

Company Registration Number 3044566

LSE LETS Limited
Annual Report and Financial Statements
For the Year Ended 31 July 2022



LSE LETS Limited
Directors' Report for the Year Ended 31 July 2022

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LSE LETS Limited
Directors' Report for the Year Ended 31 July 2022

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The Company

LSE LETS Limited was one of the commercial arms of the London School of Economics and Political Science, "LSE" or "the School", which is its parent company.

The principal activity of the Company was to undertake commercial lettings of accommodation owned by LSE. The trade and assets of LSE LETS Limited were transferred to LSE Enterprise Limited as of the 31 July 2021. The company has not undertaken any trade or business in the year ending 31 July 2022 and is expected to become dormant in the year ended 31 July 2023.

Profits and Distributions/Dividends

The profit before taxation for the year ended 31 July 2022 was £nil.

The Board approved a distribution payment of £523,537 in the year ended 31 July 2022 to its parent company; LSE. The Company retains share capital of £2.

Directors

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were

Professor George Gaskell
Mr Rishi Madlani
Professor David Webb

Indemnity Provision

During the financial year and at the date of signing these financial statements, a qualifying third-party indemnity provision for the benefit of the Directors was in force.

Independent Auditors

The Company's current auditors are BDO LLP.

Going Concern

Due to the cessation of the trade of the company the accounts have been prepared on a basis other than going concern. No adjustments to balances were required as a result of this change in basis of preparation.

Statement of Directors Responsibilities

The Directors are responsible for preparing the Annual Report and financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 Section 1A, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. As explained in note 2 to the financial statements, the Directors do not believe the going concern basis to be appropriate and, in consequence, these financial statements have not been prepared on that basis.

The Directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' Confirmations

In the case of each Director in office at the date the Directors' Report is approved has confirmed the following:

- so far as the Director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the Board

Louise Nadal

Louise Nadal
Secretary

22 February 2023

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 July 2022 and of its result 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.

We have audited the financial statements of LSE LETS Limited ("the Company") for the year ended 31 July 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the 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.

Emphasis of matter – financial statements prepared on a basis other than that of a going concern

We draw attention to Note 2 to the financial statements which explains that the trade and assets of the Company transferred to LSE Enterprise Limited as of 31 July 2021 and the Company is expected to become dormant in the year ended 31 July 2023. The directors therefore no longer consider the Company to be a going concern and, accordingly, the financial statements have been prepared on a basis other than that of going concern as described in Note 2. Our opinion is not modified in respect of this matter.

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

Independent Auditors' Report to the Members of LSE LETS Limited (continued)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Directors report and financial statements, other than the financial statements and our auditor's report thereon. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Other Companies Act 2006 reporting

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

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Statement of Directors Responsibilities, the Directors 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 Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditors' Report to the Members of LSE LETS Limited (continued)

In preparing the financial statements, the Directors are responsible for assessing the 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 Directors either intend to liquidate the 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.

Extent to which the audit was capable of detecting irregularities, including fraud

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:

- Challenging assumptions made by management in their significant accounting estimates.
- Reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC.
- Enquiring of management of any known fraud instances from which they are aware.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at:

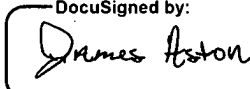
<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the 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 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

Independent Auditors' Report to the Members of LSE LETS Limited (continued)

accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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James Aston (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Gatwick
22 February 2023

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

LSE LETS Limited
Statement of Comprehensive Income for the Year Ended 31 July 2022

		2022	2021
		£	£
	Note		
Turnover		-	184,961
Administrative Expenses		-	(157,518)
Operating Profit	3	-	27,443
Interest Payable and Similar Charges	5	-	(10,768)
Profit on Ordinary Activities before Taxation and Gift Aid		-	16,675
Tax on Profit on Ordinary Activities	6	-	-
Profit for the Financial Year		-	16,675

On the 31st July 2021, the trade and assets of the Company were transferred to LSE Enterprise Limited.

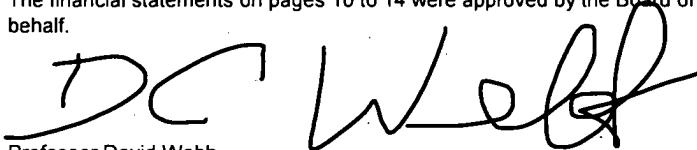
The Company has no recognised gains and losses other than those included in the Statement of Comprehensive Income.

LSE LETS Limited
Statement of Financial Position as at 31 July 2022

		2022	2021
		£	£
	Note		
Current Assets			
Debtors	7	2	523,539
Net Current Assets		<u>2</u>	<u>523,539</u>
Total Net Assets		<u>2</u>	<u>523,539</u>
Capital and Reserves			
Called Up Share Capital	8	2	2
Profit and Loss Account		-	523,537
Total Shareholders' Funds	9	<u>2</u>	<u>523,539</u>

The financial statements are prepared under the small companies exemption.

The financial statements on pages 10 to 14 were approved by the Board of Directors on 22 February 2023 and signed on its behalf.



Professor David Webb
Director

LSE LETS Limited
Company Registration Number 3044566

LSE LETS Limited
Statement of Changes in Equity for the Year Ended 31 July 2022

	Note	Profit and loss account £	Called up share capital £	Total £
Balance as at 1 August 2020		<u>-</u>	<u>2</u>	<u>2</u>
Profit for the financial year		16,675	-	16,675
Total Comprehensive Income for the year		<u>16,675</u>	<u>-</u>	<u>16,675</u>
Gift aid		(16,675)	-	(16,675)
Waiver of loan - capital contribution	9	523,537	-	523,537
Balance as at 31 July 2021		<u>523,537</u>	<u>2</u>	<u>523,539</u>
Profit for the financial year		-	-	-
Total Comprehensive Income for the year		<u>-</u>	<u>-</u>	<u>-</u>
Distribution		(523,537)	-	(523,537)
Balance as at 31 July 2022		<u>-</u>	<u>2</u>	<u>2</u>

1 General Information

The Company is a private limited company and is incorporated and domiciled in England.

The address of its registered office is Houghton Street, London, WC2A 2AE.

2 Accounting Policies

Basis of Preparation of Financial Statements

The Financial Statements are prepared under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard (FRS 102) and the Companies Act 2006.

The Company has taken advantage of the exemption in FRS 102 Section 1A from the requirement to produce a Cash Flow Statement.

The accounting policies have been applied consistently to all periods presented in these financial statements.

The trade and assets of LSE LETS Limited were transferred to LSE Enterprise Limited on 31 July 2021. The Company has not traded in the year ending 31 July 2022 and is expected to become dormant in the year ended 31 July 2023. Due to cessation of the trade of the Company, the accounts have been prepared on a basis other than that of going concern. No adjustments to balances were required as a result of this change in basis of preparation.

Turnover

Turnover comprises income from commercial lettings. The revenue is recognised at the point of sale, for each confirmed night of stay.

Taxation and Gift Aid

Prior to the year end the Board committed to make a Gift Aid donation to LSE equal to the profit for the year. The tax on profit on ordinary activities in the Profit and Loss Account is calculated on a basis that reflects the fact that the qualifying charitable donations available for the year will be offset against the Company's Corporation Tax liability for the year.

Key Accounting Estimates and Judgements

There are no key accounting estimates or judgements to disclose.

LSE LETS Limited
Notes to the Financial Statements for the Year Ended 31 July 2022 (continued)

3 Operating Profit

	2022	2021
	£	£
This is stated after charging:		
Fees payable to the Company's auditors for the audit of the financial statements (paid by another group company)	-	4,000
Depreciation	-	11,612
	<u>-</u>	<u>11,612</u>

4 Directors' Remuneration

During 2021-22, no payment was made to any Director for serving as a Director. (2020-21: Nil)

5 Interest Payable and Similar Charges

This is interest payable to the parent company.

Loan interest for the year is 2% above Barclays Bank base rate.

6 Tax on Profit on Ordinary Activities

	2022	2021
	£	£
Current tax on income for the year	-	-
Adjustments in respect of prior years	-	-
	<u>-</u>	<u>-</u>

Current Tax Reconciliation

	2022	2021
	£	£
Profit on ordinary activities before taxation	-	16,675
Theoretical tax at UK corporation tax of 19% (2021: 19%)	-	3,168
Tax on gift aid	-	(28,460)
Capital allowances in excess of depreciation	-	(2,361)
Group relief surrendered	-	27,653
	<u>-</u>	<u>-</u>

LSE LETS Limited**Notes to the Financial Statements for the Year Ended 31 July 2022 (continued)****7 Debtors**

	2022	2021
	£	£
Amounts owed by group undertakings	2	523,539
	<u>2</u>	<u>523,539</u>

8 Called Up Share Capital

	2022	2021
	£	£
Issued and fully paid		
Ordinary shares of £1 each (2021: £1 each)	2	2
	<u>2</u>	<u>2</u>

9 Reconciliation of Movements in Shareholders' Funds

	2022	2021
	£	£
Profit for the Financial Year	-	16,675
Payment under gift aid	-	(16,675)
Distribution	(523,537)	-
Capital Contribution	-	523,537
Net movement in Shareholder's Funds	<u>(523,537)</u>	<u>523,537</u>
Brought forward	<u>523,539</u>	<u>2</u>
Carried forward	<u>2</u>	<u>523,539</u>

10 Ultimate Parent Company and Controlling Party

The company's ultimate parent company is the London School of Economics and Political Science (LSE) which is registered in England and Wales. Copies of the consolidated financial statements may be obtained from the London School of Economics and Political Science (LSE), Houghton Street, London WC2A 2AE.

11 Related Party Transactions

The company is eligible to take exemption under FRS 102 from disclosing transactions with related parties as it is a wholly owned subsidiary and is included in the consolidated financial statements of a group whose financial statements are publicly available.