

20



LSE STUDENTS' UNION

LSESU ANNUAL REPORT 2021

LSE

The London School of Economics and

21

01

CONTENTS



1. CONTENTS	02
2. INTRODUCTION by Josie Stephens ..	04
General Secretary and Chair of the Trustee Board	
3. INTRODUCTION by James Hann	06
Chief Executive	
4. THE UNION AND ITS TRUSTEES ...	08
Statement of Trustee's	
Responsibilities	10
5. OUR GOVERNANCE	
AND OPERATIONS	12
Employees	13
Senior Leaders Salaries	13
(Key Management Personnel)	
6. OUR IMPACT	14
At a glance	16
Student Voice	17
Communities	18
Sabbatical Officer Projects	20
Spotlight:	
Our Advice Service	21
7. LOOKING AHEAD	22
8. FINANCE SUMMARY	24
Income	24
Costs	24
Outcomes	25
Restricted Funds	25
Future Funding	26
Fixed Assets	26
Reserves	27
Reserves Policy	27
Risk Management	28
Relationship with the	
London School of Economics	
and Political Science (LSE)	29

02

INTRODUCTION

BY JOSIE STEPHENS,
General Secretary & Chair of the Trustee Board

➤ **LSE Students' Union (LSESU)** serves to provide its students with the best possible experience during their time at the University – from facilitating the activities of over 250 clubs, societies, and campaign groups, to tangibly improving the lives of students through our tailored Advice Service and affordable social calendar.

The demands of the 2020/21 academic year altered our typical approach, but we pioneered new ways to connect with a geographically dispersed student body. At a time when students were silenced, we championed the student voice, earning national press coverage for our founding role in the 'Students United Against Fees' Campaign (SUAF).

Despite the challenges of operating under Covid-19, we did not abandon our commitment to combatting some of LSE's more enduring issues. Our elected officers successfully lobbied the school to complete a much-needed review of assessment regulations, and our staff launched the 'Student Check-in' – a programme to call every LSE student – to understand and support our members' wellbeing.

Students' trust in our organisation has continued to grow. This is best shown by the 11 percentage point increase in our NSS score

“

The demands of the 2020/21 academic year altered our typical approach, but we pioneered new ways to connect with a geographically dispersed student body.

”

for question 26 ("The Students' Union (association or guild) effectively represents students' academic interests"), taking us to third place in the Russell Group. Here, we bucked the sector wide trend. This is a testament to the perseverance, talent, and creativity of our staff and elected officers. 2020/21 was an academic year like no other, but for the LSE Students' Union it reflects a year of success.



Josephine Stephens
LSESU General Secretary 2021/22.
Chair of the Board of Trustees 2021/22.





“

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 JAMES HANN,
Chief Executive

➤ **2020/21 has been dominated by the Covid-19 pandemic**, changing mobility restrictions and the Union’s continuous determination to support its members. LSESU is an organisation in the midst of a deep transformation. This transformation started two years ago when it split from a staff-sharing arrangement with Arts SU, continuing to this day as we strive to improve our services and operations. The rapid way in which the Union is improving can be observed in our **National Student Survey (NSS) scores**. Student satisfaction with the Union has risen faster than any other union in the UK. We are now the third highest ranked students’ union in the Russell Group, and we were at the bottom 3 years ago.

As a preview of what comes in this report, I can say this year has been marked by key changes and successes. We have:

- Improved our governance arrangements. Changes to our Articles of Association now allow our Trustee Board to have access to external expertise. This will enable the Trustee Board to recruit sector-leading external trustees to support student trustees.
- Implemented changes to how students are reimbursed for society and club expenses. We now reimburse students in up to 7 working days.
- Achieved significant change in the senior leadership team at LSESU. This has strengthened the team, without causing disruption to the organisation.
- Continued to provide **75%** of our services remotely.

- Awarded over **£100,000** in hardship funding during the pandemic.
- Increased our staff satisfaction levels in **11 out of 13 areas**.

In July 2020 the Union’s financial position demanded significant staffing cuts to achieve stability. Then came the pandemic, meaning a £450,000 loss of income due to mobility restrictions. Despite these challenges, LSESU achieved a surplus this year, and also reached its reserves target three years ahead of schedule. This means the Union is working within its means and can now accordingly plan for its future. To be in a sustainable financial position is a significant achievement.

We know that while we have made some great steps forward, we have a long way to go. By the end of the coming year the organisation will have a new three-year strategy, focusing on our three promises to LSE students:

1. We promise to make your voice heard
2. We promise to be a union for all LSE students
3. We promise to support your wellbeing

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

James Hann
LSESU Chief Executive

04

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.




➤ 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:

- 1  To make sure everything we do **BENEFITS** our students
- 2  To ensure that the Union is **FINANCIALLY SOLVENT**
- 3  To ensure that everything we do is **LEGALLY permissible**



The Trustee Board consists of 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. Full details of current trustees, those who served in 2019/20, and who joined or left the Board in the period from 31st July 2020 up to the date of this report are shown on **page XX**.

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 on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.**

The Board of Trustees have overall responsibility for ensuring that the charitable company has an appropriate system of controls, financial and otherwise. They are also responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, and the provisions of the governing document.

They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the detection and prevention of 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.

Disclosure of information to auditors

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

- So far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- That Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

On behalf of the Trustee Board



Josephine Stephens
LSE SU General Secretary 2021/22.
Chair of the Board of Trustees 2021/22.

05

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), and one part-time Postgraduate Students' Officer.

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 (see page 28).

EMPLOYEES

In 2020, the Union employed an average of



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



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.

06

OUR IMPACT

➤ **2020/21 was marked by disruption due to Covid-19.** In its mission to support its members, the Union refocused its efforts to support students continuing their education amidst the pandemic and its effects on learning and welfare. To that end, the Union opened up more funding for hardship, focused lobbying and representation onto addressing the consequences of the pandemic, and continued supporting campus student communities in order to ensure that students could still enjoy the LSE community despite disruptions.

The following sections describe some of the impact the Union had for its members across the year. The effect of improved operations and support came to light in our most recent National Student Survey (NSS) scores for question 26 ("The students' union (association or guild) effectively represents students' academic interests"). Our NSS score for 2021 rose for a second year on a row to **59%** – an increase on 2020's results (**48%**) of 11 percentage points and of 15 percentage points from 2019 (**34%**).

These score increases put LSESU among the most improved unions in the country.

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

COMMUNITY IS KINDNESS.

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

COMMUNITY IS KINDNESS.

AT A GLANCE

11% ↑

increase in NSS score for Question 26 (“The students’ union (association or guild) effectively represents students’ academic interests”).

£100,000+
AWARDED TO STUDENTS BY OUR HARSHIP FUND.



653
individual advice service enquiries. **93%** of users reported they would recommend the Advice Service to other students.



LED NATIONAL AND LSE-FOCUSED CAMPAIGNS FOR FEE COMPENSATION DUE TO COVID-19 DISRUPTION OF EDUCATION.



Secured mandatory consent education for incoming students (first delivery in 2021/22).



Inaugurated a fully refurbished and re-branded gym.

CAMPAIGNED FOR FAIRER ASSESSMENT POLICIES AMIDST COVID-19, INCLUDING A SUCCESSFUL PUSH TO REJECT ONLINE PROCTORING IN ONLINE ASSESSMENTS.



“The LSESU team has been super nice and very well informed and knowledgeable. They provided me a very quick and informed response and I felt supported. I highly recommend to all other LSE students to contact them for any doubt!”
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 **643 academic representatives – 610 of which attended our training sessions** (a considerable increase from 2019/20, when **549 registered and 376 were trained**).

The successful election of student leaders to positions across the Union is integral to the functioning of the organisation. Despite the pandemic’s continued impact on student

engagement across the sector, LSESU’s elections performed very well. **2308 students voted** in our Lent Term elections, and **1749 students voted** in our Michaelmas Term elections. In Lent Term 2021, we launched renewed efforts to improve candidate retention, which saw fewer candidates withdraw during the election process (**65 candidates** in total at the start of voting, nine more than 2019/20 Lent Term elections). LSESU also worked hard to ensure that the support was there for candidates running digital campaigns. Despite the challenging circumstances, **82.4% of candidates** reported they felt supported through the election process in the Lent Term elections.

COMMUNITIES



Beyond refurbishing, the team also conducted a full re-brand of the gym

➤ **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 our communities team. Beyond that, our communities team also runs our physical activity offer, including active lifestyle programming and our gym. We successfully undertook a complete refurbishment of the LSESU Gym in June of this year. We now have a brand-new gym facility for all LSE students and staff to enjoy. The new gym includes the latest innovations that fitness has to offer, to provide our members with an enhanced fitness experience. The installation includes the new Endurance Series cardio equipment and a brand-new functional training room.

The team also supported the AU in running the AU For All Campaign across the year. This included raising money for the Movember Campaign in November 2020 and various social media campaigns to raise awareness during LSESU This Girl Can and Pride Weeks. The AU also engaged over 200 students in an AU Strava Community.

The communities team also supported our student societies and projects, through continuous assistance from the societies team, and support from the Union-managed Students' Union Fund (SUF). Our online and offline training offer for student group committee leaders was met with similar levels of satisfaction and attendance as previous years (70%). The SUF allows societies and 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 £82,408. Most activities had educational aims (69%), with the rest of accepted applications aiming to improve community building (12%) and wellbeing (19%).



“It was extremely useful and refreshing for me to know the LSESU had communicated to LSE leadership the need to provide special treatment to students with disabilities for whom Covid-19 pandemic had greater impact. LSE would be a more inclusive institution if LSESU were heard.”

Advice Service User



SABBATICAL OFFICER PROJECTS

➤ Our Sabbatical Officers are at the core 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 

Led campaigns for tuition fee compensation due to Covid-19 disruption, both at the LSE and national level. LSESU founded and managed the national Students United Against Fees coalition. The LSE-level campaign also secured rights for tenants in student accommodations, such as the lowering of rent and the ability to void contracts.

2 

Successfully rejected the use of online proctoring for online assessments.

3 

Conducted a full scope review of LSE's Assessment Regulations, publishing a report and successfully lobbying the university to conduct its own review over the next year, utilising our report within the evidence base.

5 

Led a review of our policies for inclusion of Postgraduate students in all our operations.

4 

Continued work on achieving sexual violence support objectives. Successfully lobbied for the hiring of a full-time Sexual Misconduct Advisor and the introduction of mandatory consent education. Introduced policies to prevent drink spiking at our venues.

SPOTLIGHT: OUR ADVICE SERVICE

➤ In this year's report we are highlighting the work conducted by our Advice Service. The Advice Service provides free, independent advice to all LSE students on housing and academic matters.

Across this academic year, the Advice Service saw cases rise by 21% (653 individual student inquiries in 2020/21, compared to 538 in 2019/20). This sharp rise is attributed to both the financial and educational disruption caused by Covid-19 and an increased awareness of our service. The service launched two social media channels (Twitter and StudentHub) as well as a relaunched Advice website to provide better service visibility and proactive support.

Despite the sharp rise in cases, the team continued to deliver excellent support to students with over 93% of students feeling more informed following their interactions with the service and 91% reporting that they would recommend the Advice Service to other students as per feedback surveys.

The Advice Service also manages a Hardship Fund available to all LSE students who face unexpected financial strains during their studies. The fund helps cover basic living expenses, such as rent and food, at a critical time when students have no other options available to them. An initial budget of £42,933 was quickly depleted based on increased demand due to Covid-19. The Union secured more funding from three sources throughout the year: the LSE Financial Support Office, additional funding from LSE who were able to secure hardship funding from the government and the Student Union Fund.

This year saw a decrease in the number of awards (80 compared to 95 in 2019/20), however the amount of the awards in total and average increased. The hardship fund dispensed £100,038 (compared to £89,767 in 2019/20), an average of £1250 per award (compared to £945 in 2019/20).

07

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 3-year strategic plan.
- > A full review of all our democratic procedures.
- > An updated and improved “Welcome” offer for incoming students, including consent education.
- > New Union-operated student community areas (sports, dance, and music facilities) in the new Marshall Building.

08

FINANCE SUMMARY



Income

➤ Our unrestricted income for the year **decreased to £3,488,188 (£3,727,840 in 2020)** primarily due to reduced trading income as a result of ongoing Covid-19 restrictions on outlet trading and reduced student numbers on campus.



Costs

➤ Total expenditure from unrestricted funds before pensions deficit funding was **£3,258,450 (£3,716,788 in 2020)**. Total expenditure from unrestricted funds including pensions deficit funding was **£3,313,183 (£4,093,767 in 2020)**.



Outcomes

➤ The outcome for the year was a general funds surplus of **£229,738** before pension funding deficit **(£11,052 surplus in 2020)** which the trustees deem a satisfactory result. After the pension charges, this results in a general funds surplus of **£175,005 (£365,927 deficit in 2020)**.



Restricted Funds

➤ Restricted funds are funds for which LSE SU acts as a custodian. These funds include monies held for Student Groups (ratified sports clubs and societies, which are branches of LSE SU). 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 surplus on restricted funds of **£305,129 (£99,461 surplus in 2020)**. There was a transfer of £248,857 from this fund to general fund with the agreement with the donor.



Future Funding

➤ LSESU has sufficient funds to meet its future obligations for 2021/22, but an increase in funding remains a priority. The subvention grant from LSE for 2021/22 has been confirmed at **£1,085,343** (**£1,085,343** in 2020/21).



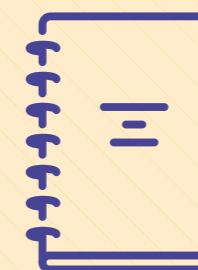
Fixed Assets

➤ New gym equipment was purchased during the year at a cost of **£125,339**.



Reserves

➤ Unrestricted general reserves at the end of the year were **£381,083** (**£144,949** in 2020). The unspent Student Union Fund from previous years amounting **£248,857** was transferred to general reserves with the permission of the donor. **£129,995** was transferred to a designated fixed asset reserve representing the value of the new gym equipment. The **£1,750,605 SUSS pension liability** is shown as a separate designated fund as the payments do not fall due immediately (2020 **£1,808,338**).



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 had agreed to generate annual budget surpluses each year in order to achieve the **£300,000 general reserves** level over a number of years, however this level has now been achieved as a result of the annual surplus and transfer of the unspent Students' Union Fund. The Trustees will review the reserves policy during 2021/22.



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 2021. The key risks are data protection, key information sets, democracy and commercial services. Mitigating steps were identified such as data protection training, increasing the number of external Trustee Board Members, better communication and promotion of the work the Student Union has done, and reviewing commercial services and democratic process.



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 2021

Board of Trustees	Josephine Stephens William Barber Bali Birch-Lee Eleanor Duplock Morgan Fairless Laura Goddard David Gordon Edward Hall Issam Jamaledine Faiso Kadiye Iyre Laditi ShuYi Lee Robyn McAlpine Mohammed Umar Edouard Panciulo Inka Pearson Yusuf Rafique	Appointed 1 July 2021 Resigned on 30 June 2021 Resigned on 30 June 2021 Appointed 18 November 2020, Resigned 30 June 2021 Resigned on 30 June 2021 Resigned on 30 June 2021 Appointed 1 July 2021 Resigned on 30 June 2021 Appointed 1 July 2021 Appointed 1 July 2021 Appointed 1 July 2021 Appointed 1 July 2021 Appointed 1 July 2021 Appointed 1 July 2021 Resigned on 30 June 2021 Resigned on 30 June 2021
Company Secretary	Nicholas Smith	
Principal Officers	James Hann Jennifer Hastings (left 28 May 2021) Sarah Chowdry-Grant Jasmeet Chana (left 14 Aug 2020) Ricardo Vishinho (appointed 1 June 2021) Freda Chisambi (appointed 28 September 2020)	Chief Executive Officer Head of Student Voice Head of Student Communities Head of Marketing and Communications Head of Student Voice 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 2021

(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 2021 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 2021 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 ...

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 2021

(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.

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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 2021

(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.



Shoab Arshad (Senior Statutory Auditor)

For and on behalf of:

Knox Cropper LLP
Chartered Accountants & Statutory Auditors
65 Leadenhall Street
London
EC3A 2AD

28 October 2021

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 2021

	Note	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	2	3,352,407	150,000	3,502,407	3,377,133
Charitable activities	5	-	447,576	447,576	1,316,288
Other trading activities	3	97,861	-	97,861	589,927
Investments	4	185	-	185	3,432
Other	6	37,735	-	37,735	7,348
TOTAL		3,488,188	597,576	4,085,764	5,294,128
EXPENDITURE ON:					
Charitable activities		3,258,450	292,447	3,550,897	5,183,615
Other costs					
Pension costs - Past Service Deficit		54,733	-	54,733	376,979
TOTAL EXPENDITURE	7	3,313,183	292,447	3,605,630	5,560,594
Net income/(expenditure)		175,005	305,129	480,134	(266,466)
Transfer between funds	17	248,857	(248,857)	-	-
NET MOVEMENT IN FUNDS		423,862	56,272	480,134	(266,466)
RECONCILIATION OF FUNDS:					
TOTAL FUNDS AT 1 AUGUST 2020		(1,663,389)	925,391	(737,998)	(471,532)
TOTAL FUNDS AT 31 JULY 2021		£ (1,239,527)	£ 981,663	£ (257,864)	£ (737,998)

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

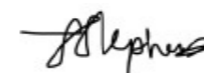
Company limited by guarantee (registered company no. 07710669)

BALANCE SHEET
As at 31 July 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	11	129,995	11,594
Investments		-	-
		129,995	11,594
CURRENT ASSETS			
Stocks		20,231	20,767
Debtors	12	261,964	321,517
Cash at bank and in hand		1,545,887	1,224,762
		1,828,082	1,567,046
CREDITORS: amounts falling due within one year	13	(570,912)	(606,721)
NET CURRENT ASSETS		1,257,170	960,325
TOTAL ASSETS LESS CURRENT LIABILITIES		1,387,165	971,919
CREDITORS: amounts falling due after one year	14	(1,645,029)	(1,709,917)
TOTAL NET LIABILITIES		£ (257,864)	£ (737,998)
FUNDS			
Unrestricted funds:			
Designated funds	17	(1,620,610)	(1,808,338)
General fund	17	381,083	144,949
		(1,239,527)	(1,663,389)
Restricted funds	17	981,663	925,391
		£ (257,864)	£ (737,998)

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 28 October 2021 and signed on their behalf by:-



JOSEPHINE STEPHENS, Chair of Board of Trustees

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

CASH FLOW STATEMENT
For the year ended 31 July 2021

	2021 £	2020 £
Cash flows from operating activities		
Surplus/(deficit) for the financial year	480,134	(266,466)
Adjustments for:		
Depreciation	6,938	15,557
Decrease in stocks	536	8,609
Decrease in debtors	59,553	281,938
((Decrease)/increase) in creditors	(100,697)	72,949
Investment income	(185)	(3,432)
	<u>446,279</u>	<u>109,155</u>
Cash flows from investing activities		
Purchase of intangible fixed assets	(125,339)	(4,126)
Return on investment - interest receivable	185	3,432
	<u>(125,154)</u>	<u>(694)</u>
Net increase in cash and cash equivalents	<u>321,125</u>	<u>108,461</u>
Cash and cash equivalents at 1 August 2020	1,224,762	1,116,301
Cash and cash equivalents at 31 July 2021	<u>£ 1,545,887</u>	<u>£ 1,224,762</u>
Components of cash and cash equivalents		
	At 1 August 2020	At 31 July 2021
Cash at bank and in hand	<u>£ 1,224,762</u>	<u>£ 1,545,887</u>

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2021

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 2021

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 2021

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 2021

2. DONATIONS AND LEGACIES

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
University Block Grant	1,085,343	-	1,085,343	1,058,871
University other grants	533,402	150,000	683,402	730,698
Government Grants	264,939	-	264,939	144,930
Space Grant	1,468,723	-	1,468,723	1,442,634
Capital Grant	-	-	-	-
	<u>£ 3,352,407</u>	<u>£ 150,000</u>	<u>£ 3,502,407</u>	<u>£ 3,377,133</u>

Comparative donations and legacies

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
University Block Grant	1,058,871	-	1,058,871
University other grants	480,698	250,000	730,698
Government Grants	144,930	-	144,930
Space Grant	1,442,634	-	1,442,634
Capital Grant	-	-	-
	<u>£ 3,127,133</u>	<u>£ 250,000</u>	<u>£ 3,377,133</u>

3. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Trading income	88,043	-	88,043	577,559
Other generated income	9,818	-	9,818	12,368
	<u>£ 97,861</u>	<u>£ Nil</u>	<u>£ 97,861</u>	<u>£ 589,927</u>

Comparative income from other trading activities

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
Trading income	577,559	-	577,559
Event income	12,368	-	12,368
	<u>£ 589,927</u>	<u>£ Nil</u>	<u>£ 589,927</u>

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2021

4. INVESTMENT INCOME

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Interest receivable from: Bank interest	185	-	185	3,432
	<u>£ 185</u>	<u>£ Nil</u>	<u>£ 185</u>	<u>£ 3,432</u>

Comparative investment income

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
Interest receivable from: Bank interest	3,432	-	3,432
	<u>£ 3,432</u>	<u>£ Nil</u>	<u>£ 3,432</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Clubs and Societies	-	447,576	447,576	1,316,288
	<u>£ Nil</u>	<u>£ 447,576</u>	<u>£ 447,576</u>	<u>£ 1,316,288</u>

6. OTHER INCOME

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Other income	37,735	-	37,735	7,348
	<u>£ 37,735</u>	<u>£ Nil</u>	<u>£ 37,735</u>	<u>£ 7,348</u>

Comparative other income

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
Other income	7,348	-	7,348
	<u>£ 7,348</u>	<u>£ Nil</u>	<u>£ 7,348</u>

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2021

7. RESOURCES EXPENDED

	Cost of sales £	Staff Costs £	Other direct costs £	Central costs £	Total 2021 £
Cost of charitable activities					
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	<u>£ 16,910</u>	<u>£ 1,424,874</u>	<u>£ 501,845</u>	<u>£ 1,607,268</u>	<u>£ 3,550,897</u>

Central costs included in the resources expended

	Staff Costs £	Rent £	Support costs £	Total £
Cost of charitable activities				
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	<u>£ 336,955</u>	<u>£ 1,281,072</u>	<u>£ 294,208</u>	<u>£ 1,912,235</u>

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2021

7. RESOURCES EXPENDED (continued)

Comparative resources expended

	Cost of sales £	Staff Costs £	Other direct costs £	Central costs £	Total 2020 £
Cost of charitable activities					
Trading activities	200,992	628,810	99,679	745,871	1,675,352
Student Communities	-	262,720	322,543	304,673	889,936
Student Representation	-	432,556	28,846	498,406	959,808
Support and advice	-	79,037	45,117	96,038	220,192
Marketing and Communications	-	152,773	-	33,117	185,890
Clubs and societies	-	-	1,252,437	-	1,252,437
Total charitable expenditure	<u>£ 200,992</u>	<u>£ 1,555,896</u>	<u>£ 1,748,622</u>	<u>£ 1,678,105</u>	<u>£ 5,183,615</u>

Central costs included in the resources expended

	Staff Costs £	Rent £	Support costs £	Total £
Cost of charitable activities				
Trading activities	104,711	563,113	182,758	850,582
Student Communities	44,089	237,100	67,573	348,762
Student Representation	72,124	387,865	110,541	570,530
Support and advice	13,898	74,738	21,300	109,936
Marketing and Communications	4,792	25,772	7,345	37,909
Total charitable expenditure	<u>£ 234,822</u>	<u>£ 1,262,816</u>	<u>£ 382,172</u>	<u>£ 1,879,810</u>

Resources expended include:

	2021	2020
Auditors' remuneration:		
Audit fee	9,525	9,250
Other services	1,230	1,200
Depreciation - on owned assets	6,938	15,557

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 2021

8. SUPPORT COSTS

	Total 2021 £	Total 2020 £
Irrecoverable VAT	143,722	139,620
Bank Charges	3,130	7,333
Insurance	30,626	36,327
Consultancy and Professional Fees	15,368	18,822
Affiliations and subscriptions	28,495	42,400
Auditors' remuneration	10,755	10,450
Training and Development	9,529	9,819
Telephone	8,423	7,911
Depreciation (non-commercial assets)	2,622	8,700
Office Stationery and Minor Equipment	14,983	28,786
Recruitment Expenses	8,033	4,480
Website costs	15,886	19,529
Sundry Costs	2,636	47,995
	£ 294,208	£ 382,172

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2021

9. STAFF NUMBERS AND COSTS

	2021 £	2020 £
Wages and salaries (Full Time)	1,141,668	1,232,529
Wages and salaries (Part Time)	124,967	173,385
Social security costs	111,215	120,344
Pension costs - current services costs	29,367	29,100
Other staff costs	17,657	538
	1,424,874	1,555,896
Pension costs - past services deficit	54,733	376,979
	£ 1,479,607	£ 1,932,875

	2021 Number	2020 Number
The average weekly number of employees, head-count, during the period was:		
Permanent staff	39.0	43.0
Student and casual staff	42.0	54.0
	81.0	97.0

	2021 £	2020 £
The cost of key management was as follows:		
Sabbatical Officers	143,402	136,347
Senior management	221,455	232,385
	£ 364,857	£ 368,732

	2021	2020
Number of Sabbatical Officers	5	5

One (2020 - one) employee received remuneration of more than £60,000
The accounts include termination payments totalling £8,942 (2020 - £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.

3 members of the Board of Trustees received reimbursement of travel and IT expenses amounting to £124 (2020 - £292).

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2021

11. TANGIBLE FIXED ASSETS

	Fixture and fittings £	Other fixed assets £	Total £
Cost			
At 1 August 2020	118,218	255,612	373,830
Additions	-	125,339	125,339
Disposals	-	(255,612)	(255,612)
At 31 July 2021	<u>118,218</u>	<u>125,339</u>	<u>243,557</u>
Depreciation			
At 1 August 2020	106,624	255,612	362,236
Charge for the year	5,584	1,354	6,938
On disposals	-	(255,612)	(255,612)
At 31 July 2021	<u>112,208</u>	<u>1,354</u>	<u>113,562</u>
Net book value			
At 31 July 2021	<u>£ 6,010</u>	<u>£ 123,985</u>	<u>£ 129,995</u>
At 31 July 2020	<u>£ 11,594</u>	<u>£ Nil</u>	<u>£ 11,594</u>

12. DEBTORS

	2021 £	2020 £
Due within one year		
Trade debtors	4,383	30,523
Prepayments	230,613	235,036
VAT repayment due	26,437	55,667
Other debtors	531	291
	<u>£ 261,964</u>	<u>£ 321,517</u>

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2021

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	76,587	47,582
Deferred income	269,568	291,470
Social security and other taxes	25,274	32,320
Other creditors	34,463	54,984
Pension costs - Past Service Deficit	105,576	98,421
Accruals	59,444	81,944
	<u>£ 570,912</u>	<u>£ 606,721</u>
Deferred income		
Balance at 1 August 2020	291,470	316,913
Amount released to incoming resources	(291,470)	(316,913)
Amount deferred in the year	269,568	291,470
Balance at 31 July 2021	<u>£ 269,568</u>	<u>£ 291,470</u>

Deferred income includes a proportion of space grant relating to future period of £245,518 (2020 - £241,136) and other items totalling £24,050 (2020 - £50,334), including venue hire and participation fund.

14. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2021 £	2020 £
Pension costs - Past Service Deficit	1,645,029	1,709,917
	<u>£ 1,645,029</u>	<u>£ 1,709,917</u>

15. DEFINED BENEFIT PENSION SCHEME – SUSS

	2021 £	2020 £
Pension costs - Past Service Deficit		
Brought forward	1,808,338	1,532,958
Payments made	(98,421)	(93,753)
Unwinding of interest for the year	40,688	35,673
Adjustment to provisions	-	333,460
	<u>£ 1,750,605</u>	<u>£ 1,808,338</u>
Analysis:		
Due within one year	105,576	98,421
Falling due after more than one year	1,645,029	1,709,917
	<u>£ 1,750,605</u>	<u>£ 1,808,338</u>

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2021

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 2.25% (2020: 2.25%) representing the typical yield of high quality corporate bonds has then been applied.

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% 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 2021 is £5,108 (2020 : £12,317).

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2021

17. 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
	<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
	<u>(1,663,389)</u>	<u>3,488,188</u>	<u>(3,313,183)</u>	<u>248,857</u>	<u>(1,239,527)</u>
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>

Comparative statement of funds

	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers and investment gains/(losses) £	Carried Forward £
DESIGNATED FUNDS					
Designated Funds	106,121	-	-	(106,121)	-
Pension Fund Deficit	(1,532,958)	-	-	(275,380)	(1,808,338)
	<u>£ (1,426,837)</u>	<u>£ Nil</u>	<u>£ Nil</u>	<u>£ (381,501)</u>	<u>£ (1,808,338)</u>
RESTRICTED FUNDS					
Clubs and Societies	553,121	1,316,288	(1,252,437)	-	616,972
Clubs and Societies: Annual Fund	101,636	-	(42,074)	-	59,562
Other University grants	184,760	250,000	(172,316)	(13,587)	248,857
Sport England	-	-	-	-	-
	<u>£ 839,517</u>	<u>£ 1,566,288</u>	<u>£ (1,466,827)</u>	<u>£ (13,587)</u>	<u>£ 925,391</u>
SUMMARY OF FUNDS					
Designated Funds	(1,426,837)	-	-	(381,501)	(1,808,338)
General Funds	115,788	3,727,840	(4,093,767)	395,088	144,949
	<u>(1,311,049)</u>	<u>3,727,840</u>	<u>(4,093,767)</u>	<u>13,587</u>	<u>(1,663,389)</u>
Restricted Funds	839,517	1,566,288	(1,466,827)	(13,587)	925,391
	<u>£ (471,532)</u>	<u>£ 5,294,128</u>	<u>£ (5,560,594)</u>	<u>£ Nil</u>	<u>£ (737,998)</u>

LONDON SCHOOL OF ECONOMICS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2021

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds			Total Funds £
	Designated Funds £	General Funds £	Restricted Funds £	
Tangible fixed assets	-	129,995	-	129,995
Net current assets	(1,620,610)	1,896,117	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>

Comparative analysis of net assets between funds

	Unrestricted Funds			Total Funds £
	Designated Funds £	General Funds £	Restricted Funds £	
Tangible fixed assets	-	11,594	-	11,594
Net current assets	(1,808,338)	1,843,272	925,391	960,325
Creditors due in more than one year	-	(1,709,917)	-	(1,709,917)
	<u>£ (1,808,338)</u>	<u>£ 144,949</u>	<u>£ 925,391</u>	<u>£ (737,998)</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:

	2021 £	2020 £
Operating leases which expire: within two to five years	<u>3,686,346</u>	<u>5,256,079</u>
	<u>£ 3,686,346</u>	<u>£ 5,256,079</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 2021

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 2020

23 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	<i>Unrestricted Funds 2020 £</i>	<i>Restricted Funds 2020 £</i>	<i>Total Funds 2020 £</i>
INCOME AND ENDOWMENTS FROM:			
Donations and legacies	3,127,133	250,000	3,377,133
Charitable activities	-	1,316,288	1,316,288
Other trading activities	589,927	-	589,927
Investments	3,432	-	3,432
Other	7,348	-	7,348
TOTAL	<u>3,727,840</u>	<u>1,566,288</u>	<u>5,294,128</u>
EXPENDITURE ON:			
Charitable activities	3,716,788	1,466,827	5,183,615
Other resources expended	376,979	-	376,979
TOTAL EXPENDITURE	<u>4,093,767</u>	<u>1,466,827</u>	<u>5,560,594</u>
Net expenditure	(365,927)	99,461	(266,466)
Transfer between funds	13,587	(13,587)	-
NET MOVEMENT IN FUNDS	<u>(352,340)</u>	<u>85,874</u>	<u>(266,466)</u>
TOTAL FUNDS AT 31 JULY 2019	(1,311,049)	839,517	(471,532)
TOTAL FUNDS AT 31 JULY 2020	<u>£ (1,663,389)</u>	<u>£ 925,391</u>	<u>£ (737,998)</u>