

**LONDON SCHOOL OF ECONOMICS
STUDENTS' UNION**

(Company limited by guarantee no. 7710669
registered charity no. 1143103)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2022



KNOX CROPPER
chartered accountants

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INTRODUCTION

BY TILLY MASON,
General Secretary & Chair of the Trustee Board

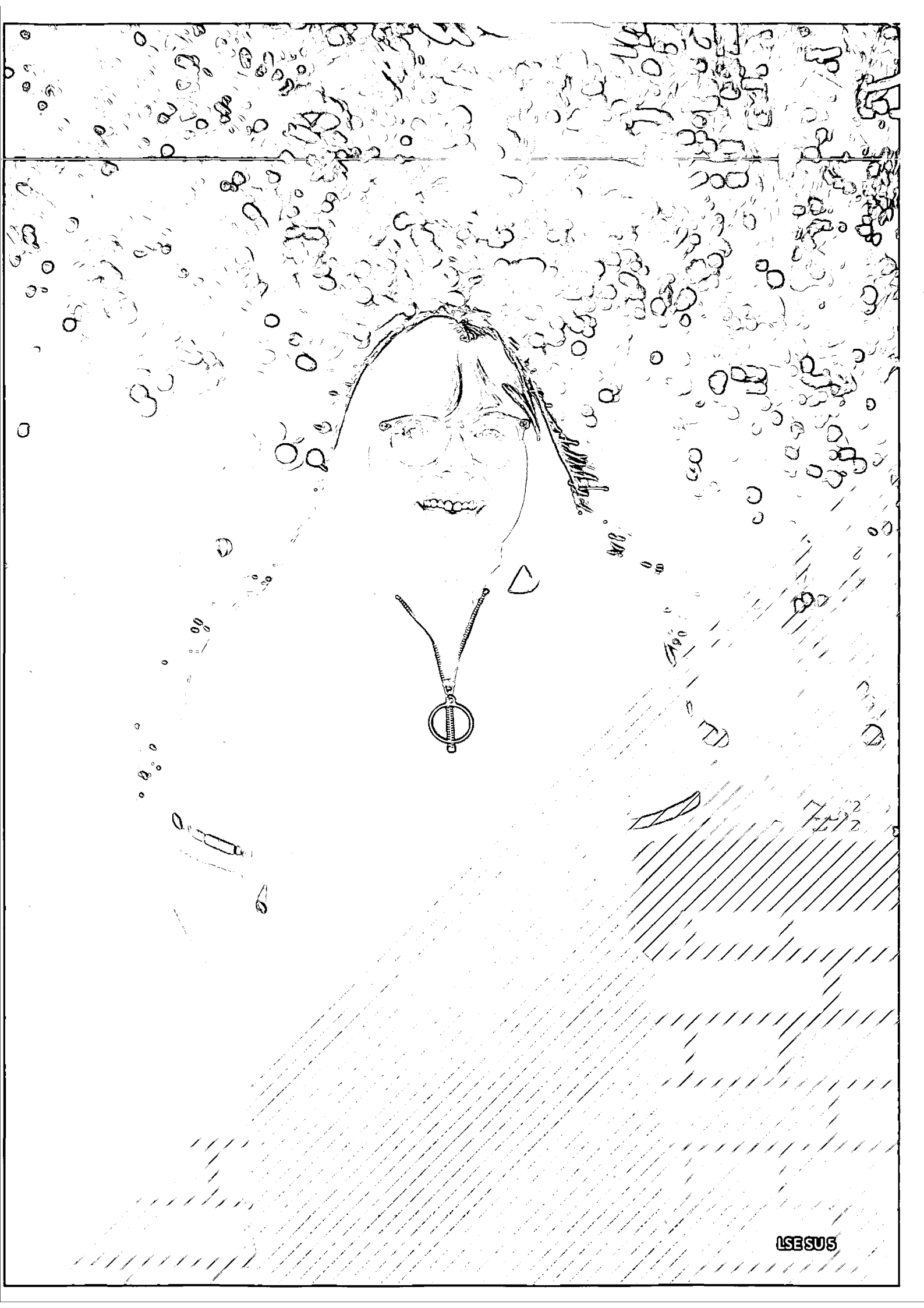


LSE Students' Union (LSESU)

works to make student experience of LSE the best it can be, with putting on events, facilitating campaigning, society and sports club activities for all LSE students to get involved in. As the UK came out of the restrictions of the pandemic, we saw the LSESU advice service in more use than ever, with hardship fund applications at an all time high. Despite the unknown landscape of SU events such as the provision of hybrid activities, the community of LSE has been a focus of LSESU, with a new role bridging the SU and LSE Careers to open up new career opportunities for undergrads. With the new Marshall Building opening in January 2022, student communities have been given more space to grow and develop, with new gyms and music practice rooms.

The democracy review carried out over the course of the year has led to some huge changes to the structures of LSESU, heightening student representation and the capacity of the SU to campaign for student support. As we come to recruit the democracy coordinator, a position primarily focused on the delivery of the democracy review, it is currently an exciting time to watch last year's actions come to life, and significantly shape student experience in the long-term. Similar to this, the launch of the partnership between LSE and the SU on consent education has forever changed the culture of LSE and the support given to students in fostering a caring, respectful and inclusive community - something that lies at the heart of LSESU.

Tilly Mason
LSESU General Secretary 2022/23.
Chair of the Board of Trustees 2022/23.

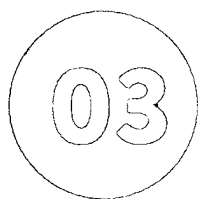




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It is important to reflect on the year and our journey, but what excites us most is the path in front of us.

”



INTRODUCTION

BY JAMES HANN,
Chief Executive

➤ As we tentatively returned from the pandemic, we approached the 2021/22 year with hope and optimism. As well as seeing a general increase in the number of students engaging in societies (up 18%), we have also been focusing on how we can be a Union of All, with an increase in postgraduate membership in societies (30%) and in the Athletics Union (23%). The Active Lifestyle programme engages high level of postgraduate students, as does the gym (55%).

The Students' Union launched an online and peer to peer consent education programme in 2021, with over 2000 students completing the online training and over 1500 completing the peer-to-peer training, (56% of first year undergraduates). 99% of attendees of the peer-to-peer sessions saying they would feel more comfortable calling out sexual misconduct after the training.

We took an innovative approach to reimagining how student democracy could work at LSE, in partnership with over 2000 LSE students, the Democracy Society, peer reviewed by two university professors and with the aim of fundamentally changing how LSE students interact with LSESU. Led by sabbatical officers and supported by students through passed motions, we'll be busy implementing these changes in the coming year.

After years of planning, we opened the sports and arts facilities in the Marshall Building in January 2022, and we are so proud of the facilities we can now provide to LSE students. We secured free access to new sporting and arts facilities for LSESU clubs and societies including three musical rehearsal studios, rehearsal space, strength and fitness centre, two squash courts and an England Sport standard large sports hall.

Officers and LSESU staff have turned around financial performance, reaching our reserves target 3 years ahead of schedule. We introduced a new entertainments programme, delivering a 60% increase in the number of events held by LSESU compared to 2019. We know we have more to do and while our catering is taking a year off, we have introduced a coffee cart outside the Saw Swee Hock.

We have researched, consulted and agreed a 4-year Union strategy, based around three promises to students.

- we promise to make your voice heard and make change happen
- we promise to be a union for all LSE students
- we promise to support your wellbeing.

We strive to support the students that want to organise, campaign and stand up for their fellow students.

- Over 90% satisfaction response from almost 700 course representatives in their SU provided training.
- 90% student satisfaction in the LSESU Advice Service.

None of this is possible without the brilliant leadership of your elected officers and through building and developing high performing staff teams. Staff satisfaction levels include

- 97% of staff saying they felt respected and valued
- 95% of staff saying they would recommend LSESU as a place to work

The coming year will see the union return to a full campus and a focus on our efforts to create a community at LSE which is the HEART of student life.

James Hann
LSESU Chief Executive

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THE UNION AND ITS TRUSTEES

LSESU is a not-for-profit organisation run by and for London School of Economics and Political Science (LSE) students. Our aim is to help our members make the most of all the life-changing experiences open to them during their studies at the university.

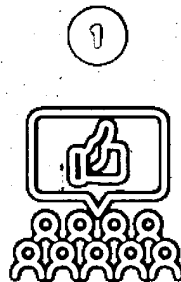
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> Founded in 1897, LSESU is a charity and a company, operating under the 1994 Education Act and registered with the Charity Commission.

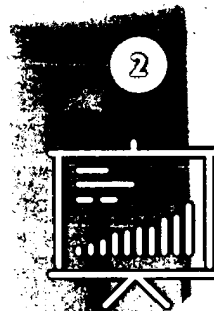
All LSE students automatically become LSESU members when they enrol at LSE. By joining us, our members gain access to all of our groups – such as societies, athletics union clubs, and campaigns – and services – such as our gym and Independent Advice Service.

Since we are a member-led organisation, any member can step up for election in a range of elected representation posts, ranging from volunteer trustees and part-time officers to full time paid sabbatical officers. Our members can also use their voice and vote in regular elections, Union General Meetings (UGM), and Annual General Meetings (AGM).

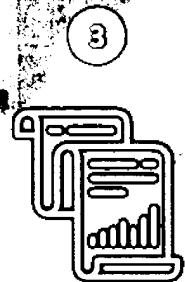
Our Trustee Board has overall responsibility for the legal, strategic, and financial health of the Students' Union. This means that it is the ultimate decisionmaker and has collective responsibility for all activities at LSESU. The Trustee Board makes sure we're the best we can be today, while also thinking about how we can be better for the future. Trustees are guided by three main considerations:



To make sure everything we do **BENEFITS** our students



To ensure that the Union is **FINANCIALLY SOLVENT**



To ensure that everything we do is **LEGALLY** permissible

The Trustee Board consists of up to four external trustees, five sabbatical officers, four students and one external member (or more) appointed by the trustees themselves. Internal trustees are elected by our members during first (Michaelmas) or second (Lent) term elections, serving up to two years. The trustees work closely with LSESU staff and make major decisions about the activities and services of the Union.

All trustees undertake an induction programme and are given briefings on the organisation's operations and goals. The induction programme, delivered by the company secretary, covers the nature of the trustee role, provides an understanding of the legal responsibilities of being a trustee, and provides an appreciation of LSESU's vision, mission and values, as well as the relationship between

trustees and staff teams. Newly elected or appointed trustees are invited to attend one or more board meetings before taking up their positions.

The board undertakes regular self-assessment and further development initiatives as required, ensuring commitment to continuous improvement and effectiveness.

The Students' Union's governing document is its Constitution (Memorandum and Articles of Association), supported by the LSESU Byelaws. These set out in detail the rules that we follow. A list of the current trustees are available at: www.lsesu.com/union/trustees/

After the student led democracy review in 2022, plans are in place to radically change how LSE students can input into Union activity.

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

➤ The trustees (who are also directors of the charitable company for the purpose of company law) are responsible for preparing the trustees' Annual Report and financial statements in accordance with applicable law and regulations.

Company law requires the trustees prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the trustees must not approve the financial statements unless they are satisfied they give a true and fair view of the state of affairs of the charitable company and of its net incoming resources for that year.

In preparing these financial statements, the trustees are required to:

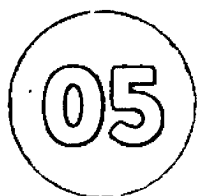
- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities Statement of Recommended Practice.
- Make judgments and accounting estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements presuming that the organisation will continue to operate unless it is inappropriate to presume that it will not.

The trustees are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They are responsible for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.


The trustees are responsible for the maintenance and integrity of the financial and other information included on the charity's website.

On behalf of the Trustee Board

Tilly Mason
LSESU General Secretary 2022/23
Chair of the Board of Trustees 2022/23



OUR GOVERNANCE AND OPERATIONS

 **LSESU OPERATES ON DEMOCRATIC PRINCIPLES**, working for and with our members. Our members are represented by people they elect, such as trustees, part-time officers, and full-time Sabbatical Officers. The Union holds regular Union General Meetings (UGM) through which students are able to propose and vote on motions.

Student representation is delegated to the General Secretary who, along with fellow student officers, focuses on policy, lobbying and advocacy in order to ensure that LSE's students are heard in university fora. The Sabbatical Officer team is made up of four full time officers (Education Officer, Activities and Development Officer, Community and Welfare Officer, and the General Secretary).

The Union also employs a number of non-student core staff to provide continuity, consistency and knowledge in the management of its many activities. Day-to-day operational and staff management is delegated to the Chief Executive who is accountable to the Trustee Board for strategy implementation and operational performance.

The Trustee Board meets at least five times per year to receive reports from subcommittees, officers, staff, and the Chief Executive, to review the Union's strategic and operational performance, and to review and agree organisational policies.

EMPLOYEES

In 2022, the Union
employed an average of

37
STAFF

and the total number
of student staff employed
in the year was

117



Staff are employed to
provide key services such
as our Advice Service,
support for student
groups, academic
representation, and our
range of catering facilities.
Staff are overseen by
senior leaders.



SENIOR LEADERS SALARIES

(Key Management Personnel)

➤ The remuneration of senior management is consistent with human resources policies across the organisation, with the policy objective of ensuring that they are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the Union's success.

The appropriateness and relevance of the remuneration policy is reviewed periodically including reference to comparisons with other unions to ensure that the Union remains sensitive to the broader issues of pay and employment conditions elsewhere.

Delivery of the Union's charitable vision and purpose is primarily dependent on our key management personnel. Staff costs are the largest single element of our charitable expenditure.

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OUR IMPACT

➤ **2021/22** saw a phased return to on campus learning and the Union championed a return to campus as soon as possible, the opening of the Marshall Building facilities, new events and a successful campaign so that students impacted by the pandemic could seek partial refunds on their tuition fees. The successful delivery and impact of the consented trial in 2021 resulted in a united commitment from LSE and LSESU to continuing and developing the programme in 2022.

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**BE KIND.
LET'S
LOOK OUT
FOR ONE
ANOTHER.**

COMMUNITY IS KINDNESS



STUDENT VOICE

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“I want to particularly highlight how helpful my experience was with the Advice Service when in a desperate state, needing to access the Hardship Fund. I was quickly supported and guided on email with my application, and most importantly, was shown empathy and compassion throughout the process. Thank you!”

Advice Service User

”



Representing students is at the core of our mission. Our student voice and representation team ensure that all our representative and democratic channels are run effectively and openly.

LSESU is responsible for training and supporting academic representatives, enabling them to effectively carry out their role with confidence. This year, we registered **690 academic representatives – up from 643 last year**, with **95% of academic reps** reporting that they felt **supported by LSESU after their training**.

The successful election of student leaders to positions across the Union is integral to the functioning of the organisation. As we returned to our first campus-based set of elections since the onset of the pandemic, we adapted our approach to deliver LSESU's first ever hybrid elections. Whilst this posed some challenges in our first election in the Michaelmas Term, where we only achieved **11% of students voting**, we managed to get to **17% of voters** in our Lent Term elections, numbers which put **LSESU way above the sector average of 12%**.

As a democratic, student-led organisation it is vital that our democratic set up is delivering for our members. Having not reviewed this since 2010, we embarked on a

bold review of our democratic structure this year. Partnering with the Democratic Society (Demsoc) and two external university professors, we delivered a **3-day Democracy Summit** where students helped to co-design a new democratic structure informed by several experts, surveys, focus groups and other pieces of research. The new deliberative democratic approach has garnered significant attention across the sector, with the new structure being implemented in 2022/23, and fully operational by 2023/24.

LSESU also exists to support its students through the challenges they face across the year. Our Advice Service plays a key role in helping students as they navigate LSE's internal assessment regulation processes, with things such as appeals, complaints and academic misconduct case support all regular area of work for our Advice Team. The Service also provides housing advice and a series of funds for students experiencing financial hardship.

In 2021/22 our Advice Service opened **654 cases**, made £80,741 awards to students in financial hardship and maintained exceptionally high levels of student satisfaction, with **90% of users saying they would recommend the Service to others**.



COMMUNITIES

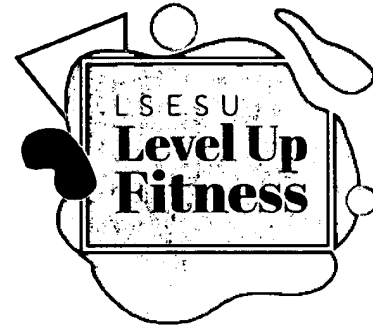




Student groups such as societies and Athletics Union (AU) clubs are at the core of our social and community offer to our members. Societies and clubs are led by students elected by members and supported by teams within our Student Communities department. Beyond that, our Sports and Recreation team also runs our physical activity offers, including managing all spaces in the Marshall building, Active Lifestyle class programming and our gym. We successfully undertook a complete refurbishment of the LSESU Gym in June 2021 and opened an additional weights and conditioning suite in the Marshall building in January 2022 for all LSE students and staff to enjoy. The gym includes the latest innovations that fitness has to offer, to provide our members with an enhanced fitness experience including the new Endurance Series cardio equipment and a functional training room.

The Societies team also supported hundreds of student societies and projects; from 'Give-it-a-Go' taster activities to supporting large-scale, international conferences - our student societies do some amazing things! Our online and offline training offer for student group committee leaders was met with increased levels of satisfaction and attendance as previous years as we returned to in-person activity through the year. A new joint-working partnership was implemented between the SU and the LSE Careers Department. This saw the introduction of several new initiatives, including the recruitment of a shared staffing resource to develop support for careers based societies.

The Students' Union Fund (SUF) allows students (either individually or in groups) to apply for funds in order to run a project with educational, community building, or wellbeing impact. This year, the SUF dispensed £61,896 of which £50,477 went directly to support student projects.



"I had great help from the LSESU, I'm really glad they are an avenue of help at LSE!"

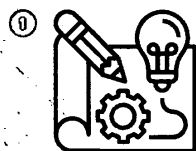


SABBATICAL OFFICER PROJECTS

Our Sabbatical Officers are at the heart of our representation work.

➤ Depending on their role, they have core responsibilities (such as attending stakeholder meetings, internal panels, and LSE fora such as boards and committees) as well as their own projects based on campaigning commitments. Some of these projects included only one Sabbatical officer, and others were done as a team.

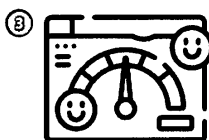
This year, members of the sabbatical team:



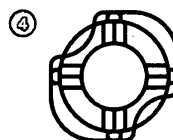
① Delivered an innovative, student-led review of our democratic structure. The deliberative democratic approach saw significant levels of student involvement, including through surveys, focus groups and a 3-day democracy summit before being successfully passed in an all-student vote. The result was the most radical shake up of LSESU's democratic set-up in decades, with its implementation taking place from 2022/23 onwards.



② Introduced a peer-to-peer consent education programme designed to prevent sexual violence and improve the safety of campus. The pilot was a huge success, providing in-person consent workshops to 1,517 students and online consent training to 2,097 students, with 99% of attendees saying they would feel more comfortable calling out sexual misconduct if they witnessed it.



③ Delivered a mechanism for measuring student wellbeing across the campus. The Happiness Tracker was piloted during May where it was sent out to all students on a weekly basis, with 2,002 completions over a 5 week period, and a wealth of useful data on student wellbeing across different areas of LSE. Following a successful pilot, the Students' Union will be working to expand the Happiness Tracker across the year in 2022/23.



④ Partnered with the LSESU Ukraine Society to rally students to organise, coordinate and deliver significant levels of aid to Ukraine on the outset of the war in early 2022



⑤ Successfully delivered the first in person De-Stress Festival since the pandemic, putting on a series of arts, crafts, meditation and exercise sessions across the exam period to help students unwind during the most stressful period of the academic year

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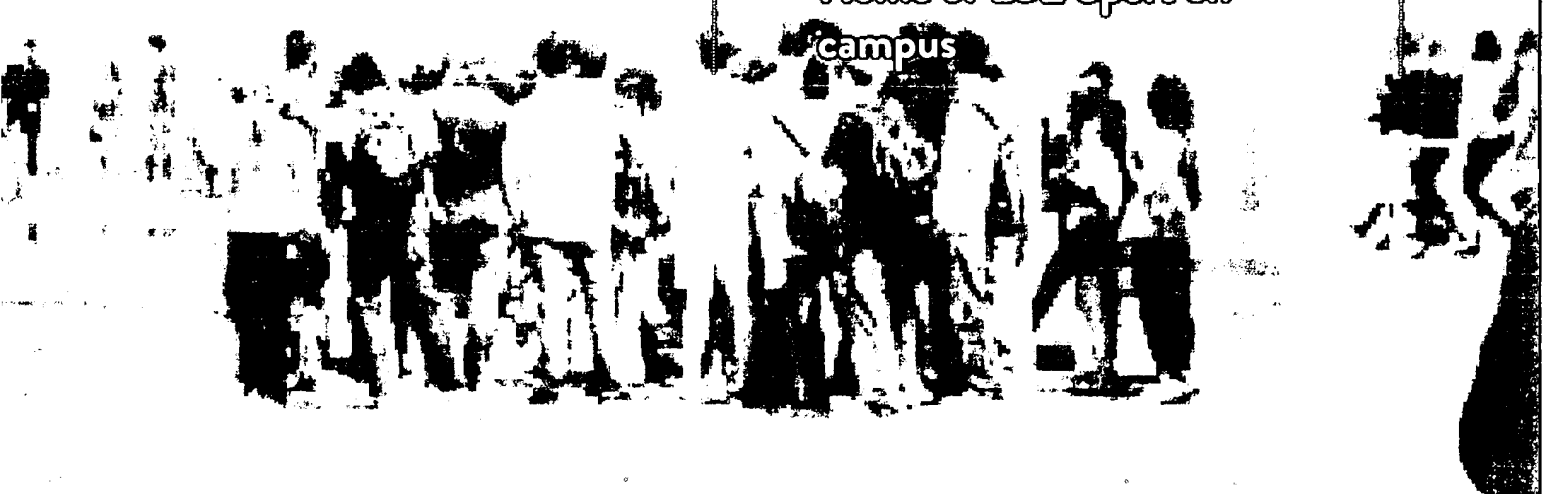
LOOKING AHEAD

We are determined to be a Union for
all LSE students, to make your voice
heard and to make change happen,
while supporting students wellbeing.

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The next year will see:

- More opportunities for post graduate students to get involved in their students' union
- Implementation of the democracy motions to change how students can decide the future direction of their union
- A streamlined approach to supporting society and sport club events and we will make the SU Marshall Building the Home of LSE Sport on campus



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FINANCE SUMMARY



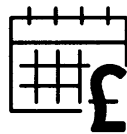
Income

➤ Our unrestricted income for the year **increased to £3,791,625** (£3,488,188 in 2021) primarily as a result of higher trading income as more students returned to campus following the easing of restrictions and return to in person learning and the launch of SU spaces in the Marshall Building.



Costs

➤ Total expenditure from unrestricted funds before pensions deficit funding was **£3,601,763** (£3,258,450 in 2021). Total expenditure from unrestricted funds including pensions deficit funding was **£3,524,760** (£3,313,183 in 2021).



Outcomes

➤ The outcome for the year was a general funds surplus of **£189,832** before pension funding deficit (£229,738 surplus in 2021) which the trustees deem a satisfactory result. After the pension charges, this results in a general funds surplus of **£266,865** (£175,005 in 2021).



Restricted Funds

➤ Restricted funds are funds for which LSESU acts as a custodian. These funds include monies held for Student Groups (ratified sports clubs and societies, which are branches of LSESU). These funds are raised by groups for themselves, or raised through grants received from LSE and other external organisations for specific student-facing projects. During the year there was a net deficit on restricted funds of **£80,327** (£305,129 surplus in 2021).



Future Funding

➤ LSESU has sufficient funds to meet its future obligations for 2022/23, but an increase in funding remains a priority. The subvention grant from LSE for 2022/23 has been confirmed at **£1,140,289** (£1,112,477 in 2021/22).



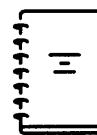
Fixed Assets

➤ New gym and IT equipment and was purchased during the year at a cost of **£44,441**.



Reserves

➤ Unrestricted general reserves at the end of the year were **£316,877** (£381,083 in 2021). **£131,385** was transferred to a designated fund for replacement of furniture and equipment in the Denning café and for replacement till systems and to contribute towards the eventual replacement of equipment in the Gym and Sports Hall. The **£1,559,311 SUSS pension liability** is shown as a separate designated fund as the payments do not fall due immediately (2021 £1,750,605).



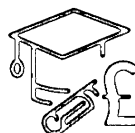
Reserves Policy

➤ LSESU reserves policy is that general (unrestricted) reserves should be **£300,000**. At this level, we believe that we would be able to continue the essential student-facing activities of the organisation in the event of a significant decline in non School funding, whilst allowing time to re-establish or re-focus income generating activities. The Trustees will review the reserves policy during 2022/23.



Risk Management

➤ The Trustee Board is responsible for LSESU's risk management and the effectiveness of internal controls. On behalf of the trustees, the Senior Leadership Team performed a review of major risks and presented the outcome and the mitigating measures to the Audit and Risk Committee in February 2022. The key risks are data protection, poor governance and risks associated with covid-19. Mitigating steps were identified such as data protection training, increasing the number of external Trustee Board Members, working with LSE on covid response.



Relationship with the London School of Economics and Political Science (LSE)

➤ The Union receives a block grant from the School and occupies spaces in School-owned buildings. The occupation and use of these spaces is set out in a Memorandum of Understanding between LSESU and the School. In addition to the provision of space, the School also pays for utilities, caretaking and cleaning staff. This support is intrinsic to the relationship between the School and LSESU. Although LSESU continues to generate supplementary funding from various mutual trading activities, it will always be dependent on the School's support. The Trustees consider it reasonable to anticipate that this or equivalent support from the School will continue for the foreseeable future, as the Education Act 1994 imposes a duty on the School to ensure the financial viability of its student representative body in one form or another. The Trustees therefore consider the Union to be financially viable for the foreseeable future.

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS For the year ended 31 July 2022

Board of Trustees	William Barber Faiso Kadiye Shuyi Lee Mathilde Mason Robyn McAlpine Anaëlle Nicole Edouard Panciulo Maarya Rabbani Avinash Ashok Romane Branthomme Edward Hall Iye'Re Laditi Josephine Stephens Mohammad Umar	Resigned on 1 July 2022 Resigned on 1 July 2022 Appointed on 1 July 2022 Resigned on 1 July 2022 Appointed on 1 July 2022 Resigned on 1 July 2022 Appointed on 1 July 2022 Appointed on 1 July 2022 Appointed on 1 July 2022 Resigned on 1 July 2022 Resigned on 1 July 2022 Resigned on 1 July 2022 Resigned on 1 July 2022
Company Secretary	Nicholas Smith	
Principal Officers	James Hann Sarah Chowdry-Grant Ricardo Visinho Freda Chisambi	Chief Executive Head of Student Communities Head of Student Voice Head of Communications and Marketing
Company reg. no.	7710669	
Charity reg. no.	1143103	
Registered office	LSE Students' Union Saw Swee Hock Student Centre 1 Sheffield Street London, WC2A 2AP	
Auditors	Knox Cropper LLP 65 Leadenhall Street London EC3A 2AD	
Solicitors	Bates Wells and Braithwaite 2 – 6 Cannon Street London, EC4M 6YH	
Bankers	NatWest Connaught House 65 Aldwych London, WC2B 4DS	

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
LONDON SCHOOL OF ECONOMICS STUDENTS' UNION FOR THE YEAR ENDED 31 JULY 2022**

(registered company no. 07710669)

We have audited the financial statements of London School of Economics Students' Union (the 'charitable company') for the year ended 31 July 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 charitable company's affairs as at 31 July 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify 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.

/Continued ...

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
LONDON SCHOOL OF ECONOMICS STUDENTS' UNION FOR THE YEAR ENDED 31 JULY 2022**

(Continued)

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement in the Trustees' Report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

/Continued ...

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
LONDON SCHOOL OF ECONOMICS STUDENTS' UNION FOR THE YEAR ENDED 31 JULY 2022**

(Continued)

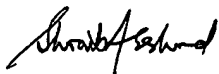
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2019), in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) applicable to smaller entities and the Companies Act 2006.
- We understood how the charitable company is complying with those frameworks via communication with those charged with governance, together with the review of the charity's documented policies and procedures. The charitable company is required to comply with both company law and charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.
- The audit team, which is experienced in the audit of charities, considered the charity's susceptibility to material misstatement and how fraud may occur. Our considerations included the risk of management override and allocation of costs to charitable activities and restricted funds.
- Our approach was to check that the income from grants and donations were properly identified and accurately disclosed, that expenditure complied with the control procedures and was appropriately charged. We also reviewed the transactions with the subsidiary company, major journal adjustments along with unusual transactions and considered the identification and disclosure of related party transactions.

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

Use of our report

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



Shoaib Arshad (Senior Statutory Auditor)

For and on behalf of:

Knox Cropper LLP

Chartered Accountants & Statutory Auditors

65 Leadenhall Street

London

EC3A 2AD

13 February 2023

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating the Income and Expenditure Account)
For the year ended 31 July 2022

	Note	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	2	3,251,383	150,000	3,401,383	3,502,407
Charitable activities	5	-	1,153,208	1,153,208	447,576
Other trading activities	3	537,332	-	537,332	97,861
Investments	4	734	-	734	185
Other	6	2,176	-	2,176	37,735
TOTAL		3,791,625	1,303,208	5,094,833	4,085,764
EXPENDITURE ON:					
Charitable activities		3,601,793	1,383,535	4,985,328	3,550,897
Other costs					
Pension costs - Past Service Deficit		(77,033)	-	(77,033)	54,733
TOTAL EXPENDITURE	7	3,524,760	1,383,535	4,908,295	3,605,630
Net Income		266,865	(80,327)	186,538	480,134
Transfer between funds	17	983	(983)	-	-
NET MOVEMENT IN FUNDS		267,848	(81,310)	186,538	480,134
RECONCILIATION OF FUNDS:					
TOTAL FUNDS AT 1 AUGUST 2021		(1,239,527)	981,663	(257,864)	(737,998)
TOTAL FUNDS AT 31 JULY 2022		£ (971,679)	£ 900,353	£ (71,326)	£ (257,864)

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION
Company limited by guarantee (registered company no. 07710669)

BALANCE SHEET
As at 31 July 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible assets	11	139,370	129,995
Investments		-	-
		<u>139,370</u>	<u>129,995</u>
CURRENT ASSETS			
Stocks		20,140	20,231
Debtors	12	350,010	261,964
Cash at bank and in hand		1,474,665	1,545,887
		<u>1,844,815</u>	<u>1,828,082</u>
CREDITORS: amounts falling due within one year	13	(607,802)	(570,912)
NET CURRENT ASSETS		<u>1,237,013</u>	<u>1,257,170</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,376,383	1,387,165
CREDITORS: amounts falling due after one year	14	(1,447,709)	(1,645,029)
TOTAL NET LIABILITIES		<u>£ (71,326)</u>	<u>£ (257,864)</u>
FUNDS			
Unrestricted funds:			
Designated funds	17	(1,288,556)	(1,620,610)
General fund	17	316,877	381,083
		<u>(971,679)</u>	<u>(1,239,527)</u>
Restricted funds	17	900,353	981,663
		<u>£ (71,326)</u>	<u>£ (257,864)</u>

The financial statements have been prepared in accordance with the special provisions in Part 15 of the Companies Act 2006 relating to small companies and section 1a of the Financial Reporting Standard 102.

The financial statements were approved, and authorised for issue, by the Board of Trustees on 13 February 2023 and signed on their behalf by:-



MATHILDE MASON, Chair of Board of Trustees

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

CASH FLOW STATEMENT

For the year ended 31 July 2022

	2022 £	2021 £
Cash flows from operating activities		
Surplus for the financial year	186,538	480,134
Adjustments for:		
Depreciation	35,066	6,938
Decrease in stocks	91	536
(Increase)/decrease in debtors	(88,046)	59,553
(Decrease) in creditors	(160,430)	(100,697)
Investment income	(734)	(185)
	<u>(27,515)</u>	<u>446,279</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(44,441)	(125,339)
Return on investment - interest receivable	734	185
	<u>(43,707)</u>	<u>(125,154)</u>
Net (decrease)/increase on cash and cash equivalents	<u>(71,222)</u>	<u>321,125</u>
Cash and cash equivalents at 1 August 2021	1,545,887	1,224,762
Cash and cash equivalents at 31 July 2022	<u><u>£ 1,474,665</u></u>	<u><u>£ 1,545,887</u></u>
Components of cash and cash equivalents		
	At 1 August 2021	Cashflows At 31 July 2022
Cash at bank and in hand	<u><u>£ 1,545,887</u></u>	<u><u>£ (71,222)</u></u> <u><u>£ 1,474,665</u></u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2022

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention. They have been prepared in accordance with applicable United Kingdom accounting standards, the requirements of the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2019), in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) applicable to smaller entities (under section 1a) and the Companies Act 2006. The presentational currency of the financial statements is Pound Sterling (£).

Going Concern

After making enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees' Responsibilities in the Annual Report.

Company status

The London School of Economics Students' Union is an incorporated charity: a private limited company limited by guarantee and charity registered in the UK (Charity number 1143103. Company Number: 07710669). Its registered office is at LSE Students' Union, Saw Swee Hock Student Centre, 1 Sheffield Street, London, WC2A 2AP.

The principal activities are campaigning, representation, provision of social activities and the organisation of sporting and recreational activities and opportunities. The Charity meets the definition of a public benefit entity.

Fund accounting

London School of Economics Students' Union administers and accounts for a number of charitable funds, as follows:-

Unrestricted Funds representing unspent income which may be used for any activity/purpose at the Trustees' own discretion;

Restricted funds raised and administered by the Union for specific purposes as determined by students, such as Club and Societies Accounts, as well as revenue received for purposes specified by the donor and also (if not material enough to require a separate column in the SoFA) any small capital grants received from the School.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

Incoming resources

All income and capital resources are recognised in the accounts when the entitlement to the income or endowment arises, there is probable economic benefit to the Union and the amount can be reliably quantified.

Grants received are credited to income according to the period to which they relate and treated as unrestricted unless restrictions are specified by the provider relating to spending of that income, in which case they are treated as restricted.

Income from commercial activities includes amounts received in exchange for supplying goods and services through the Union's bar, catering, gym and retail outlets, with amounts recognised based on the date of sale.

Media sale income includes sponsorship relating to Welcome Fair stalls, which is accounted for when the contractual entitlement to the income arises, and NUS Extra card income which is accounted for based on sales arising in the period.

Club and societies' income includes membership, sponsorship and grant income which is treated as restricted.

Resources Expended

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities. Expenditure includes irrecoverable VAT and comprises the direct and indirect costs of delivering public benefit. Governance costs are those incurred for compliance with constitutional and statutory requirements, such as the annual audit, annual elections and training for sabbatical officers.

Other central overhead costs, as well as governance costs, are apportioned to charitable and other projects/activities on a usage basis, pro rata to the total costs of each project or activity undertaken.

Tangible fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. Assets are not capitalised below £3,000 cost per item/set. Equipment, fixtures and fittings are included at cost. Depreciation is provided at the following annual rates in order to write the cost of assets off over their estimated useful lives:-

Fixtures and Fittings	25% per annum on cost
Computer and Office Equipment	25% per annum on cost
Gym equipment	20% per annum on cost
Improvements to Buildings	10% per annum on cost

Termination benefits

Termination benefits are accounted following a commitment by legislation, by contractual or other agreements with employees to make payments (or provide other benefits) to employees when the Union terminates their employment.

Leased assets

Rentals payable under operating leases are charged as expenditure on a straight line basis over the period of the lease.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2022

Stock

Stock is valued at the lower of the cost or net realisable value.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial Instruments

The charity holds only financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments include cash debtors and creditors. Debtors and creditors are initially recognised at transaction value and subsequently measured at fair value. Cash is cash at bank and in hand.

Pensions

Retirement benefits to employees of the Union are provided through two pension schemes, one defined benefit (SUSS), the other defined contribution (Scottish Widows).

In relation to the multi-employer defined benefit scheme which is closed to future accrual, as set out in note 15, full provision is made for the total agreed contributions payable to meet the fund deficit. The provision is based on the total contributions payable at the year end, discounted to net present value.

In relation to the defined contribution scheme, as set out in note 16, contributions are accounted for as they fall due.

Judgements and key sources of estimation uncertainty

Judgements and key sources of estimation uncertainty are detailed in the above accounting policies, where applicable. The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are that of the SUSS pension scheme deficit as disclosed in note 15.

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2022

2. DONATIONS AND LEGACIES

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
University Block Grant	1,112,477	-	1,112,477	1,085,343
University other grants	639,694	150,000	789,694	683,402
Government Grants	3,095	-	3,095	264,939
Space Grant	1,496,117	-	1,496,117	1,468,723
Capital Grant	-	-	-	-
	<u>£ 3,251,383</u>	<u>£ 150,000</u>	<u>£ 3,401,383</u>	<u>£ 3,502,407</u>

Comparative donations and legacies

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
University Block Grant	1,085,343	-	1,085,343
University other grants	533,402	150,000	683,402
Government Grants	264,939	-	264,939
Space Grant	1,468,723	-	1,468,723
Capital Grant	-	-	-
	<u>£ 3,352,407</u>	<u>£ 150,000</u>	<u>£ 3,502,407</u>

3. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Trading income	510,059	-	510,059	88,043
Other generated income	27,273	-	27,273	9,818
	<u>£ 537,332</u>	<u>£ Nil</u>	<u>£ 537,332</u>	<u>£ 97,861</u>

Comparative income from other trading activities

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
Trading income	88,043	-	88,043
Event income	9,818	-	9,818
	<u>£ 97,861</u>	<u>£ Nil</u>	<u>£ 97,861</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2022

4. INVESTMENT INCOME

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Interest receivable from: Bank interest	734	-	734	185
	<u>£ 734</u>	<u>£ Nil</u>	<u>£ 734</u>	<u>£ 185</u>

Comparative investment income

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
Interest receivable from: Bank interest	185	-	185
	<u>£ 185</u>	<u>£ Nil</u>	<u>£ 185</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Clubs and Societies	-	1,153,208	1,153,208	447,576
	<u>£ Nil</u>	<u>£ 1,153,208</u>	<u>£ 1,153,208</u>	<u>£ 447,576</u>

6. OTHER INCOME

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Other income	2,176	-	2,176	37,735
	<u>£ 2,176</u>	<u>£ Nil</u>	<u>£ 2,176</u>	<u>£ 37,735</u>

Comparative other income

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
Other income	37,735	-	37,735
	<u>£ 37,735</u>	<u>£ Nil</u>	<u>£ 37,735</u>

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

7. RESOURCES EXPENDED

	Cost of sales £	Staff Costs £	Other direct costs £	Central costs £	Total 2022 £
Cost of charitable activities					
Trading activities	153,852	471,738	123,239	605,007	1,353,836
Student Communities	-	395,535	216,595	483,673	1,095,803
Student Representation	-	390,195	28,458	467,221	885,874
Support and advice	-	69,961	87,462	80,613	238,036
Marketing and Communications	-	139,840	-	32,903	172,743
Clubs and societies	-	-	1,239,036	-	1,239,036
Total charitable expenditure	<u>£ 153,852</u>	<u>£ 1,467,269</u>	<u>£ 1,694,790</u>	<u>£ 1,669,417</u>	<u>£ 4,985,328</u>

Central costs included in the resources expended

	Staff Costs £	Rent £	Support costs £	Total £
Cost of charitable activities				
Trading activities	81,391	461,447	143,560	686,398
Student Communities	67,787	384,321	99,352	551,460
Student Representation	65,481	371,249	95,972	532,702
Support and advice	11,298	64,054	16,559	91,911
Marketing and Communications	4,611	26,144	6,759	37,514
Total charitable expenditure	<u>£ 225,957</u>	<u>£ 1,281,071</u>	<u>£ 355,443</u>	<u>£ 1,862,471</u>

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2022

7. RESOURCES EXPENDED (continued)

Comparative resources expended

	Cost of sales £	Staff Costs £	Other direct costs £	Central costs £	Total 2021 £
<i>Cost of charitable activities</i>					
Trading activities	16,910	545,226	43,329	681,198	1,286,663
Student Communities	-	206,000	158,865	251,111	615,976
Student Representation	-	434,425	23,921	532,610	990,956
Support and advice	-	89,871	71,992	110,361	272,224
Marketing and Communications	-	149,352	-	31,988	181,340
Clubs and societies	-	-	203,738	-	203,738
Total charitable expenditure	£ 16,910	£ 1,424,874	£ 501,845	£ 1,607,268	£ 3,550,897

Central costs included in the resources expended

	Staff Costs £	Rent £	Support costs £	Total £
<i>Cost of charitable activities</i>				
Trading activities	144,753	550,338	130,860	825,951
Student Communities	53,982	205,233	45,878	305,093
Student Representation	114,496	435,303	97,307	647,106
Support and advice	23,724	90,198	20,163	134,085
Marketing and Communications	6,877	26,144	5,844	38,865
Total charitable expenditure	£ 336,955	£ 1,281,072	£ 294,208	£ 1,912,235

Resources expended include:

	2022	2021
Auditors' remuneration:		
Audit fee	9,740	9,525
Other services	1,260	1,230
Depreciation - on owned assets	35,066	6,938

Details of staff costs are given in Note 9.

Details of Support costs is given in Note 8.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2022

8. SUPPORT COSTS

	Total 2022 £	Total 2021 £
Irrecoverable VAT	114,347	143,722
Bank Charges	5,638	3,130
Insurance	28,054	30,626
Consultancy and Professional Fees	37,362	15,368
Affiliations and subscriptions	28,853	28,495
Auditors' remuneration	11,000	10,755
Training and Development	17,276	9,529
Telephone	8,300	8,423
Depreciation (non-commercial assets)	6,326	2,622
Office Stationery and Minor Equipment	20,062	14,983
Recruitment Expenses	11,806	8,033
Website costs	16,970	15,886
Card Processing Fees	24,072	7,646
Licenses	14,715	5,470
Bad Debt Write Off	7,436	(18,734)
Sundry Costs	3,226	8,254
	£ 355,443	£ 294,208

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2022

9. STAFF NUMBERS AND COSTS

	2022 £	2021 £
Wages and salaries	1,335,907	1,266,635
Social security costs	106,385	111,215
Pension costs - current services costs	24,977	29,367
Other staff costs	-	17,657
	<u>1,467,269</u>	<u>1,424,874</u>
Pension costs - past services deficit	(77,033)	54,733
	<u>£ 1,390,236</u>	<u>£ 1,479,607</u>

	2022 Number	2021 Number
The average weekly number of employees, head-count, during the period was:		
Permanent staff	37	39
Student and casual staff	80	42
	<u>117</u>	<u>81</u>

	2022 £	2021 £
The cost of key management was as follows:		
Sabbatical Officers	145,629	143,402
Senior management	235,323	221,455
	<u>£ 380,952</u>	<u>£ 364,857</u>

Number of Sabbatical Officers	<u>5</u>	<u>5</u>
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One (2021 - one) employee received remuneration of more than £60,000
The accounts include termination payments totalling £nil (2021 - £8,942).

The key management personnel of the Charity are those persons having authority and responsibility for planning, directing and controlling the activities of the Charity, directly or indirectly, including any Trustee of the Charity. In addition to the Trustees, key management personnel includes the Sabbatical Officers and senior management.

10. TRUSTEES REMUNERATION AND BENEFITS

Sabbatical officers are paid as authorised in the Union's governing document, for the representation, campaigning and support work they undertake as distinct from their trustee responsibilities. This work included voicing student opinion with the University and local community, defending and extending the rights of students through petitions etc. and also organising and supporting student volunteers and service provision for them. Details are included in note 9.

Five members of the Board of Trustees received reimbursement of travel and IT expenses amounting to £507 (2021 - £124).

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2022

11. TANGIBLE FIXED ASSETS

	Fixture and fittings £	Other fixed assets £	Total £
Cost			
At 1 August 2021	118,218	125,339	243,557
Additions	35,399	9,042	44,441
Disposals	-	-	-
At 31 July 2022	<u>153,617</u>	<u>134,381</u>	<u>287,998</u>
Depreciation			
At 1 August 2021	112,208	1,354	113,562
Charge for the year	8,492	26,574	35,066
On disposals	-	-	-
At 31 July 2022	<u>120,700</u>	<u>27,928</u>	<u>148,628</u>
Net book value			
At 31 July 2022	<u>£ 32,917</u>	<u>£ 106,453</u>	<u>£ 139,370</u>
At 31 July 2021	<u>£ 6,010</u>	<u>£ 123,985</u>	<u>£ 129,995</u>

12. DEBTORS

	2022 £	2021 £
Due within one year		
Trade debtors	44,700	4,383
Prepayments	230,207	230,613
VAT repayment due	74,309	26,437
Other debtors	794	531
	<u>£ 350,010</u>	<u>£ 261,964</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2022

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	66,468	76,587
Deferred income	273,244	269,568
Social security and other taxes	25,220	25,274
Other creditors	69,332	34,463
Pension costs - Past Service Deficit	111,602	105,576
Accruals	61,936	59,444
	<u>£ 607,802</u>	<u>£ 570,912</u>
<u>Deferred income</u>		
Balance at 1 August 2021	269,568	291,470
Amount released to incoming resources	(269,568)	(291,470)
Amount deferred in the year	273,244	269,568
Balance at 31 July 2022	<u>£ 273,244</u>	<u>£ 269,568</u>

Deferred income includes a proportion of space grant relating to future period of £250,119 (2021 - £245,518) and other items totalling £23,125 (2021 - £24,050).

14. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2022 £	2021 £
Pension costs - Past Service Deficit	1,447,709	1,645,029
	<u>£ 1,447,709</u>	<u>£ 1,645,029</u>

15. DEFINED BENEFIT PENSION SCHEME – SUSS

	2022 £	2021 £
Pension costs - Past Service Deficit		
Brought forward	1,750,605	1,808,338
Payments made	(114,261)	(98,421)
Unwinding of interest for the year	58,295	40,688
Adjustment to provisions	(135,328)	-
	<u>£ 1,559,311</u>	<u>£ 1,750,605</u>
Analysis:		
Due within one year	111,602	105,576
Falling due after more than one year	1,447,709	1,645,029
	<u>£ 1,559,311</u>	<u>£ 1,750,605</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

15. DEFINED BENEFIT PENSION SCHEME – SUSS (continued)

London School of Economics Students' Union participates in the Students' Union Superannuation Scheme, which is a defined benefit scheme whose membership consists of employees of students' unions and related bodies throughout the country. Benefits in respect of service up to 30 September 2003 are accrued on a "final salary" basis, with benefits in respect of service from 1 October 2003 accruing on a Career Average Revalued Earnings (CARE) basis. With effect from 30 September 2011 the Scheme closed to future accrual. The most recent Valuation of the Scheme was carried out as at 30 June 2019 and showed that the market value of the Scheme's assets was £119.1m with these assets representing 46% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £140.9m.

The 2019 Valuation recommended a monthly contribution requirement by each Participating Employer expressed in monetary terms intended to clear the ongoing funding deficit over a period of 16 years, increasing by 5% each year (except 8% increase in year 2021-22). These contributions also include an allowance for the cost of the ongoing administrative and operational expenses of running the Scheme. The revised contributions represent a 18% increase on the pension deficit funding contribution and are payable over an extended period to August 2035.

Full provision is made in the accounts for the total amount of contributions payable to meet the funding deficit. The provision is based on the discounted value of future contributions. The contributions payable will be formally reviewed following completion of the next valuation due with an effective date of 30 June 2022. In addition to the above contributions, London School of Economics Students' Union also pays its share of the Scheme's levy to the Pension Protection Fund.

In calculating this net present value annual increases of 5% have been made and a discount rate of 3.33% (2021: 2.25%) representing the typical yield of high quality corporate bonds has then been applied. This discount rate is significantly higher than in the previous year and results in a lower liability than compared with the previous year. The next full Valuation of the Scheme may result in an increase to the liability.

16. DEFINED CONTRIBUTION PENSION SCHEME

Since 1 October 2011, all participating employees have been in a new defined contribution pension scheme with Scottish Widows. Contributions are at 3% (increasing to 4% from 1 August 2022) for the employer and a contribution rate starting at 4% for the employee. Contributions are accounted for as part of the Union's unrestricted funds.

'Pension costs - current services costs' in note 9 relate to payments made to a defined contribution pension scheme. The charitable company's liability is limited to making the payments due to the scheme on a timely basis. The liability at the 31 July 2022 is £4,914 (2021 : £5,108).

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2022

17. STATEMENT OF FUNDS

	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers and investment gains/(losses) £	Carried Forward £
DESIGNATED FUNDS					
Pension Fund Deficit	(1,750,605)	-	-	191,294	(1,559,311)
Fixed Assets and Premises Fund	129,995	-	-	9,375	139,370
Refurbishment fund (Gym, Marshall, Denning, EPOS)	-	-	-	131,385	131,385
	<u>£ (1,620,610)</u>	<u>£ Nil</u>	<u>£ Nil</u>	<u>£ 332,054</u>	<u>£ (1,288,556)</u>
RESTRICTED FUNDS					
Clubs and Societies	860,810	1,153,208	(1,239,036)	-	774,982
Clubs and Societies: Annual Fund	53,261	-	(52,278)	(983)	-
Other University grants	67,592	150,000	(92,221)	-	125,371
	<u>£ 981,663</u>	<u>£ 1,303,208</u>	<u>£ (1,383,535)</u>	<u>£ (983)</u>	<u>£ 900,353</u>
SUMMARY OF FUNDS					
Designated Funds	(1,620,610)	-	-	332,054	(1,288,556)
General Funds	381,083	3,791,625	(3,524,760)	(331,071)	316,877
	(1,239,527)	3,791,625	(3,524,760)	983	(971,679)
Restricted Funds	981,663	1,303,208	(1,383,535)	(983)	900,353
	<u>£ (257,864)</u>	<u>£ 5,094,833</u>	<u>£ (4,908,295)</u>	<u>£ Nil</u>	<u>£ (71,326)</u>

Comparative statement of funds

	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers and investment gains/(losses) £	Carried Forward £
DESIGNATED FUNDS					
Pension Fund Deficit	(1,808,338)	-	-	57,733	(1,750,605)
Fixed Assets and Premises Fund	-	-	-	129,995	129,995
	<u>£ (1,808,338)</u>	<u>£ Nil</u>	<u>£ Nil</u>	<u>£ 187,728</u>	<u>£ (1,620,610)</u>
RESTRICTED FUNDS					
Clubs and Societies	616,972	447,576	(203,738)	-	860,810
Clubs and Societies: Annual Fund	59,562	-	(6,301)	-	53,261
Other University grants	248,857	150,000	(82,408)	(248,857)	67,592
Sport England	-	-	-	-	-
	<u>£ 925,391</u>	<u>£ 597,576</u>	<u>£ (292,447)</u>	<u>£ (248,857)</u>	<u>£ 981,663</u>
SUMMARY OF FUNDS					
Designated Funds	(1,808,338)	-	-	187,728	(1,620,610)
General Funds	144,949	3,488,188	(3,313,183)	61,129	381,083
	(1,663,389)	3,488,188	(3,313,183)	248,857	(1,239,527)
Restricted Funds	925,391	597,576	(292,447)	(248,857)	981,663
	<u>£ (737,998)</u>	<u>£ 4,085,764</u>	<u>£ (3,605,630)</u>	<u>£ Nil</u>	<u>£ (257,864)</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2022

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds		Restricted Funds	Total Funds
	Designated Funds	General Funds		
	£	£	£	£
Tangible fixed assets	-	139,370	-	139,370
Net current assets	(111,602)	448,262	900,353	1,237,013
Creditors due in more than one year	(1,447,709)	-	-	(1,447,709)
	<u>£ (1,288,556)</u>	<u>£ 316,877</u>	<u>£ 900,353</u>	<u>£ (71,326)</u>

Comparative analysis of net assets between funds

	Unrestricted Funds		Restricted Funds	Total Funds
	Designated Funds	General Funds		
	£	£	£	£
Tangible fixed assets	-	129,995	-	129,995
Net current assets	(105,576)	381,083	981,663	1,257,170
Creditors due in more than one year	(1,645,029)	-	-	(1,645,029)
	<u>£ (1,620,610)</u>	<u>£ 381,083</u>	<u>£ 981,663</u>	<u>£ (257,864)</u>

19. OTHER FINANCIAL COMMITMENTS

At 31 March 2021 the Company had commitments under non-cancellable operating leases (all for land and buildings) as set out below:

	2022	2021
	£	£
Operating leases which expire:		
within two to five years	<u>2,117,688</u>	<u>3,686,346</u>
	<u>£ 2,117,688</u>	<u>£ 3,686,346</u>

20. RELATED PARTIES

There are no related party transactions other than those disclosed in notes 9 and 10.

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

21. RELATIONSHIP WITH LONDON SCHOOL OF ECONOMICS

The London School of Economics provides the Union with an annual grant as shown in the Statement of Financial Activities including a Space Grant which contributes to the costs which the Union incurs in occupying spaces owned by The London School of Economics. The Union pays market rate charges to The London School of Economics for this accommodation and associated support services.

22. CONTROLLING PARTY

Ultimate control of the Union rests with its membership, represented by the Board of Trustees.

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2021

23 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	<i>Unrestricted Funds 2021 £</i>	<i>Restricted Funds 2021 £</i>	<i>Total Funds 2021 £</i>
INCOME AND ENDOWMENTS FROM:			
Donations and legacies	3,352,407	150,000	3,502,407
Charitable activities	-	447,576	447,576
Other trading activities	97,861	-	97,861
Investments	185	-	185
Other	37,735	-	37,735
TOTAL	3,488,188	597,576	4,085,764
EXPENDITURE ON:			
Charitable activities	3,258,450	292,447	3,550,897
Pension costs - Past Service Deficit	54,733	-	54,733
TOTAL EXPENDITURE	3,313,183	292,447	3,605,630
	175,005	305,129	480,134
Transfer between funds	13,587	(13,587)	-
NET MOVEMENT IN FUNDS	188,592	291,542	480,134
TOTAL FUNDS AT 31 JULY 2020	(1,663,389)	925,391	(737,998)
TOTAL FUNDS AT 31 JULY 2021	£ (1,474,797)	£ 1,216,933	£ (257,864)