

22



LSE STUDENTS' UNION

LSESU ANNUAL REPORT 2022/23

LSE

The London School of Economics and

23

01

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02

INTRODUCTION

BY JAMES RELF,
General Secretary & Chair of the Trustee Board

➤ LSE Students' Union (LSESU) is the hub for student life here at LSE. Together, we engage and empower students throughout their journey at LSE and work to advance their education, as set out in our charitable objects. In 2022, we celebrated the 125th anniversary of the founding of LSESU, a history rich in progressive change as an institution which, since 1897, has gone on to shape the leaders of tomorrow.

LSESU continues to see growth in its level of engagement through its responsibility and oversight of all sports clubs, societies, and elections at LSE. In 2022/23, we facilitated 2772 events across the year, organised by our 300 sports clubs and societies. This growth was inspired by the campus' complete opening up since the start of the COVID-19 pandemic, alongside LSESU's expansion into the new Marshall Building at the beginning of the year. Additionally, we saw record levels of participation in our democratic functions, with a 25% turnout in the 2023 Lent Term Elections (more than double the sector average), empowering students to lead LSE.

LSESU's Advice Service and Hardship Fund continues to be accessed more than ever before in light of temporal challenges in 2022/23, such as inflation, the Cost of Living Crisis and the impact of industrial action led by the University and College Union (UCU). In 2022/23, the Advice Service handled 674 cases and

administered £101,918.16 in Hardship & Childcare Fund Awards.

This year, we have seen a significant change in our leadership team. In February 2023, we said farewell to our CEO James Hann who, across five years, had overseen LSESU's split from Arts SU, and steered the organisation through the pandemic. We welcome Ben Whittaker as LSESU's new CEO, whom I am thrilled to work closely with in devising the new LSESU strategy, due to launch in 2023/24.

We now look to the next 125 years, noting the opportunities and challenges it may bring, and reaffirming LSESU's commitment to advance every students' education and support the school's founding purpose, which is "to know the causes of things for the betterment of society".



James Relf
LSESU General Secretary 2023/24.
Chair of the Board of Trustees 2023/24.



“

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

”



03 INTRODUCTION

BY BEN WHITTAKER,
Chief Executive

> I'm very happy to be writing to you as the new CEO of LSESU, having started in May 2023. It is an honour to follow in the footsteps of James Hann, who has shown exceptional dedication and leadership during his tenure. I extend my heartfelt thanks to James for his hard work and unwavering commitment to the betterment of LSESU.

With that, I am pleased to report that the Students' Union has maintained strong performance across all key areas of our work. We remain steadfast in delivering outstanding services to students, focusing on key aspects that contribute to an enriching student experience. This accomplishment is a testament to the collective efforts of our dedicated staff, whose commitment to quality continues to drive our success.

Our financial standing remains strong, providing a solid foundation for future endeavours. I want to express my thanks to the incredible student officers who tirelessly contribute towards transforming our work. Their innovative projects, campaigns, and activities help to enhance the overall experience for their peers and fellow students, creating a vibrant and dynamic student community.

However, my vision extends beyond

maintaining the status quo. Looking ahead, I am excited about focusing our strategy on achieving excellence in all aspects of our work, with the goal of fully transforming the student experience at LSE.

Reflecting on the past year, I am confident that LSESU will continue to deliver sector-leading work. We will persevere in our dedication to ensuring that LSE students have the best possible experience during their time with us.

The journey ahead is filled with promise, and I am eager to collaborate with the entire LSESU and LSE community to build on our successes and explore new avenues for growth and innovation.

Ben Whittaker
LSESU Chief Executive

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THE UNION AND ITS TRUSTEES

LSESU is a not-for-profit organisation run by and for The 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 time at the university.

➤ Founded in 1897, LSESU is both 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 they are the ultimate decisionmakers and have 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 organisations 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 2022/23, 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.

The Trustees confirm that they have referred to the Charity Commission general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

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 within 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



James Relf
LSESU General Secretary 2023/24.
Chair of the Board of Trustees 2023/24.

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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 2022/23 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 2022/23, the Union employed an average of

{ 27 STAFF }

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

135



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

➤ **2022/23** saw a full return to campus and in-person learning. The Union is delighted to see students being able to enjoy brand new state-of-the-art Marshall Building facilities, new events, and access to campaigns such as Consent.ed, Rejoining Stonewall, and Bring Back the LSE Nursery.

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

COMMUNITY IS KINDNESS.

**BE KIND.
LET'S
LOOK OUT
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COMMUNITY IS KINDNESS.



STUDENT VOICE

“

“It’s often hard to admit one needs help, but it’s also deeply reassuring to know that LSE is ready to use its resources to help you at what seems like your worst. The help came through quite quickly after I asked and provided the necessary information, and I can’t adequately express how much the support has meant for my mental wellbeing. I’m truly thankful’.”

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 (ARs). This year, we supported **676 Representatives**, electing **158 of these positions in-house**, and had **78.5% of ARs**, and **87.5% of Department Representatives** reporting that they felt satisfied with their experience.

Following on from the **2021/22** democracy review, **2022/23** saw most of the recommendations implemented, with new positions voted in for the **2023/24** academic year.

Whilst our Michaelmas Term elections only secured an **8% voter turnout**, **77% of the roles were contested**, and we saw an increased representation across all underrepresented demographics (BAME, international, postgraduate, and mature students).

The Lent Term elections, which is when we elect our main representative roles was the first set to elect the posts from the new democratic structure, and the engagement with these elections were LSESU’s best, with a **25% voter turnout**, and all positions contested/filled for the first time.

2022/23 also saw implementation of other recommendations from the democracy review,

introducing Student Town Halls and Student Panels.

Student Panels are comprised of students selected to be representative of the wider LSE population. An initiative designed to empower the voices of the unrepresented, their introduction proved a success, with the highest number of policy proposals ever received (**29 proposals, 18 discussed, and 15 passed**) and were given positive feedback, with **97.5% stating they would recommend joining to a friend**, and **100% reporting feeling supported** by SU staff.

Our Representation Team also delivered the Teaching Excellence Framework (TEF), as well as the BME Mentoring Scheme; an initiative which have continued to grow year-on-year, with **230 mentor/mentee matches in 2022/23**, with **79% of mentors**, and **97% of mentees reporting an “excellent” or “good” experience**. The schemes reach and impact secured LSESU a nomination at the National Diversity Awards.

LSESU also exists to support its students through any challenges they face. Our Advice Service plays a key role in helping students as they navigate LSE’s internal assessment regulation processes.

The Advice Service also provides housing advice and funding for students experiencing financial hardship. **2022/23** saw **674 cases** and **£101,918.16** awarded to students. This was achieved while maintaining the exceptionally high levels of satisfaction, with **93% of users saying they would recommend the service**.

COMMUNITIES

START



2022/23 was a big year for LSE Students' Union (LSESU) Clubs and Societies - there was a notable rise in participation and engagement with student activities following the pandemic.

The LSESU Societies team supported **266** registered LSESU Societies with **6398** individual memberships sold. Of these **6398** memberships, **59%** were aged 18-21, **62%** were undergraduates, and **55.91%** were female. The breakdown between academic years were as follows: **63%** 1st Years, **20%** 2nd Years, **15%** 3rd Years and **2%** 4th Years. LSESU Societies organised **1808** events, including **55** Flagship events in Winter Term alone. Examples of the former included a week-long German Symposium, a Diplomacy Ball for over 400 students, and two Model United Nations Conferences for University and High School students alike. As part of the support for these events, the Societies Team also processed 795 financial reimbursements totalling **£406,000**.

During 2022/23 year, the Students' Union Fund (SUF) which serves to support LSE students by supplying funding to bring their inspiring ideas and activities to life, awarded **£120,722** across **122** student-led projects and initiatives. This was a **154%** increase in the number of applications received compared to 2021/22.

In the annual Society and Sports Club Committee Elections, we elected **677** Society and **234** Sports Club Committee Members (**911** total) to lead our student groups.

The LSESU Sport and Recreation team supported 41 Sports Clubs, with **2793** memberships sold. We entered a record number of teams into BUCS (48) and LUSL (27) competitions, with 10 league winners and 5 cup winners. The Women's Table Tennis team were promoted into the Premiership division to compete against the best players in the country.

The LSESU Athletics Union organised various union-wide events, including an AU Fight Night, AU x RAG Fashion Show in the Marshall Building, and an AU Ball hosting 850 students to celebrate the sporting success of LSE students.

The LSESU gym generated **£104,000** in gym memberships, made up of **£31,500** from Freshers memberships, and **£11,600** from Summer School memberships. In the Marshall Building, the team introduced a new online booking system to make facility bookings more accessible and easier for its users.



“LSESU is a big help. I’m so grateful that they are there to support me 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:



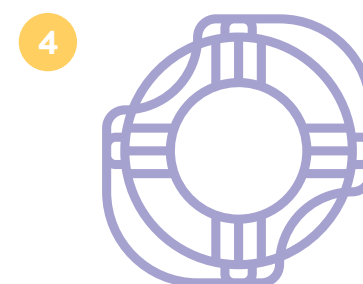
1 Recruited the new CEO, bringing a brand new direction for the Students Union. Ben joins us with vast knowledge of higher education and extensive strategic development skills, with the new strategy focusing on the improvement of student satisfaction and departmental delivery.



2 Launched The Charity Shop in collaboration with Raising and Giving (RAG) and Sustainable Futures Society. This initiative contributes significantly to the vibrant community atmosphere on campus, giving a second home to a vast collection of previously loved items.



3 Led the campaign against LSE's decision to withdraw from the Stonewall Charter, lobbying to rejoin and to introduce additional support measures for the School's LGBTQ+ community, as well as pushing LSE to stop the use of NDAs by signing the Can't Buy My Silence pledge.



4 Supported the Turkish relief efforts through a selection of fundraisers, including stallholding and other activities, generating money that directly supported charities on the ground during the devastating earthquake.



5 Organised LSE's first ever week-long Varsity against Imperial College London, providing opportunity for 15 of our sports clubs to participate in the competition. Thanks to a great initial success, Varsity is now set to grow and grow each year.

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FINANCE SUMMARY



Income

➤ Our unrestricted income for the year increased to **£4,205,062** (£3,791,625 in 2022), primarily as a result of higher trading income, as more students returned to campus following the return to in-person learning and benefitting from a full year of SU spaces in the Marshall Building.



Costs

➤ Total expenditure from unrestricted funds, before pensions deficit funding, was **£3,952,539** (£3,601,763 in 2022). Total expenditure from unrestricted funds, including pensions deficit funding, was **£4,121,944** (£3,524,760 in 2022).



Outcomes

➤ The outcome for the year was a general fund surplus of **£252,523**, before pension funding deficit, (£189,832 surplus in 2022) which the trustees deem a satisfactory result. After the pension charges, this results in a general funds surplus of **£83,118** (£266,865 in 2022).



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 **£135,727** (£80,327 deficit in 2022) giving a year end balance of **£767,626**.



Future Funding

➤ LSESU has sufficient funds to meet its future obligations for 2023/24, but an increase in funding remains a priority. The subvention grant from LSE for 2023/24 has been confirmed at **£1,168,796** (£1,140,289 in 2022/23).



Fixed Assets

➤ New till systems and furniture items were purchased during the year at a cost of **£28,555**.



Reserves

➤ Unrestricted general reserves at the end of the year were **£505,532** (£316,877 in 2022). **£43,782** was transferred from designated funds to cover the clawback of funding from LSE in relation to the Marshall Building. The **£1,606,311** SUSS pension liability is shown as a separate designated fund as the payments do not fall due immediately (2022 £1,559,311). Total reserves (both restricted and unrestricted) at year end were **£123,935** in deficit.



Reserves Policy

➤ LSESU reserves policy is that general (unrestricted) reserves should be **£300,000**, and the Union is compliant with this policy at year end. 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, while allowing time to re-establish or re-focus income generating activities. The trustees will review the reserves policy during 2023/24.



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 2023.

Mitigating steps were identified such as data protection training, increasing the number of external Trustee Board Members, and working with LSE on our 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 LSE. In addition to the provision of space, LSE also pays for utilities, caretaking, and cleaning staff. This support is intrinsic to the relationship between LSE and LSESU. Although LSESU continues to generate supplementary funding from various mutual trading activities, it will always be dependent on LSE's support.

The Trustees consider it reasonable to anticipate that this, or equivalent, support from LSE 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.

08

LOOKING AHEAD

Despite our pride in the successes of this year, we are committed to continuously developing the Union for the benefit of our members.

The next year will see:

- > A newly developed strategic plan.
- > A full review of all our democratic procedures.
- > A continued and improved “Welcome” offer for incoming students, including consent education.

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

For the year ended 31 July 2023

Board of Trustees

Christopher Adeoye	Appointed on 1 July 2023
Onkyeka Aghatise	Appointed on 14 September 2022
Marie-Helene Blattmann Lenoir	Appointed on 1 February 2023
Helen Bourne	Appointed on 1 July 2023
Robel Iyassu	Appointed 14 September 2022
Sarah Onifade	Appointed 1 July 2023
Linea Francesca Petrela	Appointed 24 November 2022
James Edgar Relf	Appointed 1 July 2023
Vaidahi Sharma	Appointed 1 July 2023

Company Secretary

Nicholas Smith

Principal Officers

James Hann (RESIGNED)	Chief Executive (resigned 9 February 2023)
Ben Whittaker	Chief Executive
Sarah Chowdry-Grant	Head of Student Communities (resigned 24 October 2023)
Ricardo Visinho	Head of Student Voice
Freda Chisambi	Head of Communications and Marketing

Company reg. no. Charity reg. no.

7710669
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

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LONDON SCHOOL OF ECONOMICS STUDENTS' UNION FOR THE YEAR ENDED 31 JULY 2023

(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 2023 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 2023 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 2023**

(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 2023**

(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

2023

Knox Cropper LLP Chartered Accountants is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating the Income and Expenditure Account)
For the year ended 31 July 2023

	Note	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	2	3,520,785	150,000	3,670,785	3,401,383
Charitable activities	5	-	1,252,882	1,252,882	1,153,208
Other trading activities	3	648,642	-	648,642	537,332
Investments	4	17,177	-	17,177	734
Other	6	18,458	-	18,458	2,176
TOTAL		4,205,062	1,402,882	5,607,944	5,094,833
EXPENDITURE ON:					
Charitable activities		3,952,539	1,538,609	5,491,148	4,985,328
Other costs					
Pension costs - Past Service Deficit		169,405	-	169,405	(77,033)
TOTAL EXPENDITURE	7	4,121,944	1,538,609	5,660,553	4,908,295
Net Income		83,118	(135,727)	(52,609)	186,538
Transfer between funds	17	-	-	-	-
NET MOVEMENT IN FUNDS		83,118	(135,727)	(52,609)	186,538
RECONCILIATION OF FUNDS:					
TOTAL FUNDS AT 1 AUGUST 2022		(971,679)	900,353	(71,326)	(257,864)
TOTAL FUNDS AT 31 JULY 2023		£ (888,561)	£ 764,626	£ (123,935)	£ (71,326)

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

BALANCE SHEET
As at 31 July 2023

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	11	124,616	139,370
Investments		-	-
		<u>124,616</u>	<u>139,370</u>
CURRENT ASSETS			
Stocks		23,382	20,140
Debtors	12	368,876	350,010
Cash at bank and in hand		1,540,069	1,474,665
		<u>1,932,327</u>	<u>1,844,815</u>
CREDITORS: amounts falling due within one year	13	(691,749)	(607,802)
NET CURRENT ASSETS		<u>1,240,578</u>	<u>1,237,013</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,365,194	1,376,383
CREDITORS: amounts falling due after one year	14	(1,489,129)	(1,447,709)
TOTAL NET LIABILITIES		<u>£ (123,935)</u>	<u>£ (71,326)</u>
FUNDS			
Unrestricted funds:			
Designated funds	17	(1,394,093)	(1,288,556)
General fund	17	505,532	316,877
		<u>(888,561)</u>	<u>(971,679)</u>
Restricted funds	17	764,626	900,353
		<u>£ (123,935)</u>	<u>£ (71,326)</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 06/03/2024 and signed on their behalf by:-



James Relf,
LSESU General Secretary and Chair of LSE Students' Union Trustee Board

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

CASH FLOW STATEMENT
For the year ended 31 July 2023

	2023 £	2022 £
Cash flows from operating activities		
	(52,609)	186,538
Adjustments for:		
Depreciation	25,522	35,066
Increase in stocks	(3,242)	91
Increase in debtors	(18,866)	(88,046)
Increase in creditors	125,367	(160,430)
Investment income	(17,177)	(734)
	<u>58,995</u>	<u>(27,515)</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(10,767)	(44,441)
Return on investment - interest receivable	17,177	734
	<u>6,410</u>	<u>(43,707)</u>
Net (decrease)/increase in cash and cash equivalents	<u>65,405</u>	<u>(71,222)</u>
Cash and cash equivalents at 1 August 2022	1,474,665	1,545,887
Cash and cash equivalents at 31 July 2023	<u><u>£ 1,540,070</u></u>	<u><u>£ 1,474,665</u></u>
Components of cash and cash equivalents		
	At 1 August 2022	Cashflows
		At 31 July 2023
Cash at bank and in hand	<u><u>£ 1,474,665</u></u>	<u><u>£ 65,404</u></u>
		<u><u>£ 1,540,069</u></u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2023

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.

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2023

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 £4,000 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 2023

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, contribution 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 2023

2. DONATIONS AND LEGACIES

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
University Block Grant	1,140,289	-	1,140,289	1,112,477
University other grants	726,144	150,000	876,144	789,694
Government Grants	-	-	-	3,095
Space Grant	1,654,352	-	1,654,352	1,496,117
Capital Grant	-	-	-	-
	<u>£ 3,520,785</u>	<u>£ 150,000</u>	<u>£ 3,670,785</u>	<u>£ 3,401,383</u>

Comparative donations and legacies

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £
University Block Grant	1,112,477	-	1,112,477
University other grants	639,694	150,000	789,694
Government Grants	3,095	-	3,095
Space Grant	1,496,117	-	1,496,117
Capital Grant	-	-	-
	<u>£ 3,251,383</u>	<u>£ 150,000</u>	<u>£ 3,401,383</u>

3. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Trading income	598,102	-	598,102	510,059
Other generated income	50,540	-	50,540	27,273
	<u>£ 648,642</u>	<u>£ Nil</u>	<u>£ 648,642</u>	<u>£ 537,332</u>

Comparative income from other trading activities

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £
Trading income	510,059	-	510,059
Event income	27,273	-	27,273
	<u>£ 537,332</u>	<u>£ Nil</u>	<u>£ 537,332</u>

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2023

4. INVESTMENT INCOME

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Interest receivable from: Bank interest	17,177	-	17,177	734
	<u>£ 17,177</u>	<u>£ Nil</u>	<u>£ 17,177</u>	<u>£ 734</u>

Comparative investment income

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

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Clubs and Societies	-	1,252,882	1,252,882	1,153,208
	<u>£ Nil</u>	<u>£ 1,252,882</u>	<u>£ 1,252,882</u>	<u>£ 1,153,208</u>

6. OTHER INCOME

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Other income	18,458	-	18,458	2,176
	<u>£ 18,458</u>	<u>£ Nil</u>	<u>£ 18,458</u>	<u>£ 2,176</u>

Comparative other income

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

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2023

7. RESOURCES EXPENDED

	Cost of sales £	Staff Costs £	Other direct costs £	Central costs £	Total 2023 £
Cost of charitable activities					
Trading activities	153,381	423,301	112,094	574,984	1,263,760
Student Communities	-	469,489	227,778	591,477	1,288,744
Student Representation	-	469,051	40,401	591,477	1,100,929
Support and advice	-	92,194	98,881	111,138	302,213
Marketing and Communications	-	117,895	-	37,673	155,568
Clubs and societies	-	-	1,379,934	-	1,379,934
Total charitable expenditure	<u>£ 153,381</u>	<u>£ 1,571,930</u>	<u>£ 1,859,088</u>	<u>£ 1,906,749</u>	<u>£ 5,491,148</u>

Central costs included in the resources expended

	Staff Costs £	Rent £	Support costs £	Total £
Cost of charitable activities				
Trading activities	77,161	417,881	157,103	652,145
Student Communities	82,691	447,832	143,645	674,168
Student Representation	82,691	447,832	143,645	674,168
Support and advice	15,537	84,147	26,991	126,675
Marketing and Communications	5,267	28,524	9,149	42,940
Total charitable expenditure	<u>£ 263,347</u>	<u>£ 1,426,216</u>	<u>£ 480,533</u>	<u>£ 2,170,096</u>

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2023

7. RESOURCES EXPENDED (continued)

Comparative resources expended

	Cost of sales £	Staff Costs £	Other direct costs £	Central costs £	Total 2022 £
<i>Cost of charitable activities</i>					
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	£ 153,852	£ 1,467,269	£ 1,694,790	£ 1,669,417	£ 4,985,328

Central costs included in the resources expended

	Staff Costs £	Rent £	Support costs £	Total £
<i>Cost of charitable activities</i>				
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	£ 230,568	£ 1,307,215	£ 362,202	£ 1,899,985

Resources expended include:

	2023	2022
Auditors' remuneration:		
Audit fee	6,525	9,770
Other services	1,260	1,230
Depreciation - on owned assets	43,310	35,066

Details of staff costs are given in Note 9.

Details of Support costs is given in Note 8.

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2023

8. SUPPORT COSTS

	Total 2023 £	Total 2022 £
Irrecoverable VAT	146,139	114,347
Bank Charges	2,980	5,638
Insurance	26,856	28,054
Consultancy and Professional Fees	59,794	37,362
Affiliations and subscriptions	32,953	28,853
Auditors' remuneration	7,785	11,000
Training and Development	19,108	17,276
Telephone	9,580	8,300
Depreciation (non-commercial assets)	14,312	6,326
Office Stationery and Minor Equipment	50,251	20,062
Recruitment Expenses	22,674	11,806
Website costs	16,115	16,970
Card Processing Fees	23,067	24,072
Licenses	18,111	14,715
Bad Debt Write Off	3,978	7,436
Sundry Costs	26,830	9,985
	£ 480,533	£ 362,202

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2023

9. STAFF NUMBERS AND COSTS

	2023	2022
	£	£
Wages and salaries	1,424,972	1,335,907
Social security costs	112,499	106,385
Pension costs - current services costs	32,563	24,977
Other staff costs	1,896	
	<u>1,571,930</u>	<u>1,467,269</u>
Pension costs - past services deficit	169,405	(77,033)
	<u>£ 1,741,335</u>	<u>£ 1,390,237</u>

	2023	2022
	Number	Number
The average weekly number of employees, head-count, during the period was:		
Permanent staff	37	37
Student and casual staff	75	80
	<u>112</u>	<u>117</u>

	2023	2022
	£	£
The cost of key management was as follows:		
Sabbatical Officers	132,053	145,629
Senior management	305,635	235,323
	<u>£ 437,688</u>	<u>£ 380,952</u>

Number of Sabbatical Officers	<u>5</u>	<u>5</u>
-------------------------------	----------	----------

One (2022 - one) employee received remuneration of more than £60,000
The accounts include termination payments totalling £nil (2022 - £nil).

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 (2022 - £124).

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2023

11. TANGIBLE FIXED ASSETS

	Fixture and fittings £	Other fixed assets £	Total £
Cost			
At 1 August 2022	153,617	134,381	287,998
Additions	28,555	-	28,555
Disposals	(17,788)	-	(17,788)
At 31 July 2023	164,384	134,381	298,765
Depreciation			
At 1 August 2022	120,700	27,928	148,628
Charge for the year	16,433	26,877	43,310
On disposals	(17,788)	-	(17,788)
At 31 July 2023	119,345	54,805	174,150
Net book value			
At 31 July 2023	£ 45,039	£ 79,576	£ 124,615
At 31 July 2022	£ 32,917	£ 106,453	£ 139,370

12. DEBTORS

	2023 £	2022 £
Due within one year		
Trade debtors	88,907	44,700
Prepayments	240,844	230,207
VAT repayment due	36,701	74,309
Other debtors	2,424	794
	£ 368,876	£ 350,010

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2023

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	95,365	66,468
Deferred income	272,179	273,244
Social security and other taxes	26,658	25,220
Other creditors	80,247	69,332
Pension costs - Past Service Deficit	117,182	111,602
Accruals	100,118	61,936
	<u>£ 691,749</u>	<u>£ 607,802</u>
<u>Deferred income</u>		
Balance at 1 August 2022	273,244	269,568
Amount released to incoming resources	(273,244)	(269,568)
Amount deferred in the year	272,179	273,244
Balance at 31 July 2023	<u>£ 272,179</u>	<u>£ 273,244</u>

Deferred income includes a proportion of space grant relating to future period of £249,054 (2022 - £249,194) and other items totalling £23,125 (2022 - £24,050).

14. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2023 £	2022 £
Pension costs - Past Service Deficit	1,489,129	1,447,709
	<u>£ 1,489,129</u>	<u>£ 1,447,709</u>

15. DEFINED BENEFIT PENSION SCHEME – SUSS

	2023 £	2022 £
Pension costs - Past Service Deficit		
Brought forward	1,559,311	1,750,605
Payments made	(111,602)	(114,261)
Unwinding of interest for the year	51,925	58,295
Adjustment to provisions	106,677	(135,328)
	<u>£ 1,606,311</u>	<u>£ 1,559,311</u>
Analysis:		
Due within one year	117,182	111,602
Falling due after more than one year	1,489,129	1,447,709
	<u>£ 1,606,311</u>	<u>£ 1,559,311</u>

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2023

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 2022 and showed that the market value of the Scheme's assets was £106.7m with these assets representing 44% 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 £136.6m.

The 2022 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 14 years, increasing by 5% each year. These contributions also include an allowance for the cost of the ongoing administrative and operational expenses of running the Scheme.

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 2025. 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 5.4% (2022: 3.33%) 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 2023 is £5,324 (2022 : £4,914).

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2023

17. STATEMENT OF FUNDS

	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers and investment gains/(losses) £	Carried Forward £
DESIGNATED FUNDS					
Pension Fund Deficit	(1,559,311)	-	-	(47,000)	(1,606,311)
Fixed Assets and Premises Fund	139,370	-	-	(14,755)	124,615
Refurbishment fund (Gym, Marshall, Denning, EPOS)	131,385	-	-	(43,782)	87,603
	<u>£ (1,288,556)</u>	<u>£ Nil</u>	<u>£ Nil</u>	<u>£ (105,537)</u>	<u>£ (1,394,093)</u>
RESTRICTED FUNDS					
Clubs and Societies	774,982	1,252,882	(1,379,934)	-	647,930
Other University grants	125,371	150,000	(158,675)	-	116,696
	<u>£ 900,353</u>	<u>£ 1,402,882</u>	<u>£ (1,538,609)</u>	<u>£ Nil</u>	<u>£ 764,626</u>
SUMMARY OF FUNDS					
Designated Funds	(1,288,556)	-	-	(105,537)	(1,394,093)
General Funds	316,877	4,205,062	(4,121,944)	105,537	505,532
	(971,679)	4,205,062	(4,121,944)	-	(888,561)
Restricted Funds	900,353	1,402,882	(1,538,609)	-	764,626
	<u>£ (71,326)</u>	<u>£ 5,607,944</u>	<u>£ (5,660,553)</u>	<u>£ Nil</u>	<u>£ (123,935)</u>

Comparative 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
Fixed Assets and Premises Fund	-	-	-	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>

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2023

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds		Restricted Funds	Total Funds
	Designated Funds	General Funds		
	£	£	£	£
Tangible fixed assets	-	124,616	-	124,616
Net current assets	(117,182)	593,134	764,626	1,240,578
Creditors due in more than one year	(1,489,129)	-	-	(1,489,129)
	<u>£ (1,394,093)</u>	<u>£ 505,532</u>	<u>£ 764,626</u>	<u>£ (123,935)</u>

Comparative 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>

19. OTHER FINANCIAL COMMITMENTS

At 31 March 2023 the Company had commitments under non-cancellable operating leases (all for land and buildings) as set out below:

	2023	2022
	£	£
Operating leases which expire:		
within two to five years	<u>549,030</u>	<u>2,117,688</u>
	<u>£ 549,030</u>	<u>£ 2,117,688</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

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For the year ended 31 July 2023

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.