandemic. The University also secured listing on the HEE framework for providers of the Academic Professional Apprenticeship. This has already resulted in a contract with Barts Health NHS Trust.

In 2019, all apprenticeship providers were required to re-apply to the Register of Apprenticeship Training Providers. Middlesex successfully retained registration as an Apprenticeship Training Provider – without which

we would not be able to deliver any apprenticeships. We also successfully applied for the Register of End-point Assessment Organisations, thanks to excellent collaboration between CAS and the Faculty of Science and Technology team, who delivers the Healthcare Science Practitioner Degree Apprenticeship. This means that our University can now apply to be an end-point assessment organisation for other apprenticeships we offer.

Advancing apprenticeships through research

Middlesex University published the 'Skills for Life in Health and Care' research report, in collaboration with HEE. This sets out an ambitious plan to upskill health and care sector employees to support their careers and ultimately improve care. The report found that 'poor skills' in the NHS and social care workforce get in the way of effective person-centred care and stop people getting on to and succeeding in apprenticeships, particularly in higher and degree apprenticeships in Health and Care. HEE committed to act on the outcome of this research, and has already organised special events for employers to test planned actions and ensure that employers get what they need.

We also led a major collaborative research project into Sustainable Degree Apprenticeships, funded by the Edge Foundation and working with Staffordshire University, Sheffield Hallam University and the University Vocational Awards Council. The research calls for higher education institutions to work closely with employers to embrace fully integrated, flexible degree apprenticeships. It also calls for policy changes, including revising the mandatory qualification rule, to sustain the degree apprenticeship initiative.

It has been a successful year for Middlesex apprenticeships, and we look forward to delivering new opportunities in this area over the coming years.



PARTNERSHIPS AND COLLABORATIONS

The coronavirus pandemic had a significant impact on our academic partners in the UK and abroad, with many moving away from face to face teaching and needing to make changes to assessments. However, in spite of the challenging circumstances, we continued to build on our expertise in partnerships and collaborations.

Worldwide partnerships

One of our partners for MBA programmes, KMU Akademie in Austria, won 'Top HE distance education programme provider' for the third year running. The award comes from fernstudiumcheck.de, Germany's largest website for student feedback on distance education courses. New partnerships for 2020 include our Business School collaborating with Seoul School of Integrated Sciences and Technologies (aSSIST) to offer a dual doctoral degree.

Partnership programmes across the UK

The Faculty of Science and Technology teamed up with Watford FC Community Sports and Education Trust to launch an innovative Joint Foundation Degree in Football

Development and Coaching. The course aims to attract young people from the local community and combines practical coaching with theory and work-based learning.

The London Studio Centre, which offers theatre and dance courses, has been a Faculty of Arts and Creative Industries partner for many years. They added an exciting new MA in Dance Producing and Management to their list of programmes.

Our School of Health and Education revalidated the very successful Joint BSc in Veterinary Nursing with not-for-profit education provider The College of Animal Welfare.



above: Middlesex and Watford FC Community Sports and Education Trust's Joint Foundation Degree in Football Development and Coaching
Photo courtesy: Watford FC

Partnering with further education providers

The Faculty of Science and Technology started a new partnership with Abingdon and Witney College in Oxfordshire to offer Degree Apprenticeships in Digital Technology Solutions. Apprentices choose from two specialist areas: Network Engineering or Software Engineering. The course was created with Oxfordshire employers within the sector, who identified skills gaps. Around 80% of the learning will take place at work.

INVESTING IN OUR SPACES

■ We continued to invest in our learning spaces to benefit students and staff.

Gateway 2030 is an exciting programme that will modernise three perimeter buildings on our campus. It is a collaboration with London Borough of Barnet and we are jointly preparing a business case and planning application. The ambition is to create exciting new academic spaces and additional accommodation which has the potential to transform the campus experience.

Hendon-based Saracens Rugby Club are currently redeveloping West Stand to include a skills centre for our Sports Science and Nursing students. A difficult year for Saracens has meant the project has been delayed. Along with Barnet Council, we have supported Saracens and worked on finalising our designs for the centre, which is set to rival any in the UK.

Improving the student experience

At Middlesex University technology and innovation enable and enhance learning across a range of subjects. We remain committed to ensuring our students benefit from the most up-to-date teaching facilities – we pledged £1.3 million to replace our audiovisual equipment, which we have continued to do throughout 2019/20.



above: MDXworks, our Employmentability service for students

The University has continued to improve our network and telephone infrastructure through our Network Transformation Programme. We are currently in the process of a two-year programme to completely rebuild and replace our wired and wireless network. Once complete we will be one of the first universities to deploy Software Defined Networking (SDN), a paradigm shift in networking. This together with new equipment will provide higher performance characteristics, and improvements in security, flexibility and manageability. We also invested in much welcomed air conditioning for our music studios and we continued to invest in improving our student accommodation.

Looking ahead

A number of projects have been put on hold as we have prioritised investment and resources to reconfigure the campus and infrastructure to manage during the COVID-19 pandemic. This has included adapting spaces to increase the amount of teaching space available and reallocating investments to areas which allow staff and students to learn more effectively online.

Looking ahead we will be returning to some of the projects which have been put on hold including a renewal of MDX House, the main student meeting and entertainment space on campus, to improve the catering experience, as well as a renewal of Sheppard Library ground floor and the refitting of Fenella Building to accommodate new ways of working after COVID-19. In the longer term, Gateway 2030 and the West Stand offer the next generation of development. We are also working on plans for the development of accommodation at Platt Hall and Writtle House.

MDX Pavilion, which was shortlisted for a Guardian University Award in Teaching Excellence, will see further development next year. It will be used as a practice-based project for MSc Architectural Technology and a variety of other programmes.



above: Real Tennis Court



above: Sheppard Library
right: MDX Living Pavilion

ENVIRONMENT AND SUSTAINABILITY

As part of our focus on increasing sustainability within learning, teaching and research, we re-launched our environmental steering group to have a more academic focus. Professor Sean Wellington, Pro Vice-Chancellor and Executive Dean of the Faculty of Science and Technology, is the new Chair.

A fantastic achievement during a difficult time was our recently awarded Fairtrade University three star status, following a student-led audit. To achieve the award, universities have to meet a range of criteria in categories such as campaigning, procurement and research. Only one other university has achieved the three star status.

We developed a staff induction video about climate change and sustainability, which was shared in 2020. We will also keep working with our staff and student engagement teams to ensure we build a culture throughout our University that is committed to sustainability.

Avoiding waste, saving energy

We were delighted to maintain our EcoCampus Platinum/ISO 14001 certification which we first achieved in 2018/19. Certification body NQA carried out an audit, which included interviews with our staff and contractors. These were completed online due to coronavirus restrictions.

We invested in reducing energy use, however, prior to teaching moving online due to COVID-19, energy use was running 2% above forecast. This reflected an increase in heating requirements during the winter period. Our carbon emissions continue to reduce – per m² of space and per FTE due to falling carbon factors for grid electricity. For the first time, we have published our carbon emissions in this report on page 59.

To support our energy reduction, we developed an online portal which allows our catering and technology teams to see their energy use in real time. We also ran a high-profile energy saving campaign, Last Out Lights Off, in our College Building. Sensor controls installed on our air-conditioning units in all our lecture theatres are helping us to save energy.

To maximise the energy we generate on site, we cleaned the solar panels on the Sheppard Library and upgraded wiring on Williams Building.

The University remains committed to recycling and reducing waste, and improved our recycling guides and bin signage to encourage recycling on campus. Our catering operations have made good progress on reducing plastics. Last year we added a five-pence levy to all drinks served in disposable cups. This goes to our Sustainability Fund, used to encourage staff and students to run small environmental projects. The levy has helped us avoid using 5,000 disposable cups on average every month.

From March 2020, the move to online working, teaching and learning in response to the coronavirus outbreak led to substantial energy savings and reduced carbon emissions. In most cases, these changes were temporary and are being gradually reversed now that some staff and students have returned to campus and we are using a blended learning model for most students. However, we are continuing our ongoing work to save energy.

Sustainable travel and green spaces

To encourage more staff and students to travel to campus by bike, we upgraded our cycling facilities and showers, adding 176 more cycle racks and making sure there is shower gel and working hair-dryers in all showers.

The University's biodiversity work continues and the London Wildlife Trust are reviewing the Universities Biodiversity Action Plan. We have restored Church Farm House Pond in the University grounds and will continue to enhance it over the coming years.

Total Energy Use (kWh)	2017/18	2018/19	2019/20
Electricity from Grid	9,809,673	9,516,985	8,026,574
Electricity from Onsite Photovoltaics	81,761	71,441	70,008
Electricity from Onsite CHP Units	419,229	507,685	479,999
Natural Gas from Grid	8,107,911	7,537,749	7,189,319
Total Energy Use (kWh)	18,418,574	17,633,860	15,765,900

Breakdown of Total Energy Use (%)	2017/18	2018/19	2019/20
Electricity from Grid	53.3%	54.0%	50.9%
Electricity from Onsite Photovoltaics	0.4%	0.4%	0.4%
Electricity from Onsite CHP Units	2.3%	2.9%	3.0%
Natural Gas from Grid	44.0%	42.7%	45.6%

BREAKDOWN OF ENERGY USED IN 2019/20



50% grid electricity



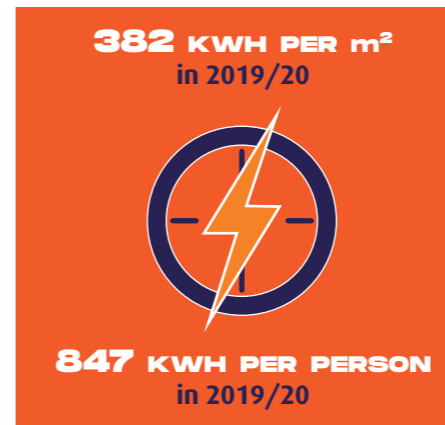
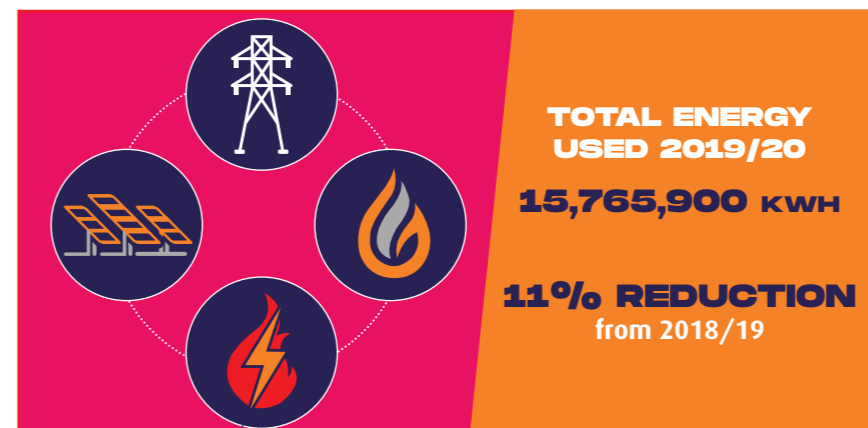
46% natural gas



0.4% solar



3% combined heat and power



Carbon Emissions (TCO ₂ e)	2017/18	2018/19	2019/20
Total Scope 1 and 2	4,291	3,880	3,255

Note: DEFRA conversion factors are used to provide carbon emissions. Carbon associated with electricity generated from onsite CHP plants is reported under natural gas conversion factors to avoid double counting emissions.

Energy Intensity Ratio	2017/18	2018/19	2019/20
kWh/m ² (Net Internal Area)	450	433	382
kWh/FTE (Staff and Students)	1,087.7	1,059.7	846.5



3,255 TONNES OF CARBON (TCO₂) emitted in 2019/20

16% REDUCTION
from 2018/19

FINANCIAL REVIEW FOR THE YEAR ENDED 31 JULY 2020

Results for the Year and Outlook

2019/20 has been an immensely challenging year for the University, the Higher Education sector and society as a whole. We responded quickly to the unprecedented COVID-19 pandemic while prioritising the safety and wellbeing of our students, staff and community. Our aim was to reduce the impact on students and to allow them to continue their studies with minimal disruption, given the circumstances.

In terms of financial performance, we started the year with strong student recruitment and in January 2020 we were forecasting to be ahead of budget. Following the impact of COVID-19, the University recorded a deficit in 2019/20 for the first time after four consecutive years of generating a surplus. The reserves we have built and the work we have done over those years have established resilience in our balance sheet which we are using to mitigate the impact of the pandemic.

Looking ahead, it is impossible to predict the future with any degree of certainty. We have modelled a range of scenarios to understand potential outcomes and looked at the impact on our financial performance and cash flows. While COVID-19 continues to impact the University's financial performance, based on our students numbers, liquidity and scenario planning we expect that the University will continue its activities and benefit from the valuable experience we have gained in putting in place the plans and actions we have taken during this challenging period.

The year to 2019/20 saw Middlesex University record a deficit of £(3.4)m. This includes the Local Government Pension Scheme (LGPS) FRS102 pension charge and interest cost of £7.8m. The surplus for the year before pension cost adjustments is £4.4m.

Earlier in the year, we had been forecasting for a surplus, supported by a larger than anticipated January intake of International students. In addition, within a challenging environment with ever-increasing competition for a declining number of home students (due to the demographic dip in the number of 18 year olds) the University performed ahead of target. COVID-19 has affected our final financial performance for 2019/20, with some key impacts being increased provision for student and trade debt and waiving rent for students who left halls in the third term.

The University is forecasting for a deficit next year, taking into account the uncertain environment, which particularly impacts recruitment of International and EU students, and the continuing demographic dip. We have also factored in a potential negative impact on income resulting from higher numbers of students dropping out of their studies. We have taken measures to preserve our cash levels, including holding off from non-essential capital spend.

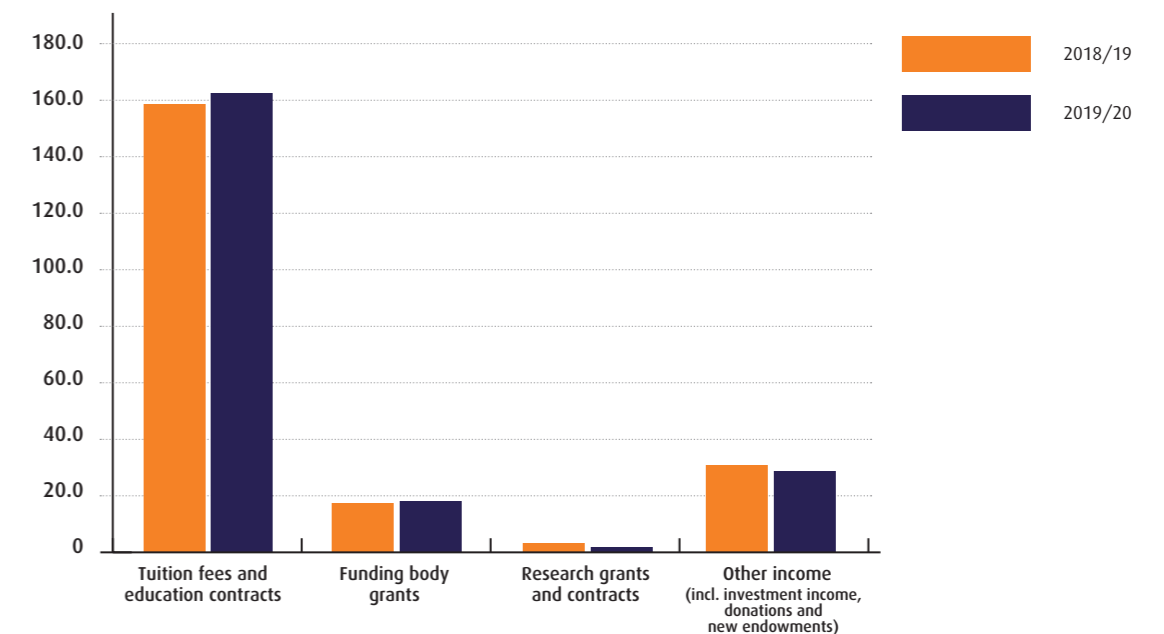
Looking forward, we forecast a return to surplus from 2021/22. This assumes that the impact of COVID-19 will have receded and that we will return to pre-COVID-19 levels of recruitment, particularly of international students. The demographic dip in the number of 18 year olds is also set to start reversing from this year. In addition, we are looking at strategically increasing other streams of income, such as Degree Apprenticeships and CPD, in order to have a broader mix of income sources. Strong planning and cost control will mitigate against the impact of our cost base increasing.

	Consolidated Year ended 31 July 2020	Consolidated Year ended 31 July 2019
	£m	£m
Results for the Year		
Income	213.5	212.2
Expenditure	(216.8)	(206.3)
Taxation and other items	(0.1)	(0.1)
(Deficit)/Surplus for the year	(3.4)	5.8
LGPS FRS102 pension charge and Interest cost	7.8	6.4
Surplus before pension cost adjustments	4.4	12.2

Income

Total income this year was £213.5m, an increase of £1.3m against the prior year. Given the impact of COVID-19 on some of our income streams this represents a sound performance.

Income by source £m



FINANCIAL REVIEW FOR THE YEAR ENDED 31 JULY 2020 (continued)

Tuition Fees and Education Contracts account for 76.2% of the University's total income. Of this, 65.2% relates to fees from home and EU full-time students. Although recruitment targets were at a lower level than the previous year, the University met these. In addition, income from full-time International students increased significantly by 34.3% year-on-year. This increase was driven by a large intake of students starting programmes in January 2020, linked to the Government's re-introduction in late 2019 of two-year post-study work visa for International students. Income from CPD and short courses has remained in line with the previous year, with much of the delivery able to continue online during the pandemic.

Funding Body Grants represent 8.5% of total income, a small increase from 2018/19. The Recurrent Teaching Grant has decreased slightly but there were increases in Higher Education Innovation Fund (HEIF) and Research Funding, the latter partly due to some accelerated Quality-Related (QR) funding released as part of the Government response to support Universities during the COVID-19 outbreak.

Research Grant income is £3.4m (1.6% of total income), a reduction of £1.1m compared with the previous year due to the reduced number and value of grants for which income has been recognised in-year, which has been partly due to delayed projects as a result of COVID-19.

Other operating income (including investment income and new endowments) totals £29.4m and represents 13.8% of total income; this has decreased by £3.1m compared with the prior year. A number of our ancillary income streams were adversely impacted by the COVID-19 pandemic, with the major one being the reduction of accommodation income due to the decision to waive rent for the third term for students who decided to leave halls.

Operating Expenditure

Expenditure in the year, including costs of the LGPS FRS102 pension charge, totalled £216.8m, a 5.1% increase over the prior year.

Staff costs (excluding restructuring costs) increased against the previous year by £3.8m (3.3%) to £121.1m. These costs represent 56.0% of total expenditure. All of the increase in cost is attributable to rising LGPS and Teacher's Pension Scheme (TPS) costs. If these costs were excluded, there would be a £0.1m decrease in staff costs year-on-year, reflecting the fact that average staff numbers have decreased by 60 in 2019/20 compared with the prior year.

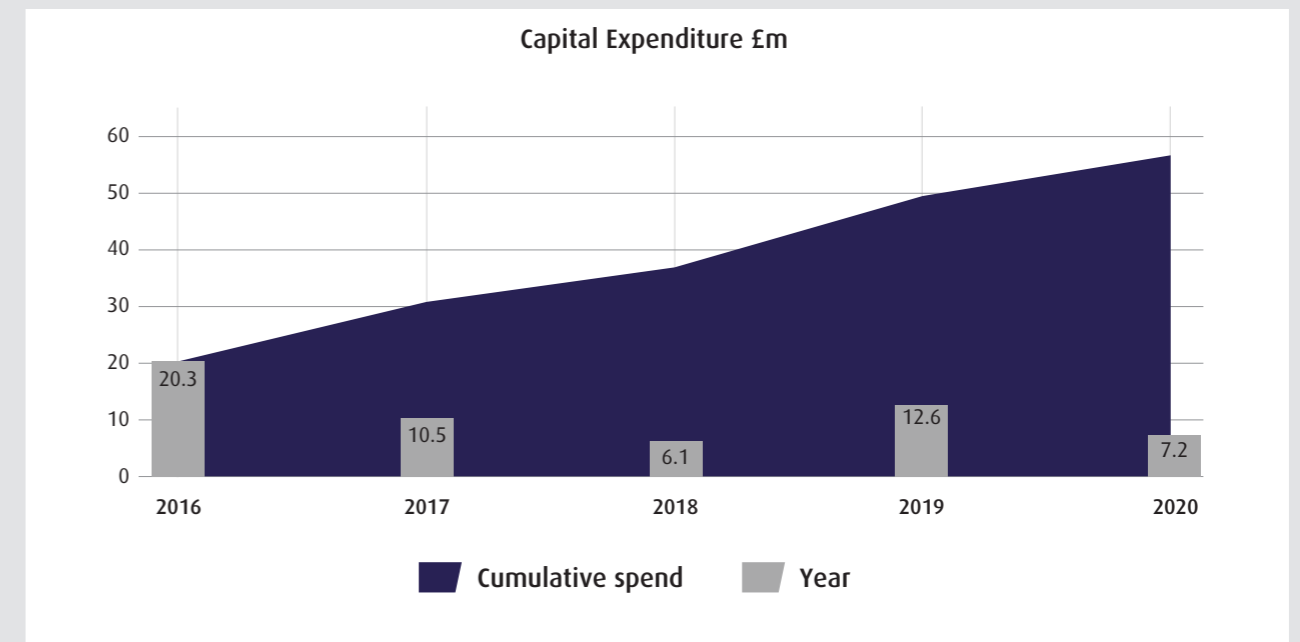
Spend on other operating expenses increased by £6.6m to £75.3m compared with the previous year, and represents 34.7% of total expenditure. The most significant increases are due to increased agents' commission payable as a result of the increase in International students, and an increase in our provision for bad and doubtful debts due to the impact of COVID-19 on the University's ability to recover outstanding fees and trade debt. We also incurred some one-off estate costs in the course of terminating the lease of one of our buildings. Our transition to remote working led to some savings in a few other expenditure categories such as travel and hospitality, but these were marginal in terms of overall costs.

Depreciation has increased to £13.0m, a 12.4% increase from 2018/19. £0.9m of the increase relates to a finance lease the University took out as part of a major project to transform our networking and telephone infrastructure and equipment. Depreciation makes up 6.0% of total expenditure in 2019/20, reflecting the significant investment the University has made over the last few years in our infrastructure at the Hendon campus.

Interest and other finance costs have increased by £0.2m against last year to £7.0m. This reflects an increase in the ongoing interest expense relating to the bank loans utilised to fund the Hendon campus estate infrastructure developments, which this year was £4.6m.

Capital Investment

Over the last five years the University has spent £56.7m on capital investment, as detailed in the chart below:



In 2019/20 we continued to invest in our estates, with expenditure in-year including upgrades and reconfigurations of our working environment, the commencement of the Network and telephone infrastructure replacement programme and installation of modern Audio Visual equipment in many of our teaching rooms to ensure our students benefit from the most up-to-date facilities.

During the months impacted by the COVID-19 pandemic, we took the decision to pause a number of its capital projects (those not related to health and safety or working and teaching remotely) in order to preserve our cash and liquidity levels. We plan to continue investing in infrastructure over the next couple of years, with the major projects being the development of the new West Stand in order to increase our existing teaching space in Sports Science and Nursing courses, and the continuation of the Network and Telephone infrastructure replacement programme that started in 2019/20. Over the next five years we expect to make

a major investment in our Hendon campus, working with our partners at London Borough of Barnet.

Net Assets

At 31 July 2020, total net assets were £33.5m, a decrease of £48.5m (59%) from the previous year's figure of £82.0m. This fall in net assets is much greater than the deficit of £3.4m.

The main reason for the reduction in the 2020 figure relates to the provision for the obligation to fund the deficit in the LGPS which has significantly increased from £110.8m last year to £163.5m this year (note 22).

Although this provision comprises a significant share (54%) of the total balance sheet group liabilities at 31 July 2020, the LGPS is completely independent of the group, which has no control over its policies or decisions (note 31).

FINANCIAL REVIEW FOR THE YEAR ENDED 31 JULY 2020 (continued)

The increase in the provision reflects the assumptions used by the independent LGPS actuary at 31 July 2020. This increase is primarily driven by a significantly lower net discount rate of 1.4% (2.1% at 31 July 2019) based on AA Corporate bond yields that have fallen due to the low interest environment and economic growth prospects combined with a rise in the projected life expectancy of current and future pensioners has served to increase the value of fund obligations by £32.1m.

Furthermore there have been adverse returns on the fund assets which decreased by £12.8m. Over time the balance sheet liability and the cash contributions available to fund the pension obligation have diverged and so greater reliance is being placed on asset returns to fund the obligations.

Overall these changed actuarial assumptions result in a £44.9m negative movement in the Statement of Other Comprehensive Income.

Net current assets have increased by £4.5m to £72.2m due to the combined effects of increased cash, short term deposit and investment balances. These are offset by smaller increases in creditors and in debt balances that continue to reflect effective credit control measures in the year. The 31 July 2020 figure represents net liquidity of 178 days to meet short-term obligations.

Cash Flow and Treasury Management

The level of group cash and cash equivalents (note 24) and current investments (note 19) increased by £2.5m at the end of the financial year to £99.2m. 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. Current investments are deposits held with Lloyds Bank with more than three months maturity at the Statement of Financial Position date.

This positive cash inflow is generated from the net of operating and financing activities in the year.

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 £82.9m in 2018/19 to £88.6m this year, with the balance ranging from a minimum of £68.2m to a maximum of £110.6m over the year.

These cash in hand levels are in line with our target to maintain a minimum working capital cash level at two months of expenditure. The University recognises the importance of continuing to maintain this level of cash, particularly in the current climate of uncertainty. We have taken a number of measures to preserve our liquidity levels, including increased scrutiny over recruitment decisions, pausing capital expenditure where possible and careful management of budgets. In addition, the University is in regular discussion with its banks to review loan covenants and ensure we have ready access to funds. Our banks (Lloyds and Barclays) have worked collaboratively with us to mitigate the impact of COVID-19 and its implication on our financial performance and bank covenants. As a consequence of those discussions we have amended the bank covenants for 2019/20 and agreed in principle new covenants for 2020/21. The partnership and support from the Banks is very valuable to us.

Risks

The ongoing COVID-19 outbreak means that we are still operating with a high degree of uncertainty, both in the short and longer term. Since March 2020 we have mitigated the risks posed by the pandemic in a number of ways. These include adopting a continuum blended learning model for the 2020/21 year which is flexible enough to enable us to respond as conditions change, enacting plans to ensure costs are controlled and liquidity levels remain healthy, and extensive scenario planning that allows us to be agile and respond quickly to the ever evolving situation, depending on the position on student recruitment and retention in the coming year. It is however impossible to capture all the

potential longer term effects of the pandemic with any certainty, given its implications for all areas of the University's activity, including technology, learning, data security and liquidity.

Even in its normal business, the University is exposed to a number of risks as a result of several external factors including UK policy decisions, our future relationship with the European Union and new levels of competition for student recruitment. As stated above, COVID-19 accentuates these risks in many ways.

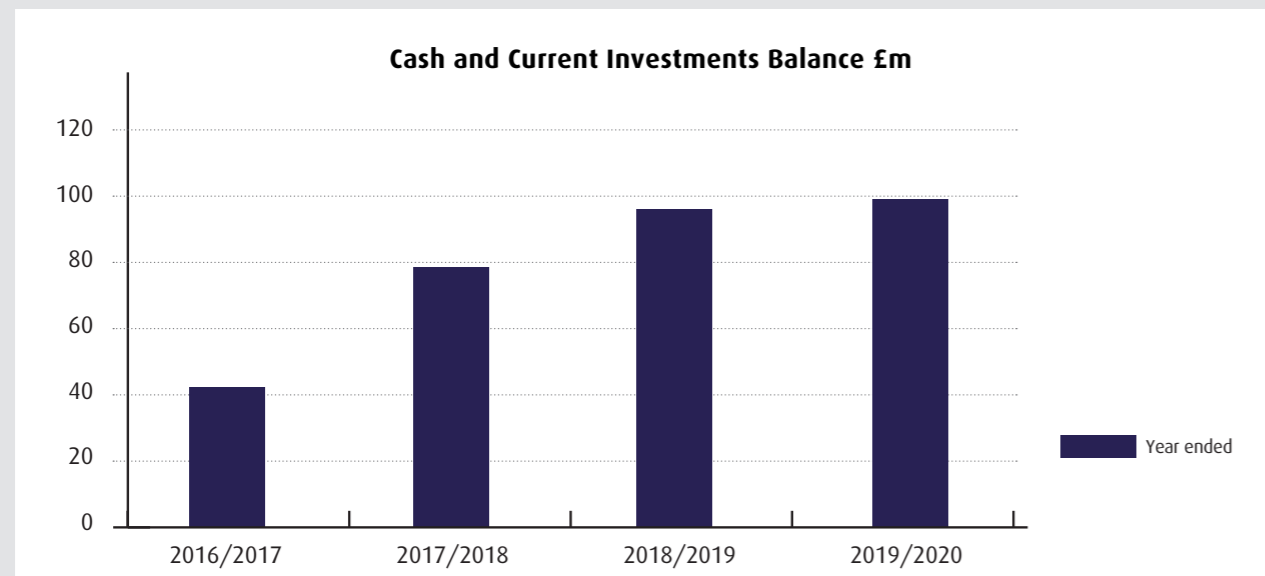
Actions are being taken to mitigate those risks that threaten the achievement of the University's strategic aims. The University has a well-established set of procedures to assess and manage risks at both the corporate and departmental level which includes the corporate risk register. In addition, we established an Incident Management team to manage the initial crisis caused by the pandemic and moved to a reconfigured governance model to plan for the return to campus and the new Academic year.

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

— Policy, Regulation and Compliance

Higher Education continues to remain high on the Government agenda, and policy continues to change and evolve at pace. The impact of COVID-19 has accentuated this, with the University needing to respond over the summer promptly to both the initial introduction of a student number cap and the adjustment to this policy following the revision of the mechanism for awarding A-Levels. The sector is still awaiting the Government's response to the Post-18 review of education and funding in 2019, which could impact on both policy and fee levels.

The University will continue to plan for a variety of scenarios and to proactively influence Government and other stakeholders' policies. 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.



FINANCIAL REVIEW FOR THE YEAR ENDED 31 JULY 2020 (continued)

— Failure to achieve student recruitment and retention targets

As previously stated, tuition fees are a substantial proportion of the University's total income, being dependant on both strong recruitment and retention to ensure financial performance is in line with forecast. In what is an already difficult environment, with increased competition for a reduced number of 18 year olds, COVID-19 has further increased the risk in this area. Limits on international and domestic travel, social distancing rules, changes in provision of teaching and learning on campus, and the possibility of future lockdowns could all have an impact on our recruitment of students (particularly from overseas) and on ensuring enrolled students continue with their studies.

The University has followed Government advice in responding to the COVID-19 pandemic, and for the new Academic year has moved to a responsive, blended learning model with a mix of virtual and face-to-face teaching. This is a flexible model that can be adapted to students' needs, and is designed to maximise student engagement and success. In addition the University has sought to move many student support services online so that these can be accessed from wherever the student is.

More generally, the University will mitigate the risks of volatility in the 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 plans to improve student retention.

A key aim of the University strategy is designed to further 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

The UK is due to leave the European Union following the transition period on 1 January 2021. Continuing uncertainty over the outcome of the Brexit negotiations may negatively affect our recruitment and retention of both EU staff and students, as well as having a wider impact on research and innovation, such as access to EU research funding. It has already been confirmed that students from the EU commencing courses from 2021/22 Academic year are no longer eligible for home fee status.

We have experienced a decrease in the recruitment of EU students for the academic year 2020/21 which could be attributed to the Brexit negotiations and its implications on applicants from the EU.

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. We are also developing new recruitment channels within EU countries.

— 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. In addition, the University's ongoing response to the COVID-19 pandemic has incurred additional costs.

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 considerable increases in pension costs that impact on both the University's income and expenditure and on the level of our reserves.

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. In addition, the University will shortly introduce a new defined contribution pension scheme for new non-Academic staff joining the University, which will mitigate the long-term risk associated with the current defined benefit scheme.

— Insufficient liquidity to support our long-term investment in infrastructure and technology

The University has generated cash from its operating activities and is using this to invest in its infrastructure and facilities in line with its capital plan, which is reviewed regularly to ensure its relevance to the overall University strategy.

Given the pressure on income and costs as described above, enhanced by COVID-19 and its implication, there is additional pressure on cash and liquidity, this increases the risk of the University's ability to invest in its estate. This year, as an immediate response to COVID-19, we have put a number of such investments on hold. The University is in the process of securing a credit facility which could be used to support some short term investments.

— Reliance on IT systems and importance of data security

Technology has become a bigger part of our daily and business lives and has a significant impact on the way we communicate, work, learn and live. Middlesex has invested and will continue to invest in new technologies and its network infrastructure to enhance our students' learning experience and to improve the way we work. Our robust technological and network infrastructure and our use of technology were key in allowing us to respond to COVID-19 and to continue our core activities while working and learning remotely.

With the ever growing reliance on technology comes greater risk. IT systems, applications and software become ever more vital. Due to COVID-19 more students and staff are relying on the ability to log-in to the University's systems remotely. A major disruption to our systems and network could have a significant impact on student experience and staff working from home. We are also dependent on the national infrastructure and individual students' and staff members' access to the internet. The University provides support to those in need of help with access to the University's systems, for example the university provides laptops on loan and Wi-Fi dongles.

With the increased online traffic, we are more exposed to attempted hacking into our systems and other fraudulent attempts. The University has a robust cyber security system and plans to mitigate those risks, but the risk cannot be entirely eliminated. We promote cyber-security awareness among staff and students to support this effort.

Going Concern

The University's business activities and future activities are set out in the University strategic report and overview on pages 7 to 59.

After reviewing the University financial position, forecasts, financial facilities and financial liabilities as provided on page 89 (see accounting policy B. Going Concern) 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.



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 (December 2014 version, revised June 2018) 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.

In order to operate more transparently and efficiently, the Board revised its Instrument and Articles of Government in July 2020. Following Board approval of those documents the set of internal regulations were updated and Board approval was sought in November 2020. These regulations set out internal rules and procedures for certain decisions. They will be subject to regular review and updating.

The Governing Body is responsible for managing the University and exercising the powers assigned to the University in the Articles. It sets the University's strategic aims, monitors the implementation of the activities undertaken to achieve these, and reports to stakeholders on its stewardship. The Board publishes its minutes on to intranet to promote transparency to internal stakeholders in how it carries out its responsibilities.

The Board has agreed a Policy on Public Interest Disclosure, which is published on the University's website.

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.

Reporting to the Board of Governors are the Audit and Risk Committee, the Finance and Infrastructure Committee, the Governance, Nominations and People Committee, and the Remuneration Committee. These committees are chaired by, and their membership made up primarily from, the independent members of the Board.

Students and staff are represented on the Board of Governors. Members of the University Executive Board attend all Board meetings, and Committee meetings as required.

The Governing Body ensures that there are adequate and effective arrangements in place to provide transparency about value for money and to ensure public funds are managed appropriately in line with the conditions of grant and the principles of regularity, propriety and value for money, and to protect the interests of taxpayers and other stakeholders. The University's Audit and Risk Committee receives an annual report on value for money arrangements prior to the presentation of the report to the Governing Body. The University's internal auditor is required to provide an annual report to the University's Audit and Risk Committee and the Governing Body expressing the internal

auditor's opinion on the adequacy and effectiveness of the University's arrangements for value for money. The Audit and Risk Committee, in turn, provides an annual report to the Governing Body which includes the Committee's opinion on the adequacy and effectiveness of the University's arrangements for value for money.

The University's external auditor is required by the Office for Students' (OfS) Accounts Direction to provide an opinion to the Governing Body on whether, in all material respects, funds (including public funds) have been applied for the intended purposes. This opinion is included in the Independent Auditor's Report to the Members of the Governing Body in the University's Report and Financial Statements.

This Corporate Governance statement covers the period for the year ended 31 July 2020 and up to the date of approval of the annual accounts.

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 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 Governors have regard to the Charity Commission's guidance on public interest. Our activities for public interest are outlined on pages 14 to 55.

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.

CORPORATE GOVERNANCE

(continued)

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 oversee¹. 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.

In meeting the OFS requirements, the University has demonstrated that it meets the public interest governance principles.

Conduct of business

The Board normally 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. Open sessions are held for governors where students describe their experiences, concerns, and key issues. 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.

Due to continued public health precautions regarding in-person gatherings given the coronavirus (COVID-19) pandemic and to support the health and wellbeing of governors, the format of Board and Committee meetings changed from March 2020 to virtual-only meetings, instead of in-person meetings.

Three supplementary Board meetings were scheduled between June and September 2020 to consider COVID-19 related matters.

The Board of Governors conducts periodic reviews of effectiveness in accordance with the Committee of University Chairs (CUC) Code of Governance. The last review was completed in 2015. The Board intended to conduct a review in 2020 following the recruitment of new Governors during 2019 but did not consider it to be beneficial to conduct an entirely remotely delivered review during the pandemic period. Instead the Board agreed to postpone its next effectiveness review to Spring 2021. In the meantime the Governance, Nominations and People Committee has considered the main elements usually covered in an effectiveness review along with current practice and possible options for further enhancement.

Appointment of new Vice-Chancellor

The Board of Governors began the process of appointing a new Vice-Chancellor in June 2019, seeking someone who would project a distinct Middlesex vision and mission. A selection committee was established for this process. At the Board meeting on 25 November 2019 governors ratified the appointment of Professor Nic Beech who took up post on 3 February 2020.

The Board appointed James Kennedy, Chief Financial Officer, as Interim Vice-Chancellor from 2 September 2019 until Professor Beech started in February 2020, after which time he returned to his substantive role to continue to play an important and critical leadership role as part of the University Executive Team.

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.

Attendance at Finance and Infrastructure Committee meetings has been as follows:

Name	4 November 2019	29 January 2020	24 February 2020	15 June 2020
Martin Taylor	present	present	present	present
Mark Jopling	apologies	not applicable for this meeting	not applicable for this meeting	not applicable for this meeting
Chris Fenton	present	apologies	present	present
Simon Darling	present	present	present	present
Andy Wilson	present	present	present	present

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.

Attendance at Audit and Risk Committee meetings has been as follows:

Name	11 November 2019	9 March 2020	22 June 2020
Marianne Neville-Rolfe	present	present	present
Paul Pugh	present	present	present
Matt Lewis	present	present	present
Mark Leach	present	apologies	present
Michael Ekpe	not applicable for this meeting	present	present

¹Key Performance Indicators (KPIs) have been developed to allow the University to monitor its progress towards achieving its strategic objectives.

CORPORATE GOVERNANCE

(continued)

Remuneration Committee

Responsibilities of the Remuneration Committee

The Remuneration Committee is responsible for agreeing the pay and conditions for the Vice-Chancellor, and other members of the University Executive Group. The University Executive Team (UET) comprises:

- Vice-Chancellor
- Deputy Vice-Chancellor, Learning and Innovation
- Chief Financial officer
- Chief Operating Officer
- Chief Commercial Officer
- Chief People Officer
- Pro Vice-Chancellor, Executive Dean – Faculty of Science and Technology
- Pro Vice-Chancellor, Executive Dean – Faculty of Professional and Social Sciences
- Pro Vice-Chancellor, Executive Dean – Faculty of Arts and Creative Industries.

Membership of the Remuneration Committee

During 2019/20, the membership of the Remuneration Committee included:

- Matt Lewis
- Geraldine Proudler
- Martin Taylor
- John Athanasiou (until March 2020)
- Rebecca Bunting (until December 2019).

All appointments to the Committee are approved by the Board of Governors.

The Remuneration Committee is chaired by an Independent Governor other than the Chair of the Board, which means that the person with responsibility for appraising the performance of the Vice-Chancellor does not also chair the Committee. The Vice-Chancellor is not a member of the Committee.

Operation of the Remuneration Committee

The University complies with the Committee of University Chairs (CUC) Higher Education Senior Staff Remuneration Code and operates in accordance with best practice as recommended in the Higher Education Code of Governance and other relevant guidance, focusing on a fair, appropriate and justifiable level of remuneration, procedural fairness, and transparency and accountability.

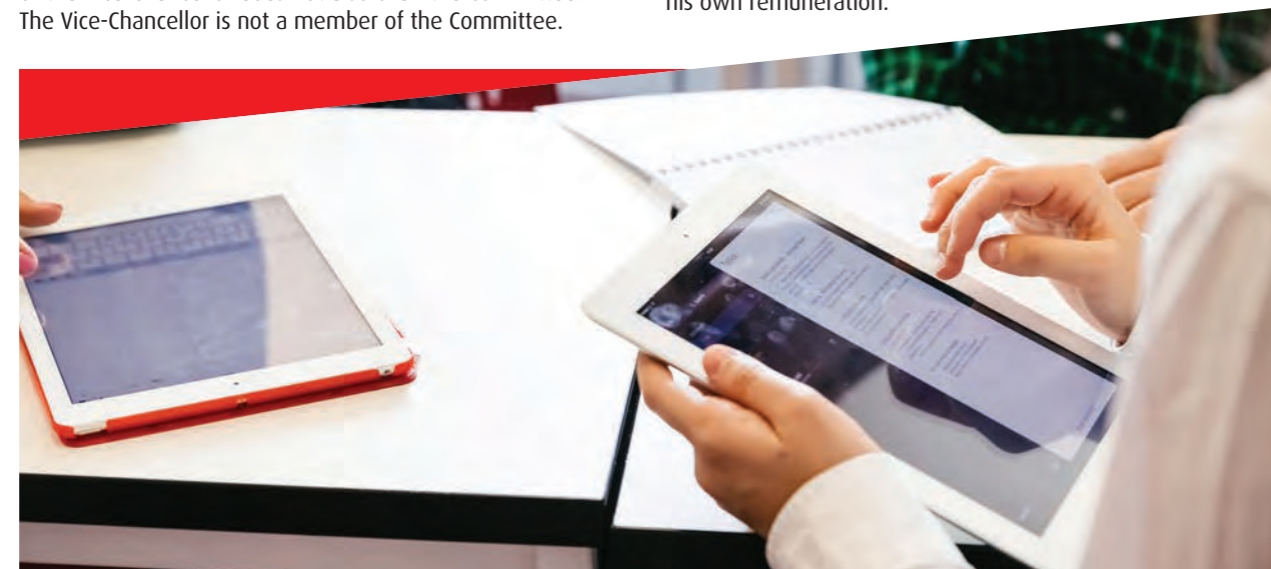
The governance arrangements and the processes that underpin the determination of Vice-Chancellor and senior staff pay are kept under review to ensure that the Committee operates in line with best practice.

Frequency of Remuneration Committee Meetings

The Remuneration Committee usually meets twice per financial year but met three times during 2019/20. Attendance at meetings has been as follows:

Name	21 October 2019	18 November 2019	13 January 2020
Matt Lewis	present	present	present
Geraldine Proudler	present	present	present
Martin Taylor	present	present	present
John Athanasiou	present	present	present
Rebecca Bunting	apologies	present	not applicable for this meeting

The Chief People Officer attends meetings by invitation of the Committee to provide specialist knowledge and support but he is not present for any consideration of his own remuneration.



Approach to Remuneration

The Committee applies a strong, evidence-based ethos to its discussions. The Committee works within the parameters of the Remuneration Policy, which is determined by the Board and 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.

Approach to Vice-Chancellor's Remuneration

The current Vice-Chancellor, Professor Nic Beech, took up the post at Middlesex University on 3 February 2020.

At its meeting in October 2019 the Remuneration Committee considered a number of issues to form a framework for a remuneration package for the new Vice-Chancellor including basic salary, pension, performance related pay/bonus, relocation costs. Other considerations such as car, car allowance, accommodation, private medical insurance, and end of term sabbaticals were not considered to be in scope for a Middlesex candidate.

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.

The Vice-Chancellor's objectives are recommended by the Chair of the Board in consultation with Committee members. A report on the Vice-Chancellor's performance against agreed objectives is completed by the Chair of the Board and then considered by the Remuneration Committee. The Vice-Chancellor's incoming salary reflected the following considerations:

- Market rate by size and complexity of institution, including turnover
- Market rate by geographic region
- Relative costs of living
- Sector norms and salary/pension trends.

Details of remuneration for the year ended 31 July 2020 are set out in note 9 of the Financial Statements.

Approach to University Executive Team remuneration

Members of the University Executive Team (UET) have an annual Performance Development Review meeting with the Vice-Chancellor to review performance against objectives and to agree objectives for the next academic year. The Committee reviews and agrees the remuneration for each member of UET based on information provided by the HR Director following the appraisal process and within the parameters of the Remuneration Policy (as agreed in November 2017). In reaching its decisions on remuneration packages for individual Executive members of staff the Committee take into account:

- Performance against objectives
- Sustained performance over time
- External benchmarks and comparators
- Affordability.

External Appointments

The Vice-Chancellor and senior staff contracts include a requirement for exclusivity of service which means that staff are not permitted to take on work with or for any organisation other than the University without permission. The Vice-Chancellor does not receive income from any external bodies.

Expenses

All expenditure for and by the Vice-Chancellor is wholly and exclusively for approved University business with the aim of enhancing the outcomes for students and staff.

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 arrangements, 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.

Attendance at Governance, Nominations and People Committee meetings has been as follows:

Name	21 October 2019	13 January 2020	8 June 2020
Geraldine Proudler	present	present	present
Marianne Neville-Rolfe	apologies	present	present
Martin Taylor	present	present	present
Matt Lewis	present	present	present
James Kennedy	present	present	present

CORPORATE GOVERNANCE

(continued)

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. Reports from Academic Board meetings

are presented at Board meetings along with the minutes and key points are drawn to Governors' attention.

In line with the development of the new strategy there is Governor representation on a joint steering group linking with Academic Board.

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. Demitted office on 24 March 2020
- Mr Anas Badar**, Student Governor appointed 1 July 2019. Demitted office on 30 June 2020
- Professor Nic Beech**, Vice-Chancellor appointed 3 February 2020
- Ms Tahmina Choudhery**, Student Governor appointed 20 January 2020
- Professor Tim Blackman**, Vice-Chancellor. Demitted office on 2 September 2019
- Professor Rebecca Bunting**, Independent Governor appointed 1 July 2019. Demitted office on 4 December 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 Gagandeep Kaur**, Student Governor appointed 1 July 2020
- Mr Mark Leach**, Independent Governor appointed 1 July 2019
- Mr Andy Wilson**, Independent Governor appointed 23 September 2019
- Mr James Kennedy**, Interim Vice-Chancellor until 1 February 2020
- Mr Mark Jopling**, Independent Governor appointed 10 March 2017. Demitted office on 20 January 2020
- 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. Demitted office on 21 September 2020

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 2020 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.

The Strategic Risk Register is the focus for the documentation and assessment of key strategic risks. The Register identifies and defines individual risks, assesses their likelihood and impact and outlines the mitigating actions in place or underway to reduce the impact of the risk.

The table below summarises the key strategic risks that could impact on the University's ability to deliver our strategic objectives and the mitigating actions and controls in place to manage them effectively.

RISK CATEGORY	RISK DESCRIPTION	RISK MITIGATION
Student journey and outcomes	<ul style="list-style-type: none"> — Teaching quality and academic support — Organisation and learning infrastructure — Student wellbeing and engagement — Student voice and community — Research benefitting students. 	<ul style="list-style-type: none"> — Increase digital delivery and academic support — Establish student councils to advise on inclusive curriculum — Support personal tutors in providing wellbeing advice in addition to dedicated services — Joint events and communications with the Students' Union.
Financial sustainability	<ul style="list-style-type: none"> — Overall financial sustainability — Student recruitment — Income diversification — Research and Knowledge Exchange. 	<ul style="list-style-type: none"> — Agile budgeting and forecasting to allow responses to changing situation — Campaign to increase conversion from offer to enrolment of UK and overseas students — Implement strategy for growing apprenticeship provision — Enhance support and capability for research and industrial funding bids.
External environment	<ul style="list-style-type: none"> — Brexit — National and HE Policy — Coronavirus. 	<ul style="list-style-type: none"> — Active engagement in policy and advocacy groups — Internal sharing of sector intelligence — Brexit planning group to coordinate preparations and manage impacts — Coordinated communications on coronavirus interventions and controls.
Internal environment	<ul style="list-style-type: none"> — Culture and people — Estates — Student Space. 	<ul style="list-style-type: none"> — Align Culture and People Strategy to new university Strategy — Integrate new leadership framework into policies and appraisals — Deliver programme for timetable, teaching space and student accommodation improvements.
Compliance	<p>Includes:</p> <ul style="list-style-type: none"> — Office for Students HE Provider status — UKVI sponsor licence — Cyber security — General Data Protection Regulation — Prevent Duty. 	<ul style="list-style-type: none"> — Shared action plan between visa compliance team and international student support — Ongoing review of cyber vulnerabilities — Expand cybersecurity and data protection training — Implement initiatives to prevent extremism and hate crime.



The Board of Governors has delegated 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 Strategy 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 University Executive Team (UET) 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 UET 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 UET 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 control.

- During 2019/20 the internal auditors assessed the University's compliance with the OfS ongoing conditions of registration and requested evidence that demonstrated consideration of each of the 24 conditions of registration. The review concluded that that the University had illustrated a robust approach to ensuring all conditions of the OfS registration were complied with, and that there were appropriate governance and reporting structures in place to monitor this.
- 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 considers 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 and Infrastructure Committee and Governors. The annual budget and financial forecasts are presented to the Finance & Infrastructure Committee ahead of formal approval by the Board of Governors.

CORPORATE GOVERNANCE

(continued)

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 2020 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 23 November 2020, 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

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 (OfS) terms and conditions of funding and the Funding Agreement with the Department for Education (DfE), 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 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 and the Department for Education 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 BOARD OF 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 2020 which comprise the Consolidated and University Statement of Comprehensive Income and Expenditure, Consolidated and University Statement of Changes in Reserves, Consolidated and University Statement of Financial Position, 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 2020 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; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

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 board of governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the board of 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 board of 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.

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 University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation.
- Funds provided by the OfS and UK Research and Innovation (including Research England) and the Department for Education, have been applied in accordance with the relevant terms and conditions.
- The requirements of the OfS's Accounts Direction (OfS 2019.41) have been met.

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

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

Responsibilities of the governors

As explained more fully in the board of governors' responsibilities statement set out on page 77, the governors is 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 board 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/auditorsresponsibilities. 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 governors, as a body, in accordance with Section 75 of the Higher Education and Research Act 2017. Our audit work has been undertaken so that we might state to the University's board of 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 board of governors as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP

Paula Willock
(Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Gatwick, UK

Date: 3 December 2020

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

FINANCIAL STATEMENTS

MIDDLESEX UNIVERSITY – CONSOLIDATED AND UNIVERSITY STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE

Year Ended 31 July 2020

	Notes	Year Ended 31 July 2020		Year Ended 31 July 2019	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
Income					
Tuition fees and education contracts	3	162,651	154,433	157,608	148,535
Funding body grants	4	18,092	18,092	17,775	17,775
Research grants and contracts	5	3,355	3,123	4,529	4,159
Other income	6	28,479	25,485	31,632	28,951
Investment income	7	704	694	411	395
Total income before endowments and donations		213,281	201,827	211,955	199,815
Donations and endowments	8	185	185	220	220
Total income		213,466	202,012	212,175	200,035
Expenditure					
Staff costs	9	121,475	111,492	119,245	109,228
Other operating expenses	10	75,320	73,839	68,687	67,577
Depreciation	14	13,035	12,953	11,601	11,512
Interest and other finance costs	11	6,994	7,021	6,811	6,779
Total expenditure	12a	216,824	205,305	206,344	195,096
(Deficit)/surplus before other gains/losses		(3,358)	(3,293)	5,831	4,939
(Deficit)/surplus before tax		(3,358)	(3,293)	5,831	4,939
Taxation	13	(74)	-	(65)	-
(Deficit)/surplus for the year		(3,432)	(3,293)	5,766	4,939
Other comprehensive income/(expense)					
Actuarial loss in respect of LGPS pension scheme	31	(44,892)	(44,892)	(20,902)	(20,902)
Foreign exchange translation loss on foreign currency net investment in subsidiaries		(168)	-	(16)	-
Total comprehensive expense for the year		(48,492)	(48,185)	(15,152)	(15,963)

MIDDLESEX UNIVERSITY – CONSOLIDATED AND UNIVERSITY STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE

(continued)

Year Ended 31 July 2020

	Notes	Year Ended 31 July 2020		Year Ended 31 July 2019	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
Represented by:					
Endowment comprehensive income for the year	23	51	51	72	72
Unrestricted comprehensive expense for the year		(48,583)	(48,175)	(15,294)	(15,974)
Revaluation reserve comprehensive income for the year		(61)	(61)	(61)	(61)
Attributable to the University		(48,593)	(48,185)	(15,283)	(15,963)
Attributable to the non-controlling interest		101	-	131	-
Total comprehensive expense for the year		(48,492)	(48,185)	(15,152)	(15,963)
(Deficit)/surplus for the year attributable to:					
Non-controlling interest		101	-	131	-
University		(3,533)	(3,293)	5,635	4,939
(Deficit)/surplus for the year		(3,432)	(3,293)	5,766	4,939

All items of income and expenditure, and the deficit for the year, is derived from continuing activities. The accompanying notes and policies on pages 89 to 131 form part of these Financial Statements.

MIDDLESEX UNIVERSITY – CONSOLIDATED AND UNIVERSITY STATEMENT OF CHANGES IN RESERVES

Year Ended 31 July 2020

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 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 income/(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
(Deficit)/surplus for the year	188	(3,721)	-	(3,533)	101	(3,432)
Other comprehensive income	-	(44,892)	-	(44,892)	-	(44,892)
Transfers between revaluation and income and expenditure reserve	-	61	(61)	-	-	-
Foreign exchange translation loss on foreign currency net investment in subsidiaries	-	(168)	-	(168)	-	(168)
Release of restricted funds spent in year	(137)	137	-	-	-	-
Total comprehensive income/(expense) for the year	51	(48,583)	(61)	(48,593)	101	(48,492)
Balance at 31 July 2020	669	13,008	19,664	33,341	185	33,526

MIDDLESEX UNIVERSITY – CONSOLIDATED AND UNIVERSITY STATEMENT OF CHANGES IN RESERVES (continued)

Year Ended 31 July 2020

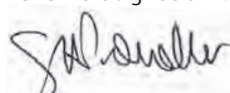
University	Income and expenditure reserve		Revaluation reserve	Total	Non-controlling interest	Total including non-controlling interest
	Endowment	Unrestricted				
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 August 2018	546	74,473	19,786	94,805	-	94,805
Surplus for the year	217	4,722	-	4,939	-	4,939
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 income/(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
(Deficit)/surplus for the year	188	(3,481)	-	(3,293)	-	(3,293)
Other comprehensive income	-	(44,892)	-	(44,892)	-	(44,892)
Transfers between revaluation and income and expenditure reserve	-	61	(61)	-	-	-
Release of restricted funds spent in year	(137)	137	-	-	-	-
Total comprehensive income/(expense) for the year	51	(48,175)	(61)	(48,185)	-	(48,185)
Balance at 31 July 2020	669	10,324	19,664	30,657	-	30,657

MIDDLESEX UNIVERSITY – CONSOLIDATED AND UNIVERSITY STATEMENT OF FINANCIAL POSITION

Year Ended 31 July 2020

	Notes	As at 31 July 2020		As at 31 July 2019	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
Non-current assets					
Fixed assets	14	209,198	209,070	215,069	214,872
Investments	16	36	36	36	36
Investment in subsidiaries	16	-	25	-	25
		209,234	209,131	215,105	214,933
Current assets					
Stock	17	3	3	4	4
Trade and other receivables	18	27,475	26,342	25,140	23,971
Investments	19	5,030	5,030	-	-
Cash and cash equivalents	24	94,183	88,249	96,662	90,539
		126,691	119,624	121,806	114,514
Less: Creditors: amounts falling due within one year	20	(54,461)	(50,160)	(54,117)	(49,829)
Net current assets		72,230	69,464	67,689	64,685
Total assets less current liabilities		281,464	278,595	282,794	279,618
Creditors: amounts falling due after more than one year	21	(78,098)	(78,098)	(82,362)	(82,362)
Provisions					
Pension provisions	22	(168,531)	(168,531)	(116,257)	(116,257)
Other provisions	22	(1,309)	(1,309)	(2,157)	(2,157)
Total net assets		33,526	30,657	82,018	78,842
Restricted Reserves					
Income and expenditure reserve – endowment reserve	23	669	669	618	618
Unrestricted Reserves					
Income and expenditure reserve – unrestricted		13,008	10,324	61,591	58,499
Revaluation reserve		19,664	19,664	19,725	19,725
		33,341	30,657	81,934	78,842
Non-controlling interest		185	-	84	-
Total Reserves		33,526	30,657	82,018	78,842

The Financial Statements were approved and authorised for issue by the University Board of Governors on 23 November 2020 and were signed on its behalf on that date by:



Geraldine Proudler
Chair of the Board of Governors



Professor Nic Beech
Vice-Chancellor



James Kennedy
Chief Financial Officer

The accompanying notes and Policies on pages 89 to 131 form part of these Financial Statements.

MIDDLESEX UNIVERSITY – CONSOLIDATED STATEMENT OF CASH FLOWS

Year Ended 31 July 2020

	Notes	Year ended	Year ended
		31 July 2020	31 July 2019
		£'000	£'000
Cash flow from operating activities			
(Deficit)/surplus for the year before tax		(3,358)	5,831
Adjustment for non-cash items			
Depreciation	14	12,935	11,653
Decrease in stock	17	1	8
Increase in debtors	18	(2,335)	(2,347)
Increase in creditors	20 / 21	801	4,122
Increase in pension provision	22	7,382	6,127
(Decrease)/increase in other provisions	22	(848)	47
Adjustment for investing or financing activities			
Investment income	7	(704)	(411)
Interest payable	11	6,994	6,811
Endowment income		(184)	(214)
Loss on the sale of fixed assets	14	24	-
Capital grant income		(1,088)	(1,201)
Cash flows from operating activities		19,620	30,426
Taxation	13	(74)	(65)
Net cash inflow from operating activities		19,546	30,361
Cash flows from investing activities			
Capital grants receipts		988	1,432
Withdrawal of deposits		-	7,500
Investment income		704	411
Payments made to acquire fixed assets		(7,088)	(12,646)
New deposits		(5,030)	-
		(10,426)	(3,303)

MIDDLESEX UNIVERSITY – CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

Year Ended 31 July 2020

	Notes	Year ended 31 July 2020 £'000	Year ended 31 July 2019 £'000
Cash flows from financing activities			
Interest paid	11	(6,994)	(6,811)
Endowment cash received		184	214
Repayments of unsecured loans	20	(1)	-
Repayments of amounts borrowed	20/21	(3,656)	(3,517)
Capital element of finance lease payments	20	(964)	-
		(11,431)	(10,114)
(Decrease)/increase in cash and cash equivalents in the year		(2,311)	16,944
(Decrease)/increase in cash and cash equivalents in the year		(2,311)	16,944
Cash and cash equivalents at beginning of the year	24	96,662	79,734
Foreign exchange translation loss on cash and cash equivalents		(168)	(16)
Cash and cash equivalents at end of the year	24	94,183	96,662



MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS

Year Ended 31 July 2020

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 2019 edition and in accordance with Financial Reporting Standard 102 (FRS 102). They have also been prepared in accordance with the Accounts Direction issued by the Office for Students (OfS).

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 Financial Statements have been prepared on the basis that the University is a going concern. As part of the going concern assumption, the Board has considered the University's financial position over a period of twelve months from the date when the Financial Statements are authorised for issue. This period includes the current academic year and 2021/22 academic year.

The University's budget for 2020/21 was approved by the Board in July 2020 and included a financial forecast for future years.

In making the going concern assessment, the Board has considered the enrolled student numbers, October 2020 recruitment and the current cash balances and the impact of this on the cash flow forecasts. The Board also assessed the principal risks discussed at pages 65 to 67 of the Financial Review. Part of the assessment consisted of modelling a number of possible scenarios to reflect those risks, such as no overseas students in 2020/21 or a significant decrease in overall student numbers (international and home/EU) due to the pandemic.

There are still areas of uncertainty related to the potential implications of COVID-19 on the University's financial position, such as failing to meet the targets for January 2021 recruitment and loss of accommodation income or other demand led income.

The Board have reviewed these areas of uncertainty and have concluded that there is sufficient headroom in the forecasts such that these are not material uncertainties.

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

The forecast for 2021 indicates that one loan covenant could be breached. The University has agreed in principle with the lender to obtain a revolving credit facility of £25m which will include a reset of the covenants, which the University is expecting to meet. In the unlikely event that we are unable to agree a revised covenant the University has sufficient cash balances to repay the loan in the remote scenario that the lender would ask for repayment of the debt.

After reviewing the latest available information at its meeting on 23 November 2020 and having considered the various scenarios, based on the information known to the date of approval of this report and noted the available cash balances described above, the Board of Governors considered that the University has adequate resources to continue in operational existence for the foreseeable future. For this reason the University continues 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 2020. Details of the subsidiary undertakings included are given at note 30. 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 a subsidiary undertaking. The value of this minority interest 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 body 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 Statement of Financial Position 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.

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

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

1. **Restricted donations** – the donor has specified that the donation must be used for a particular objective.
2. **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.
3. **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.
4. **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 32 to 34.

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 5 April 2016 were contracted out of the State Second Pension (S2P) when contracting-out ceased on the introduction of the Governments new state pension on 6 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 Statement of Financial Position.

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 enhancements on termination can be estimated under FRS 102 and are included in the Financial Statements at note 22.

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

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 and service concession arrangements 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.

Service concession arrangements

Fixed assets held under service concession arrangements are recognised on the statement of financial position at the present value of the minimum lease payments when

the assets are brought into use with a corresponding financial liability.

Payments under the service concession arrangement are allocated between service costs, finance charges and financial liability repayments to reduce the financial liability to nil over the life of the arrangement.

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 statement of financial position 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 the 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 statement of financial position 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.

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

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 FRS 102 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 minimis £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:

Freehold Buildings

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

Equipment assets held under finance leases are depreciated over the life of the lease if this is a shorter period.

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.

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

L. Investments

Non-current asset investments

Non-current asset investments, including investments in subsidiaries and jointly controlled entities are held on the Statement of Financial Position at original cost of the investment less a provision for impairment in value where appropriate in the University's accounts. Impairment is assessed by comparing the carrying value of the investment against either an earnings or asset-based valuation of each entity as applicable to the business concerned.

Current asset investments

Current asset investments comprising of funds held on deposit in money market funds are recognised at cost less impairment. Current asset investments comprising listed equity investments or investment funds are stated at fair value with movements recognised in the surplus or deficit. Interest is accrued on a daily basis.

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 and cash equivalents.

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 Statement of Financial Position 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. The University is recognised as a charity by HM Revenue & Customs (Ref. XN92247). It is therefore a charity within the meaning of Paragraph 1 of Schedule 6 to the Finance Act 2010. Accordingly, the University is potentially exempt from UK taxation in respect of income or capital gains received within categories covered by Section 287 Corporation Tax Act 2009 (CTA 2009) and sections 471, and 478-488 of CTA 2010 (formerly enacted in section 505 of the Income and Corporation Taxes Act 1988 (ICTA)), 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 statement of financial position date.

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

Deferred tax is provided in full on timing differences that exist at the statement of financial position 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 statement of financial position 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 Instruments

FRS 102 sections 11 basic financial instruments and section 12 other financial instruments have been adopted in full.

Financial assets that are debt instruments including deposits and investments and financial liabilities including all loans are classified as basic instruments and held at amortised cost using the effective interest rate method or cost and are subject to an annual impairment review in accordance with FRS 102.

Other, more complex financial instruments and transactions are held at fair value, with changes in fair value taken direct to the statement of comprehensive income.

R. 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.

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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. However, given the judgemental nature of such estimates, actual results could be different from the assumptions used.

Key areas subject to judgement are as follows:

a. Leases classification (see note 28)

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.

b. Financial instruments

To determine whether an asset or liability that arises from a contract is a basic financial instrument and accounted for in accordance with FRS 102 Section 11 or Section 12 which applies to other, more complex financial instruments and transactions.

c. 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. The University has further reviewed factors for impairment in the light of COVID-19 and determined that no impairment is considered appropriate.

Other key areas of estimation uncertainty are as follows:

a. Local Government Pension Scheme (LGPS) defined benefit pension scheme (see note 31)

Obligation to fund pensions

The University has obligations to pay pensions benefits under the defined benefit LGPS pension scheme. The cost of these benefits and the estimate of the present value of the obligation depend on a number of critical underlying assumptions including: 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.

Sensitivity analysis

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 2020	Approximate % increase to defined benefit obligation	Approximate monetary amount (£'000)
0.5% decrease in the real discount rate for liabilities	11%	39,865
0.5% increase in the rate of increase in salaries	1%	4,323
0.5% increase in the rate of increase in pensions (CPI increases)	9%	34,718

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

Change in demographic assumptions at 31 July 2020

The principal demographic assumption is the longevity assumption (i.e. member life expectancy). For sensitivity purposes the actuary estimates that a one year increase in life expectancy would approximately increase the University defined benefit obligation between 3 to 5%. In practice the actual cost of one year increase in 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.

b. Pension enhancements on termination (see note 22)

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.

c. Tangible fixed assets depreciation (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. 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.

d. Trade and tuition fee debtors (see note 18)

The Group has a material level of exposure to collection of trade and tuition fee receivables. The estimate for receivables relates to the recoverability of the balances outstanding at the year end. Provisions in respect of these balances are calculated from a review performed on an accounts receivable aging method to determine whether debt is recoverable by aged group and a predetermined rate. Analysis of actual recovery compared with provisioning levels have not, to date, resulted in material variances.

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

3. TUITION FEES AND EDUCATION CONTRACTS

	Year ended 31 July 2020		Year ended 31 July 2019	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Full-time home and EU students	106,129	105,347	108,734	107,700
Full-time international (non EU) students	41,865	34,429	31,181	23,142
Part-time students	3,611	3,611	3,442	3,442
Apprenticeship Programmes	1,051	1,051	1,614	1,614
Short courses and CPD training	9,087	9,087	9,351	9,351
NHS education contracts	908	908	3,286	3,286
	162,651	154,433	157,608	148,535

4. FUNDING BODY GRANTS

	Year ended 31 July 2020		Year ended 31 July 2019	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Recurrent grant				
Office for Students (OfS)	10,208	10,208	10,286	10,286
Department for Education (DfE)	14	14	42	42
Specific grants				
Higher Education Innovation Fund	1,789	1,789	1,656	1,656
Research grants	4,993	4,993	4,507	4,507
Other grants	-	-	83	83
Capital grants released in year				
Buildings (OfS and Research England)	290	290	1,201	1,201
Fixtures, fittings and equipment (OfS and Research England)	798	798		
	18,092	18,092	17,775	17,775

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

5. RESEARCH GRANTS AND CONTRACTS

	Year ended 31 July 2020		Year ended 31 July 2019	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Research Councils	749	749	730	730
UK based research charities	262	262	601	601
UK central government	432	429	628	556
UK industry and commerce	244	15	419	121
European Commission	662	662	1,297	1,297
EU based research charities	205	205	12	12
EU other	84	84	53	53
Other overseas	652	652	752	752
Other sources	65	65	37	37
	3,355	3,123	4,529	4,159

6. OTHER INCOME

	Year ended 31 July 2020		Year ended 31 July 2019	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Residences, catering and conferences	8,367	8,367	9,235	9,235
Other services rendered	4,265	4,265	5,452	5,452
Sports income	344	344	338	338
Childcare	396	396	620	620
Rent and room hire	1,381	1,381	1,782	1,782
Validation fees	6,165	6,165	6,052	6,052
Subsidiary companies trading income	6,526	3,845	6,478	4,349
Other income	942	629	1,675	1,123
Other government grants	93	93	-	-
	28,479	25,485	31,632	28,951

Other government grants represent the University's claim for staff salaries through the Coronavirus Job Retention Scheme for the period 1 May to 31 July 2020. The claim was for 20 staff who were put on either full or flexible furlough due to falling University revenues because of COVID-19.

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

7. INVESTMENT INCOME

	Notes	Year ended 31 July 2020		Year ended 31 July 2019	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
Investment income on endowments	23	4	4	3	3
Other investment income		700	690	408	392
		704	694	411	395

8. DONATIONS AND ENDOWMENTS

	Notes	Year ended 31 July 2020		Year ended 31 July 2019	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
New endowments	23	184	184	214	214
Unrestricted donations		1	1	6	6
		185	185	220	220

Note: The source of grant and fee income, included in notes 3, 4, 5 and 6 is as follows:

Details of grant and fee income

	Year ended 31 July 2020		Year ended 31 July 2019	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Grant income from the Office for Students (OfS)	11,071	11,071	11,298	11,298
Grant income from other funding bodies	10,674	10,442	11,295	10,925
Fee income for taught awards*	154,985	147,340	149,498	141,107
Fee income for research awards*	1,714	1,714	1,630	1,630
Fee income from non qualifying courses*	5,747	5,174	6,191	5,509
Total grant and fee income	184,191	175,741	179,912	170,469

*amounts are exclusive of VAT

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

9. STAFF COSTS

	Notes	Year ended 31 July 2020		Year ended 31 July 2019	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
Salaries		89,306	79,528	89,308	79,500
Social security costs		8,959	8,843	9,091	8,921
LGPS FRS102 pension charge	31	5,396	5,396	4,063	4,063
Other pension costs	31	17,397	17,308	14,759	14,720
		121,058	111,075	117,221	107,204
Staff restructuring costs		417	417	2,024	2,024
Total		121,475	111,492	119,245	109,228

Other pension costs represent the University employers contributions to the Teachers' Pension Scheme (TPS) and the Local Government Pension Scheme (LGPS) shown at note 31.

	Year Ended 31 July 2020	Year Ended 31 July 2019
	Number	Number
Average group staff numbers by major category, expressed on a full-time equivalent basis, during the year were:		
Academic	945	957
Administration and senior management	775	815
Technical	88	85
Other (including Research)	38	49
	1,846	1,906

Vice-Chancellor remuneration Professor Nic Beech: 3 February 2020 – 31 July 2020

	£'000	£'000
Basic salary	124	–
Payments in lieu of pension contributions	12	–
Contribution to relocation costs	10	–
Total remuneration	146	–

Professor Nic Beech joined the University as Vice-Chancellor on 3 February 2020 on an annual basic salary of £250k and payments in lieu of pension contributions of £25k. Professor Nic Beech's annual total remuneration is £295k for the year ended 31 July 2020 (including one-off contribution to relocations costs totalling £20k).

The Vice-Chancellor did not receive any pension contributions in the year. The Vice-Chancellor voluntarily withdrew from the LGPS on the date of his appointment (3 February 2020) and, in accordance with an understanding reached upon joining the University and ratified by the Remuneration Committee, has received, from that date, a monthly salary adjustment (shown within remuneration as 'payments in lieu of pension contributions') in the form of earnings as 10% of his annual basic salary. The 10% is below LGPS Employer's pension contribution of 18.5% for the year ended 31 July 2020.

The Vice-Chancellor received £10k in the form of earnings which represents the first half of a £20k one-off contribution to relocation expense that was ratified by the Remuneration Committee. No performance related pay has been made during the year 2019/20.

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

9. STAFF COSTS (continued)

Justification for the total remuneration package for the Vice-Chancellor

Processes and oversight of remuneration decision

The Vice-Chancellor's remuneration is set by the University's Remuneration Committee.

To establish basic salary the Remuneration Committee considers pay benchmarking data in respect of heads of institutions provided annually by Universities and Colleges Employers Association (UCEA) and the Committee of University Chairs (CUC) for the UK Higher Education sector. Specific benchmarks include 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 University provides to the Vice-Chancellor only benefits in kind that simply flow from being an employee of the University and that are available to all employees. The extra allowances are paid in the form of earnings.

Performance-related pay is awarded based on Vice-Chancellor's previous year's performance and is linked to the value delivered by Vice-Chancellor.

Justification for the level of remuneration

The University is based in London and operates within a competitive employment market of the environment of higher education sector. The University aims to recruit and retain talented individuals in professional roles with appropriate skills, experience and performance in support of the University's strategic objectives. The remuneration packages are scrutinised by the Remuneration Committee to ensure the basic annual salaries and other earning allowances are appropriately set.

As per the Office for Students the average total remuneration of Vice-Chancellors in 2017/18 for higher education providers in the revenue range from £150m to £250m was £301k.

The Vice Chancellor's total annual remuneration of 295k in 2019/20 is below the average (£301k in 2017/18) and the Remuneration Committee considers this amount of remuneration to be an effective use of resources as it must attract the best leader possible in order to deliver the best outcomes for students, society and the economy.

Process for judging performance

The Remuneration Committee reviews 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 consideration also includes assessment of the Vice-Chancellor's individual performance based on the University's senior staff appraisal scheme where the level of pay awards to other senior staff is also taken into account.

	Year Ended 31 July 2020	Year Ended 31 July 2019
Interim Vice-Chancellor remuneration		
James Kennedy: 2 September 2019 – 2 March 2020	£'000	£'000
Basic salary	106	–
Pension contribution	20	–
Total remuneration	126	–

On 2 September 2019 James Kennedy (Chief Financial Officer) was appointed Interim Vice-Chancellor, who received a responsibility allowance of £57.1k per annum whilst performing these interim duties in addition to his annual basic salary which was £156k during the year ended 31 July 2020. James Kennedy reverted to the Chief Financial Officer role from 3 March 2020.

The pension contributions for the Interim Vice-Chancellor are in respect of employer's contributions to the Local Government Pension Scheme and are paid at the same rate as for other employees.

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

9. STAFF COSTS (continued)

	Year Ended 31 July 2020	Year Ended 31 July 2019
Former Vice-Chancellor remuneration	£'000	£'000
Professor Tim Blackman: 1 August 2019 – 30 September 2020		
Basic salary	44	265
Payments in lieu of pension contributions	5	30
Total remuneration	49	295

On 8 May 2019 the University announced the resignation of Professor Tim Blackman from the position of Vice-Chancellor with effect from 30 September 2019. His annual basic salary of £265k and payments in lieu of pension contributions remained the same for 2019/20 as for 2018/19. In 2019/20 he was paid for 2 months pro rata.

The Former Vice-Chancellor did not receive any pension contributions in the year (2019: nil). There was no compensation for loss of office paid to him.

Pay multiple

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

University	Year Ended 31 July 2020			
	Vice-Chancellor Professor Nic Beech		Interim Vice-Chancellor James Kennedy	
	Basic Salary	Total Remuneration	Basic Salary	Total Remuneration
	£'000	£'000	£'000	£'000
Vice-Chancellor pay (annualised amount)	250.0	295.0	212.9	252.0
Median pay for all other staff	42.7	51.1	42.7	51.1
Pay Multiple	5.9:1	5.8:1	5.0:1	4.9:1
University	Year Ended 31 July 2020			
	Former Vice-Chancellor Professor Tim Blackman		Vice-Chancellor Professor Tim Blackman	
	Basic Salary	Total Remuneration	Basic salary	Total Remuneration
	£'000	£'000	£'000	£'000
Vice-Chancellor pay (annualised amount)	265.2	294.8	265.2	294.8
Median pay for all other staff	42.7	51.1	41.9	48.4
Pay Multiple	6.2:1	5.8:1	6.3:1	6.1:1

The pay multiple represents the Vice-Chancellors pay (annualised amount) 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 in the year for all staff who are required to be included in Real Time Information (RTI) reporting to HM Revenue & Customs. The median pay cost calculation for the year ended 31 July 2019 has been restated to exclude 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.

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

9. STAFF COSTS (continued)

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 2020 Number	Year Ended 31 July 2019 Number
£100,000 to £104,999	–	1
£105,000 to £109,999	3	1
£110,000 to £114,999	3	1
£115,000 to £119,999	–	1
£120,000 to £124,999	2	2
£125,000 to £129,999	1	3
£130,000 to £134,999	1	–
£135,000 to £139,999	1	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
£160,000 to £164,999	1	–
	15	13

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 2020 £'000	Year Ended 31 July 2019 £'000
Compensation paid or payable	440	2,024
	440	2,024

The compensation pay for loss of office comprises of amounts paid or payable where a liability existed at 31 July 2020 to 41 employees (2019: 89) 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.

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

9. STAFF COSTS (continued)

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. 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 2020 £'000	Year Ended 31 July 2019 £'000
Total compensation paid to key management personnel	1,544	1,514

The current members of the University Executive Team are detailed at page 10.

10. OTHER OPERATING EXPENSES

	Year ended 31 July 2020		Year ended 31 July 2019	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Premises and maintenance costs	11,865	10,473	11,009	9,509
Marketing and recruitment	12,132	13,344	9,834	11,179
Catering, accommodation and partners	16,669	16,658	16,534	16,503
General expenses	3,864	3,764	5,375	5,207
IT equipment and maintenance	6,916	6,871	5,983	5,983
Other central costs	11,460	10,730	7,721	7,350
Outsourcing and professional advisors	6,747	6,472	6,335	6,112
Learning resources	4,957	4,833	4,849	4,735
Staff development	710	694	1,047	999
	75,320	73,839	68,687	67,577

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

10. OTHER OPERATING EXPENSES (continued)

Notes	31 July 2020	July 2019
	£'000	£'000
Other operating expenses (consolidated) include:		
Auditors' remuneration		
BDO LLP external auditors' remuneration in respect of:		
Audit of Middlesex University (including group Financial Statements)	148	127
Audit of UK subsidiary company directors report and Financial Statements	10	10
External auditors' remuneration in respect of audit of overseas subsidiary company annual Financial Statements	36	40
External auditors' (BDO LLP) remuneration in respect of non-audit services	18	11
Other including internal auditor remuneration	156	130
	368	318
Operating lease rentals		
Land and buildings	2,252	1,833
Equipment	184	125
	2,436	1,958
Grant to Students' Union (MDXSU)	35 1,074	1,048

11. INTEREST AND OTHER FINANCE COSTS

Notes	Year ended 31 July 2020		Year ended 31 July 2019	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Interest on bank loans not wholly repayable within 5 years	4,562	4,562	4,191	4,191
Exchange differences	(27)	-	32	-
Other finance costs	-	-	52	52
Interest charge on pension enhancement provision	22 70	70	155	155
Interest charge on net LGPS pension scheme deficit	31 2,389	2,389	2,381	2,381
	6,994	7,021	6,811	6,779

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

12.a. ANALYSIS OF TOTAL EXPENDITURE BY ACTIVITY

	Year ended 31 July 2020		Year ended 31 July 2019	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Academic faculties	90,259	79,082	88,330	77,371
Academic services	45,496	45,466	43,183	42,828
Research grants and contracts	3,361	3,121	4,359	4,160
Residences, catering and conferences	10,830	10,830	9,494	9,494
Premises	27,788	27,788	26,411	26,411
Central services and administration*	35,992	35,992	30,138	30,138
Other expenses	2,681	2,609	2,405	2,670
	216,407	204,888	204,320	193,072
Staff restructuring costs	417	417	2,024	2,024
	216,824	205,305	206,344	195,096

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

12.b. ACCESS AND PARTICIPATION PLAN EXPENDITURE

University	Year ended 31 July 2020 £'000
Access Investment	735
Financial Support provided to students	639
Disability Support for Students (excluding expenditure included in the two categories above)	1,717
Research and evaluation of access and participation activities	272
Total grant and fee income	3,363

The total of the approved expenditure in the University's Access and Participation Plan for the year ended 31 July 2020 was £6,008k. The categories included in the Plan submitted do not fully correlate with the expenditure recorded above, due to some expenditure categories included in the Plan being excluded from the reporting as required under OfS Accounts Direction. Of the planned expenditure per the 2019/20 Plan, £2,885k relates to Access Investment, Financial Support and Support for Disabled Students; actual expenditure on these items was £3,109k. Research and Evaluation expenditure is a new category that did not form part of the Access and Participation Plan submitted.

Details of the approved plan can be found at:

https://apis.officeforstudents.org.uk/accessplansdownloads/1920/MiddlesexUniversity_APP_2019-20_V1_10004351.pdf

<https://www.officeforstudents.org.uk/data-and-analysis/access-and-participation-plan-data/data-from-access-and-participation-plans/>

As set out in the Accounts Direction (OfS 2019.41), no comparatives have been given as the prior year expenditure relates to the Widening Participation Plan and the amounts are not comparable.

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

13. TAXATION

	Year ended 31 July 2020 £'000	Year ended 31 July 2019 £'000
Recognised in the statement of comprehensive income		
Foreign taxes	74	65
Total tax expense	74	65

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 (Ref. XN92247). It is therefore a charity within the meaning of Paragraph 1 of Schedule 6 to the Finance Act 2010. Accordingly, the University is potentially exempt from UK taxation in respect of income or capital gains received within categories covered by Section 287 Corporation Tax Act 2009 (CTA 2009) and sections 471, and 478-488 of CTA 2010 (formerly enacted in section 505 of the Income and Corporation Taxes Act 1988 (ICTA)), 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) and any tax incurred is either expensed or capitalised according to the nature of the underlying expenditure.

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

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

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 2019	32,125	10,766	213,146	21,750	8,667	286,454
Exchange Revaluation	-	-	-	(113)	-	(113)
Additions at cost	-	1,312	945	3,917	1,027	7,201
Transfers of completed construction into use	-	165	620	7,341	(8,126)	-
Disposals	-	(14)	(262)	(2,648)	-	(2,924)
At 31 July 2020	32,125	12,229	214,449	30,247	1,568	290,618
Consisting of:						
Valuation as at 31 July 2014	29,101	-	145,099	-	-	174,200
Cost	3,024	12,229	69,350	30,247	1,568	116,418
	32,125	12,229	214,449	30,247	1,568	290,618
Depreciation						
At 1 August 2019	-	6,072	54,140	11,173	-	71,385
Exchange Revaluation	-	-	-	(100)	-	(100)
Charge for the year	-	1,009	6,310	5,716	-	13,035
Disposals	-	(14)	(262)	(2,624)	-	(2,900)
At 31 July 2020	-	7,067	60,188	14,165	-	81,420
Net book value						
At 31 July 2020	32,125	5,162	154,261	16,082	1,568	209,198
At 31 July 2019	32,125	4,694	159,006	10,577	8,667	215,069

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

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 2019	32,125	10,766	213,146	20,532	8,667	285,236
Additions at cost	-	1,312	945	3,867	1,027	7,151
Transfers of completed construction into use	-	165	620	7,341	(8,126)	-
Disposals	-	(14)	(262)	(2,460)	-	(2,736)
At 31 July 2020	32,125	12,229	214,449	29,280	1,568	289,651
Consisting of:						
Valuation as at 31 July 2014	29,101	-	145,099	-	-	174,200
Cost	3,024	12,229	69,350	29,280	1,568	115,451
	32,125	12,229	214,449	29,280	1,568	289,651
Depreciation						
At 1 August 2019	-	6,072	54,140	10,152	-	70,364
Charge for the year	-	1,009	6,310	5,634	-	12,953
Disposals	-	(14)	(262)	(2,460)	-	(2,736)
At 31 July 2020	-	7,067	60,188	13,326	-	80,581
Net book value						
At 31 July 2020	32,125	5,162	154,261	15,954	1,568	209,070
At 31 July 2019	32,125	4,694	159,006	10,380	8,667	214,872

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

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 £2,840k (2019: £7,957k).

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 are considered of iconic value to the University. These property assets incorporate significantly higher levels of fit-out and so the method for valuation applicable to educational assets was further adjusted to reflect the unique nature of the building space and/or specialised equipment fit-out.

The net book value of land and buildings assets comprises:

University	At 31 July 2020 £'000	At 31 July 2019 £'000
Freehold Tenure:		
Land, at valuation	29,101	29,101
Buildings, at valuation	118,788	123,028
	147,889	152,129
Land, stated at cost	3,024	3,024
Buildings, stated at cost	35,473	35,978
	38,497	39,002
	186,386	191,131
Leasehold Tenure:		
Buildings, stated at cost	5,162	4,694
	191,548	195,825

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

University	At 31 July 2020 £'000	At 31 July 2019 £'000
Cost	4,827	4,827
Charge for year	(965)	-
Net book value	3,862	4,827

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

15. SERVICE CONCESSION ARRANGEMENTS

The University has one service concession arrangement.

Hendon Campus – Student Accommodation

In April 2006 the University entered into a project agreement with a third-party property operator Middlesex First Limited for the refurbishment, financing, maintenance, managing and servicing of student accommodation on the Hendon Campus.

The student accommodation consists of three halls of residence (Usher, Platt and Writtle) where Middlesex First Limited will manage them for 35 years until 2039/40, at which point the facilities will revert back to University ownership for nil consideration.

Under the project agreement, the University does not incur a minimum guaranteed payment and instead nominates a number of rooms on an annual basis thereby incurring the demand risk on those rooms only.

Therefore the University has no infrastructure asset or liability to recognise on the statement of financial position for its obligations under the service concession arrangement as defined by FRS 102.

This arrangement has been accounted for as follows:

- The net book value of the three halls land and property assets are recognised on the statement of financial position, as no disposal of assets is deemed to have taken place. At 31 July 2020 these assets had a net book value of £9,060k included in note 14.
- The premium that was received by the University under the agreement was treated as payment for the right to access the property over the period of the agreement and is included as deferred income and is being amortised over the life of the arrangement with an amount of £374k being recognised as income each year.
- The costs and fees associated with the project agreement incurred by the University were treated as a prepayment and is being amortised over the life of the arrangement with an amount of £62k being recognised as expenditure each year.
- The annual rental income received by the University from students in the three halls and the amounts paid by the University to Middlesex First Limited as a unitary charge are both accounted for in the statement of comprehensive income and expenditure.

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

16. NON-CURRENT INVESTMENTS

	Notes	Year ended 31 July 2020		Year ended 31 July 2019	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
Investment in subsidiary companies	a.	–	25	–	25
Other investments	b.	36	36	36	36
		36	61	36	61

a. Investment in 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 less impairment. The University holds a £2m provision against MU Ventures Limited (2019: £2m) and a £4k provision against Middlesex University (Malta) Limited (2019: £4k). Details of the subsidiary companies are shown in note 30.

b. Other investments

Other investments have been valued at historical cost value and consists 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.

17. STOCK

	Year ended 31 July 2020		Year ended 31 July 2019	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Research grants and contracts – work in progress	3	3	4	4
	3	3	4	4

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

18. TRADE AND OTHER RECEIVABLES

	Year ended 31 July 2020		Year ended 31 July 2019	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Amounts falling due within one year:				
Trade debtors	3,207	3,096	3,226	2,848
Tuition fees	13,742	12,741	8,985	8,031
Other receivables	2,140	734	2,327	857
Prepayments and accrued income	7,201	5,279	8,655	5,989
Amounts due from consolidated subsidiary companies	-	3,307	-	4,299
	26,290	25,157	23,193	22,024
Amounts falling due after more than one year:				
Other receivables	-	-	700	700
Prepayments	1,185	1,185	1,247	1,247
	27,475	26,342	25,140	23,971

19. CURRENT INVESTMENTS

	Year ended 31 July 2020		Year ended 31 July 2019	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Short term deposits	5,030	5,030	-	-
	5,030	5,030	-	-

Deposits are held with Lloyds Bank plc operating in the London market and licensed by the Prudential Regulation Authority with more than three months maturity at the Statement of Financial Position date. The funds are held in a notice account where the interest rate for the deposit is linked to the Bank of England base rate plus Lloyds Bank basis points (BPS).

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Notes	Year ended 31 July 2020		Year ended 31 July 2019	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
Secured loans	21	3,862	3,862	3,655	3,655
Unsecured loans		-	-	1	-
Obligations under finance leases	28	967	967	1,931	1,931
Research grants received on account		5,574	5,574	9,291	9,291
Other liabilities due within one year		10,982	10,174	9,705	8,922
Trade payables		7,863	6,487	5,586	4,341
Social security and other taxation payable		3,244	3,041	2,723	2,589
Accruals and deferred income		21,969	20,055	21,225	19,100
		54,461	50,160	54,117	49,829

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

21. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Notes	Year ended 31 July 2020		Year ended 31 July 2019	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
Deferred income		7,116	7,116	7,491	7,491
Other liabilities due after one year		38	38	63	63
Obligations under finance lease	28	2,895	2,895	2,896	2,896
Secured loans		68,049	68,049	71,912	71,912
		78,098	78,098	82,362	82,362
Analysis of secured loans:					
Due within one year or on demand (note 20)		3,862	3,862	3,655	3,655
Due between one and two years		4,044	4,044	3,862	3,862
Due between two and five years		13,351	13,351	12,736	12,736
Due in five years or more		50,654	50,654	55,314	55,314
Due after more than one year		68,049	68,049	71,912	71,912
Total secured loans		71,911	71,911	75,567	75,567
Secured loans repayable to Barclays Bank plc by 2030		25,315	25,315	27,240	27,240
Secured loans repayable to Lloyds Bank plc by 2037		46,597	46,597	48,327	48,327
		71,912	71,912	75,567	75,567

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

21. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

(continued)

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	Loan amount £'000	Draw down amount £'000	Amount outstanding at 31 July 2020 £'000	Term	Fixed Until	Interest rate %	Expiry date
Barclays Bank plc	University	Part of Hendon Campus	43,000	43,000	25,315	25 Years	2030	6.0300%	2030
Lloyds Bank plc	University		12,000	12,000	10,072	28 Years	2037	6.5950%	2037
Lloyds Bank plc	University		15,000	15,000	12,544	27 Years	2037	6.4250%	2037
Lloyds Bank plc	University	Part of Hendon Campus, 1 Burroughs Parade and Ivy Hall	10,000	10,000	8,385	26 Years	2037	6.5450%	2037
Lloyds Bank plc	University		5,000	5,000	3,778	26 Years	2026	6.7050%	2037
Lloyds Bank plc	University		5,000	5,000	4,207	26 Years	2016	Variable (from 7 June 2016)	2037
Lloyds Bank plc	University		10,000	10,000	7,611	25.5 Years	2017	Variable (from 7 June 2017)	2037
			57,000	57,000	46,597				
			100,000	100,000	71,912				

22. 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	Leasehold Dilapidation £'000	Total Other Provisions £'000
At 1 August 2019	110,839	5,418	116,257	1,284	873	-	2,157
Utilised in year	-	(473)	(473)	(886)	(873)	-	(1,759)
Additions in 2019/20	52,677	70	52,747	(89)	-	1,000	911
At 31 July 2020	163,516	5,015	168,531	309	-	1,000	1,309

Obligation to fund deficit on LGPS pension

The obligation is in respect of the University's Local Government Pension Scheme (LGPS). Further details regarding the LGPS and the assumptions underlying the provision can be found at note 31.

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

22. PROVISIONS FOR LIABILITIES (continued)

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 163 people (2019: 169 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 2020.

The assumptions used by the actuary that comply with FRS102 for calculating the provision for pension enhancements on termination at 31 July 2020 are as follows:

Financial assumptions:	Consolidated
Discount rate for liabilities	1.4%
Consumer price inflation (CPI increases) – Pension increase rate	2.2%

Longevity assumptions:

Life expectancy is based on 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.

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 2020.

It is estimated that the provision will be fully utilised or released in the statement of comprehensive income and expenditure in 2020/21 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 when it was surrendered.

Leasehold dilapidation

The current estimated cost of dilapidations relating to Building 2 of the former New Southgate Campus in returning the property to the lessor when the lease was surrendered on 7 June 2020. It is estimated that the provision will be fully utilised or released in the statement of comprehensive income and expenditure in 2020/21 dependent upon the building works completion.

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

23. ENDOWMENT RESERVES

Restricted net assets relating to endowments are as follows:	Notes	Restricted permanent endowments £'000	Expendable endowments £'000	2020 Total £'000	2019 Total £'000
Balances at 1 August 2019					
Capital value		400	210	610	527
Accumulated income		-	8	8	19
		400	218	618	546
New endowments	8	-	184	184	214
Investment income	7	3	1	4	3
Expenditure		(3)	(134)	(137)	(145)
Total endowment comprehensive income for the year		-	51	51	72
At 31 July 2020		400	269	669	618
Represented by:					
Capital value		400	260	660	610
Accumulated income		-	9	9	8
		400	269	669	618
Analysis by type of purpose:					
Prize funds, scholarships and bursaries		400	140	540	454
General		-	129	129	164
		400	269	669	618
Analysis by asset:					
Cash and cash equivalents				669	618
				669	618

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

24. CASH AND CASH EQUIVALENTS

	At 1 August 2019 £'000	Cash Flows £'000	At 31 July 2020 £'000
Consolidated			
Cash and cash equivalents	96,662	(2,479)	94,183
	96,662	(2,479)	94,183
	At 1 August 2019 £'000	Cash Flows £'000	At 31 July 2020 £'000
University			
Cash and cash equivalents	90,539	(2,290)	88,249
	90,539	(2,290)	88,249

The University cash represents £50.1m of funds held in operating bank accounts.

Cash equivalents of the University represent £38.1m of funds deposited for short term (with maturity of three months or less at the date of deposit) investment purposes with two other parties as follows:

£13.1m is deposited with Royal London Asset Management Ltd. A further £25m in funds is held with Lloyds Bank plc which operates in the London market and is licensed by the Prudential Regulation Authority. Deposits comprise a mixture of day notice and fixed term trades, therefore interest rates may be variable and/or fixed for the duration of the deposit at the time of placement depending on the deposit type.

Cash and cash equivalents of the University include £436k (2019: £410k) in respect of net monies held on behalf of third parties as disclosed in notes 32 to 34.

25. RECONCILIATION OF NET DEBT

	At 1 August 2019 £'000	Cash £'000	Foreign exchange translation loss £'000	At 31 July 2020 £'000
Consolidated				
Analysis of changes in net debt:				
Cash and cash equivalents	96,662	(2,311)	(168)	94,183
Obligations under finance lease	(4,827)	965	-	(3,862)
Secured loans	(75,567)	3,656	-	(71,911)
Unsecured loans	(1)	1	-	-
Net funds/(debt)	16,267	2,311	(168)	18,410

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

26. CAPITAL AND OTHER COMMITMENTS

Provision has not been made for the following capital commitments at 31 July 2020:

	31 July 2020		31 July 2019	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Commitments contracted for at 31 July	1,714	1,714	2,916	2,916
Authorised by the Board but not contracted for at 31 July	25,210	25,210	26,045	26,045
	26,924	26,924	28,961	28,961

27. 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 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.

At 31 July 2020, the date of its latest audited statement of financial position, Middlesex University (Malta) Limited had total net assets of £481k (2019: £600k net liabilities). The University entered into a capital contribution agreement with Middlesex University (Malta) Limited at 31 December 2019 whereby the total inter company debt of £1,305k at that date due to the University was converted to a capital contribution reserve and forms part of the total capital and reserves of Middlesex University (Malta) Limited. The purpose of the capital contribution agreement was for the University to introduce new capital into Middlesex University (Malta) Limited without issuing new shares or creating new debt through the conversion of existing inter company debt. The inter company debt of £1,305k was fully provided for by the University in the year ended 31 July 2019. The maximum value of future operating losses recognised at present value using a discount rate is £1,264k for the financial years ending 31 July 2022.

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

28. 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 2020			31 July 2019
	Land and Buildings £'000	Equipment £'000	Total £'000	Total £'000
Future minimum lease payments due:				
Not later than 1 year	1,727	206	1,933	2,310
Later than 1 year and not later than 5 years	5,381	32	5,413	5,741
Later than 5 years	8,065	–	8,065	8,347
Total lease payments due	15,173	238	15,411	16,398

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 2020	31 July 2019
	Equipment £'000	Equipment £'000
Future minimum lease payments due:		
Not later than 1 year	967	1,931
Later than 1 year and not later than 5 years	2,895	2,896
Total lease payments due	3,862	4,827

29. 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 2020.

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

30. SUBSIDIARY UNDERTAKINGS

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	Dormant	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

MU Ventures Limited has ownership of the following companies overseas:

- 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.
- 99.99% of MU Ventures India Private Limited, a company incorporated and registered in India on 5 November 2019 and commenced trading in May 2020. It provides student recruitment and marketing services to Middlesex University in that region. The remaining 0.01% of MU Ventures India Private Limited is owned by Middlesex International (Dubai) FZ-LLC.
- 100% of Middlesex Education Private Limited, a company incorporated and registered in India that has ceased trading during the year and will be dissolved in the period ending 31 July 2021.

MU Services Limited is a dormant company having not traded during the year.

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 does not have share capital disclosed above, but the results, assets and liabilities for the year ended 31 July 2020 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 16 is supported by the subsidiary company net assets and/or business plans.

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

31. 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 costs and charges for the year in respect of these two schemes included within note 9 staff costs was:

	Year Ended 31 July 2020 £'000	Year Ended 31 July 2019 £'000
Total pension cost for the year within staff costs:		
Contributions paid by the University	17,308	14,720
FRS102 pension charge:		
LGPS - current and past service costs	13,975	12,196
LGPS - employer contributions	(8,579)	(8,133)
	5,396	4,063
Total pension costs (note 9)	22,704	18,783

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.

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 for the period ending 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) was 23.68% (inclusive of the administrator levy of 0.08%).

The total contribution made by the University for the year ended 31 July 2020 was £13,176k (2019: £10,838k) of which employers contributions totalled £9,110k (2019: £6,734k) and employees contributions totalled £4,067k (2019: £4,104k).

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

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

31. PENSION SCHEMES (continued)

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 2020 was £10,701k (2019: £10,302k) of which employers contributions totalled £8,579k (2019: £8,133k) and employees contributions totalled £2,122k (2019: £2,169k).

For the period to 31 July 2020 (date extended from period to 31 March 2020 under an arrangement with the scheme administrators) the overall 'effective' employer contribution rate was 27.4% (2019: 27.4%).

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 2019.

The total employer contributions expected to be paid into the scheme during the year ended 31 July 2021 (date extended from 30 April 2021) is £7,818k. This is based on the indicative rate from 1 August 2020 of 20.7% of pensionable salaries for current scheme funding (2019: 18.4%) and a deficit reduction contribution of £1,663k (2019: £2,829k). The funding deficit recovery plan, which covers the three year period from 1 August 2020 to 31 July 2023, set out to achieve an equivalent total annual employers contribution rate of 25.9% (three years ending 31 July 2020: 27.4%).

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 2019 updated to 31 July 2020 by a qualified independent actuary, using financial assumptions in accordance with the requirements of FRS102.

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:

Mortality

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 women and men.

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

		At 31 July 2020	At 31 July 2019
Current pensioners (retiring today)	Males	21.7	21.0
	Females	24.0	23.3
Future pensioners (retiring in 20 years)*	Males	22.9	22.3
	Females	25.7	25.1

* Figures assume members aged 45 as at the last formal valuation date (31 March 2019).

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

31. PENSION SCHEMES (continued)

Local Government Pension Scheme (continued)

Historic mortality

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

Period ended	Prospective Pensioners	Pensioners
31 July 2020	CMI 2018 model assuming the current rate of improvements has peaked and will converge to a long term rate of 1.25% p.a.	CMI 2018 model assuming the current rate of improvements has peaked and will converge to a long term rate of 1.25% p.a.

The mortality 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 75% of the maximum tax-free cash for post-April 2008 service.

Financial assumptions:

The default financial assumptions are summarised below:

	At 31 July 2020	At 31 July 2019
Consumer prices inflation (CPI increases)	2.2%	2.4%
Rate of increase in pensions (CPI increases)	2.2%	2.4%
Rate of increase in salaries	2.9%	2.7%
Discount rate for liabilities	1.4%	2.1%

As at the date of the most recent valuation (31 March 2019) the duration of the University funded liabilities is 21 years.

Investment Returns:

The return on the funding market value terms for the period to 31 July 2020 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 2019 to 30 June 2020	1.9%
Total returns from 1 August 2019 to 31 July 2020	-1.5%

Share of plan assets by major category:

The estimated share of plan assets as a percentage of total plan assets as at 31 July 2020 is set out below:

Major asset category:	At 31 July 2020	At 31 July 2019
Equities	55%	57%
Bonds	31%	31%
Property	5%	3%
Cash	9%	9%
Total	100%	100%

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

31. PENSION SCHEMES (continued)

Local Government Pension Scheme (continued)

	Year Ended 31 July 2020 £'000	Year Ended 31 July 2019 £'000
Analysis of the amount shown in the statement of financial position:		
Fair value of scheme assets	216,080	220,908
Present value of scheme liabilities	(379,596)	(331,747)
Deficit in the scheme – Net pension liability recorded within Pension Provisions (note 22)	(163,516)	(110,839)
Amounts included in Staff Costs (note 9):		
Current service costs	13,773	11,299
Past service cost (including curtailments)	202	897
Total operating charge	13,975	12,196
Analysis of the amount charged to interest payable (note 11):		
Interest cost on scheme liabilities	7,072	8,092
Interest income on scheme assets	(4,683)	(5,711)
Net charge to interest payable	2,389	2,381
Total charged to statement of comprehensive income and expenditure before deduction for tax	16,364	14,577
Analysis of amounts recognised in other comprehensive income:		
(Loss)/return on fund assets in excess of interest	(12,771)	9,090
Changes in financial assumptions	(38,654)	(47,085)
Change in demographic assumptions	(6,164)	17,093
Experience gain on liabilities	12,697	-
Remeasurements of net defined benefit pension liability	(44,892)	(20,902)

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

31. PENSION SCHEMES (continued)

Local Government Pension Scheme (continued)

	Notes	At 31 July 2020 £'000	At 31 July 2019 £'000
Movement in deficit during the year			
Deficit at beginning of year		(110,839)	(83,493)
Movement in the year:			
Contributions or benefits paid by the University		8,579	8,133
Current service costs		(13,773)	(11,299)
Past service cost (including curtailments)		(202)	(897)
Other finance charge		(2,389)	(2,381)
Loss recognised in other comprehensive income		(44,892)	(20,902)
Deficit at end of year	22	(163,516)	(110,839)
Movement in present value of the scheme liabilities			
Opening present value of the defined benefit obligation		331,747	285,605
Movement in the year:			
Current service costs		13,773	11,299
Interest cost		7,072	8,092
Past service cost (including curtailments) recorded within other comprehensive income		202	897
Member contributions (including unfunded pension payments)		2,122	2,169
Actuarial loss arising from changes in financial and demographic assumptions		44,818	29,992
Other experience gain		(12,697)	-
Estimated benefits paid net of transfers in		(7,441)	(6,307)
Present value of liabilities at the end of year		379,596	331,747

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

31. PENSION SCHEMES (continued)

Local Government Pension Scheme (continued)

	Year to 31 July 2020 £'000	Year to 31 July 2019 £'000
Analysis of movement in the fair value of scheme assets		
Opening fair value of scheme assets	220,908	202,112
Movement in the year:		
Interest income on assets	4,683	5,711
Return on assets less interest	(12,771)	9,090
Contributions paid by the University	8,579	8,133
Member contributions	2,122	2,169
Estimated benefits paid	(7,441)	(6,307)
Fair value of scheme assets at end of year	216,080	220,908
Actual return on scheme assets		
Interest income on assets	4,683	5,711
Return on assets excluding amounts included in net interest	(12,771)	9,090
	(8,088)	14,801

32. DEPARTMENT FOR EDUCATION — TEACHER TRAINING BURSARIES

	At 31 July 2020 £'000	At 31 July 2019 £'000
Balance brought forward	118	160
Funds received	1,247	1,793
	1,365	1,953
Disbursed to students	(1,401)	(1,835)
Balance carried forward at 31 July	(36)	118

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 20, other liabilities due within one year.

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

33. MILLIONPLUS

	At 31 July 2020 £'000	At 31 July 2019 £'000
Balance brought forward	290	272
Subscriptions received from affiliated universities	521	492
	811	764
Campaign expenses	(445)	(474)
Balance carried forward at 31 July	366	290

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 20, other liabilities due within one year.

34. COLLABORATIVE RESEARCH FUNDS

	At 31 July 2020 £'000	At 31 July 2019 £'000
Balance brought forward	2	127
Partner funds received	700	1,350
	702	1,477
Distributions to partners	(596)	(1,475)
Balance carried forward at 31 July	106	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 how 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 statement of financial position 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 20, other liabilities due within one year.

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

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

35. RELATED PARTY TRANSACTIONS

During the year ended 31 July 2020 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:

	Income £'000	Expenditure £'000	Balance at 31 July 2020 due to/ (from) the University £'000
Senior manager			
Company director of UCAS Media Limited (Company reg no 02737300)	-	81	-
Independent Governor			
LLP member at CMS Cameron McKenna Nabarro Olswang LLP (Company reg no OC310335)	-	312	(59)
Independent Governor			
Company director of Wonkhe Ltd (Company reg no 08784934)	-	4	-

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.

Students' 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 £1,074k (note 10) for the year ending 31 July 2020 (2019: £1,048k). 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.

MIDDLESEX UNIVERSITY NOTES TO THE ACCOUNTS (continued)

Year Ended 31 July 2020

Middlesex University Real Tennis Club (MURTC)

There is a contractual arrangement dated 11 September 2017 whereby Middlesex University and MURTC Limited undertake an economic activity of managing the Middlesex University Real Tennis Club. The club is based at the Millennium Real Tennis Court which is part of MDX House at the Hendon campus. Middlesex University and MURTC Limited recognise in their Financial Statements the assets that they control, the liabilities and the expenses that they incur and their share of the income that they earn. Middlesex University also owns 50% of shares of MURTC Limited at the value of £4.

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 (2019: nil).

The total expenses paid to 3 Independent Governors and 1 Staff Governor were £1,269 (2019: £2,807 to 4 Independent Governors). This represents travel and childcare expenses incurred in attending Board and Committee meetings and University events in their official capacity.

MIDDLESEX UNIVERSITY PRINCIPAL ADDRESS AND PROFESSIONAL ADVISORS

CORPORATE OFFICE

Middlesex University	The Burroughs, Hendon, London NW4 4BT
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EXTERNAL AUDITORS

BDO LLP	2 City Place, Beehive Ring Road, Gatwick, West Sussex RH6 0PA
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INTERNAL AUDITORS

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BANKERS

Lloyds Bank plc	4th Floor, 25 Gresham Street, London EC2V 7HN
Barclays plc	1 Churchill Place, Canary Wharf, London EC14 5HP

TAXATION ADVISORS

KPMG LLP	1 St Peter's Square, Manchester M2 3AE
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LEGAL ADVISORS

Multiple legal Services:

Veale Wasborough Vizards LLP	Narrow Quay House, Narrow Quay, Bristol BS1 4QA
JG Poole & Co LLP	E-space South, 26 St Thomas Place, Ely CB7 4EX

SPECIALIST LEGAL SERVICES:

Financial law

Weightmans LLP	100 Old Hall Street, Liverpool L3 9QJ
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Estate Planning law

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

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