

REGISTERED COMPANY NUMBER: 13353590 (England and Wales)
REGISTERED CHARITY NUMBER: 1194509

Report of the Trustees and
Financial Statements for the Year Ended 31 July 2022
for
SOUTHBANK STUDENTS' UNION LTD

Knox Cropper LLP
Chartered Accountants and Statutory Auditors
153 -155 London Road
Hemel Hempstead
Hertfordshire
HP3 9SQ

SOUTHBANK STUDENTS' UNION LTD

Contents of the Financial Statements for the Year Ended 31 July 2022

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 12
Report of the Independent Auditors	13 to 15
Statement of Financial Activities	16
Balance Sheet	17
Cash Flow Statement	18
Notes to the Cash Flow Statement	19
Notes to the Financial Statements	20 to 31
Detailed Statement of Financial Activities	32 to 34

SOUTHBANK STUDENTS' UNION LTD

Reference and Administrative Details for the Year Ended 31 July 2022

TRUSTEES

M Dunwell
Ms M El-Jebaili (appointed 4.7.22)
J Ferdous (appointed 6.9.21) (resigned 3.7.22)
J H Gulrajani
B A C Hudson
D C A James (appointed 4.7.22)
G K Johal (appointed 6.9.21)
A I Khan (appointed 4.7.22)
J R Langston (appointed 6.9.21) (resigned 3.7.22)
S Neve (appointed 6.9.21) (resigned 1.12.21)
A Prelea (appointed 15.7.22)
M F Rabbi (appointed 6.9.21) (resigned 6.5.22)
Ms F T Z Rabbi (appointed 4.7.22)
M F W Smith (appointed 6.9.21) (resigned 3.7.22)
Ms K E Wicklow (resigned 11.10.22)

COMPANY SECRETARY

REGISTERED OFFICE

Student Centre South Bank University
103 Borough Road
Elephant And Castle
London
SE1 0AA

REGISTERED COMPANY NUMBER

13353590 (England and Wales)

REGISTERED CHARITY NUMBER 1194509

AUDITORS

Knox Cropper LLP
Chartered Accountants and Statutory Auditors
153 -155 London Road
Hemel Hempstead
Hertfordshire
HP3 9SQ

SOLICITORS

Wrigley's Solicitors LLP
19-21 Cookridge Street
Leeds LS2 3AG

BANKERS

HSBC PLC
28 Borough High Street
Southwark
London SE1 1IB

**Report of the Trustees
for the Year Ended 31 July 2022**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 July 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**Report of the Trustees
for the Year Ended 31 July 2022**

STRATEGIC REPORT

Achievement and performance

Charitable activities

The Coronavirus (COVID-19 virus) pandemic continued to cause some interruption to the delivery of face to face services and activities due to government restrictions on activity in late 2021/early 2022. The impact of this was less than in previous years, however in order to help students adapt the Union delivered more remote activity and increased its telephone outreach services. The Union's activity returned to more typical levels by March 2022.

However, despite this, and following the completion of the Union's 'turnaround' phase, the new team at SBSU were able to start delivering its highest volume of activity since 2018/2019 and achieved 80% of its KPIs, with just under half of these being exceeded.

SBSU's score in the NSS has increased by 3%. This is not the amount hoped for when the original target was set pre-covid, however it is a clear indication that things are moving in the right direction, and it bucks a declining trend within the sector which went down by 1 point overall. This score now puts the Union above sector average and 5th in London. It is also the only area within the University's scores which ranks higher than sector average, proving that we are a valuable asset and credible delivery partner for the LSBU.

Of the 3 targets that have not been met, there has been a significant improvement on two of the previous scores, but they have fallen short of the ambitious targets set pre covid. (NSS and staff engagement).

The target relating to the student issues tracker was not met. This was impacted by a staffing vacancy in year and is a co-delivered project reliant on both SU and LSBU staff to engage. Thorough evaluation of project deliver has taken place ahead of next year to make good progress in this area.

Overall, the organisation performance for year 1 of the 'new SU' is pleasing, but above all, it has provided us with more meaningful evidence and insight into how we engage which we can now use to form new targets and our work for the coming year's work.

Relevant: *The Union is highly regarded, high-performing, and makes informed, student-led decisions*

- Students actively choose to be part of the SBSU community
- We employ a high performing, highly engaged staff team who represent and value diverse perspectives
- We build reputation through relevant comms; achieving targets; financial stability, and being evidence-based
- We proactively engage LSBU staff, and work in partnership with them to achieve shared goals

30% Students engaged in SU-led activity	<i>Exceeded</i>
Advice service is rated as GOOD	<i>Achieved</i>
Income generation target met	<i>Exceeded</i>
External audit passed	<i>Achieved</i>
85% SBSU staff recognise LSBU as a great place to work	<i>Not met - 82%</i>
25% LSBU partners recognise the SU's contribution to the student experience	<i>Achieved</i>

**Report of the Trustees
for the Year Ended 31 July 2022**

Responsive: The Union is the defining voice and expert on LSBU students

- We are trusted by the University and students to represent the views and experiences of the whole student body
- We have a positive impact on students' education.

65% of courses have at least 1 elected course rep	Achieved
200 (revised) views submitted and acted on via the tracker	Not met - 150
50% of PTOs submitted insight from networks via the tracker	67%
Views submitted via tracker represent 80% subjects	85%

Transformative: The Union provides opportunities for students to learn and grow in their course community and beyond

- We contribute to students' learning in the classroom by providing excellent course-based activity
- We build social capital for students through an extracurricular programme based on inclusion, community and belonging.
- Students and University colleagues can articulate the ways the Union has helped improve graduate outcomes

Increase of > 7% for NSS Q26	Not met – + 3%
80% Subjects have an SU-supported academic society	80%
15% Students engaged in SU-led academic activity	15%
15% Students engaged in SU-led non-academic activity	16%
8% Students engaged in SU-led freshers activity	25% all, 44% new

In addition the KPIs above, the Union made many other significant impacts across 2021/22:

- . 400 students supported through the SU Advice service
- . Engaged a third of all Level 4 students
- . Students engaged in SU activity 10,500 times
- . Number of students engaged with SBSU doubled since 20/21
- . Direct conversations with 36% of final year students, including 65% of final year apprentices
- . Won 2 national awards for supporting student-led activity
- . 28% International students at LSBU were engaged in SU-led activity
- . Over 1600 student group memberships
- . 600 student volunteers; 11 paid student staff; 7 LSBU graduates in FT employment
- . 400 course reps across 70% of courses, across 98% subjects
- . 909 students attended SY training workshops and co-curricular events

The board and senior management team were also able to spend time reviewing its resources, staffing and activity to inform how work could be more effectively delivered to ensure we meet the diverse needs of LSBU students and deliver an optimum return on the University's investment.

**Report of the Trustees
for the Year Ended 31 July 2022**

Most notably this included a full review of the effectiveness of student groups including 121 consultations with student leaders and group members. This has resulted in the creation of a brand-new delivery model which will be implemented in AY2022/23. The new 'community model' will not require elected student committee members to deliver activity, instead relying on insight and informal voluntary support from students to help our staff team design and deliver activity for our student communities. This new model aims to remove barriers to participation such as time and cost which students identified were preventing them from engaging.

Financial review

The Union's gross income from all sources this year totalled £1,286,041 (2021: £1,135,577). Total expenditure this year spent on a wide-range of student benefits and revenue-generating activity was £1,263,738 (2021: £1,146,953) leaving an operational surplus for the year of £22,303 (2021: deficit of £11,376).

Once the movements in relation to the Unions' membership of the Students' Union Superannuation scheme are taking into account the Union had an increase in its net funds of £140,620 (2021: decrease of £429,925).

Designated (unrestricted) funds relating to the ongoing costs associated with facilities improvements amounted to £94,832 (2021: £92,826). This fund relates to the Union's investments in its fixed assets. SBSU also has a further two designated funds. These are:

Covid-19 fund amounting to £12,513 (2021: £12,513)

National Student Survey fund amounting to £15,990 (2021: £15,990)

The Union also holds reserves to cover unexpected eventualities and also ensure there are sufficient reserves to resource planned capital expenditure. General Fund reserves at the 31 July 2022 were £450,686 (2021: £480,293) which has been designated as a protected minimum amount (shown as "Accumulated Funds").

The Union is currently affiliated to the National Union of Students (NUS), for which the total subscription costs amounted to £22,500 (2021: £22,500 for the year, and no donations were made during the year to any external institutions out of SBSU's own resources.

Funds Held as Custodian Trustee

In addition to the grant-support funds it disburses to Clubs and Societies, SBSU acts as custodian for funds raised by the Clubs and Societies themselves. Club and Society funds are treated as restricted funds, which are included in restricted funds in the accounts. The holding of club and society balances is subject to the same safeguards as balances belonging to the Union, but their funds are accounted for separately to ensure that balances are appropriately protected. Restricted society fund balances were £131 (2021: nil).

Future Funding

The Board confirms that SBSU has sufficient funds to meet all its obligations. The Union is in receipt of a recurring block grant from the University which represents its principal source of funding, with the amount subject to annual confirmation. For accounting year 2022-2023 the Union has been awarded a block grant of £980,000.

**Report of the Trustees
for the Year Ended 31 July 2022**

STRATEGIC REPORT

Principal risks and uncertainties

The Trustee board are responsible for the Union's risk management. The senior management team have delegated authority for identifying and reporting on the risks facing the organisation to the Trustees as they arise in relation to items of business at the Board. In addition, the senior management team provide information on risk to enable Trustees to undertake an annual review. The Trustee Board examines the Union's major strategic, business and operational risks on an annual basis. The Trustees confirm that systems have been established to enable regular reporting which allows them to take the necessary steps to mitigate any risks.

The principal risks and uncertainties currently facing the Union are considered to be:

- . Possible reduction in funding by the University. We have ongoing conversations throughout the year concerning funding and we are fully included into the University's finance planning process enabling us to negotiate and plan for increases or decreases in our funding allocation.
- . The financial health of the University is itself dependent on its own income, which in turn is susceptible to factors beyond the control of the Union and we are regularly updated on the University's financial situation and, once again, ensure that this is included in any longer-term strategies.
- . The risk of instability caused by turnover of staff has heightened this year caused by a sharp rise in the cost of living, plus a tight job market. In response, Trustees have approved a plan to help retain and develop talent to enable a stable workforce across the strategy.
- . Reputational damage in the unlikely event of a high-profile activity by a trustee or student representative. Induction for Trustees and representatives includes full information of the responsibilities within the role and we work closely with all of them to ensure they are fully aware of Union activity. Regular updates with trustees ensure that trustees have the opportunity to work through the organisation to meet any objective they may have.

Overall, we work very closely with the University, students and Trustees to ensure that we have knowledge of their activity. We use our plans and strategies to manage risk including the Union's reserves strategy, strategic plans, maintaining effective internal controls, risk registers, incident-reporting and monitoring systems and insurance cover wherever appropriate.

**Report of the Trustees
for the Year Ended 31 July 2022**

STRATEGIC REPORT

Future plans

The board have commissioned a mid-strategy review to take place with findings being presented in Spring for consideration and inclusion in the business planning process for 23/24 and beyond.

New KPIs for 22/23 have been set and progress is being reported to trustees quarterly.

Engagement
<i>45% Students Engaged in SU-led activity</i>
10 % of Apprentices/PT engaged in SU-led activity
40% of International engaged in SU-led activity
Measure % Croydon engaged in SU-led activity
Measure % Havering engaged in SU-led activity
30% of First years engaged in SU-led activity
<i>10% Students receive SU Support and advice to help them stay in study</i>
450 students supported though SU Advice Service
Direct outreach conversations with 1300 students
<i>20% Students engaged in SU-led academic community activity</i>
1500 students involved in academic community activity
500 Students elected as a Course Rep
1600 Students voted in an SU election
<i>15% Students engaged in SU-led extra-curricular activity.</i>
1200 students involved in SU (non-academic) community activity
1500 students attended Freshers Fair
Student Satisfaction
<i>60% Students think SU positively contributes to their academic success</i>
500 Student views collected
50% views reported and acted on
70% of courses with student representation
90% divisions represented across student voice tracker
Critical Factors
<i>90% KPIs Achieved, 20% Exceeded</i>
90% Staff think SBSU is a great place to work
95% Income targets met (see below)
95% Compliance audits completed, 90% passed
External Finance Audit passed
90% new students are opted in SU members

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Key Management Personnel

Key management personnel include the Chief Executive, Deputy Chief Executive and paid sabbatical officers.

South Bank University Students' Union (SBSU) employs a Chief Executive to work closely with the Trustees and ensure effective management of the Union. Amy Eden was appointed to fill this position on a permanent basis in October 2020.

**Report of the Trustees
for the Year Ended 31 July 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Decision making

The Union is constituted under the Education Act 1994 as a charity. The Union's charitable objects are:

- . promoting the interests and welfare of Students at London South Bank University during their course of study and representing, supporting and advising Students;
- . being the recognised representative channel between Students and London South Bank University and any other external bodies; and
- . providing social, cultural, sporting and recreational activities and forums for discussions and debate for the personal development of its Students.

In furtherance of these aims the trustees have complied with their duty in s.17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published general guidance concerning the operation of the public benefit requirement under that Act.

In pursuit of these aims for the public benefit, SBSU:

- . Ensures the diversity of its membership is recognised, valued and supported;
- . Has established departments and services for use by its members and to support its work with the University and other organisations on behalf of students.

These include the Union's Representation and Advice, Communications, Central Services and Student Activities Departments. The Union's Sabbatical Officers and Council members are the students' representatives on all major University committees and the University's Board of Governors, and are supported by members of the union's staff team that act as a secretariat.

The Union represents its members (London South Bank University's students) on relevant local, national and international issues by maintaining contact with student representatives. Such contact ensures that the Union can take into account students' requirements and cater effectively for their needs.

Student representatives are present on the University's policy/strategy making Boards/Committees and are also members of Course Boards within the University's faculties ("Schools").

In preparation for changing the legal form of the Union to a Company Limited by Guarantee, the University Board of Governors formally approved Articles of Association including internal regulations and Memorandum of Understanding for the Students' Union at its meeting on the 25 March 2021, and by the Union's board of Trustees on 16 March 2021. Members of the Union resolved to allow the transfer of assets and liabilities, and the dissolution of the unincorporated entity at an AGM held on 29 March 2021.

SBSU was formally registered by the Charity Commission on 18 May 2021 and registered by Companies House on 23 April 2021. The transfer of deeds was effective from 31 August 2021.

SBSU is administered by its Trustee Board of 4 Sabbatical Officers, and up to 4 Students and 4 External trustees, for the purposes of the Charities Acts. The four Sabbatical posts are President, Vice Presidents of Education, Activities and Employability and Welfare and Equalities. The Sabbatical posts are remunerated as authorised by the Education Act and an individual's term of office cannot exceed two years duration; an Officer can be re-elected for a maximum of two terms in the same or different positions.

The President and Union Council Chair are required to sit on the University's Board of Governors.

The Union operates on democratic principles, with supervisory power vested in the Union's Council, which:

**Report of the Trustees
for the Year Ended 31 July 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

- . Furthers the aims and objects of the Union;
- . Receives minutes and reports from the Executive, Union Committees and Union Officers;
- . Considers recommendations, motions and business as appropriate; and
- . Elects students (apart from Sabbatical Officers) to serve on Union and University committees.

Council membership comprises the Sabbatical Officers together with Student Representative Officers and the Student Governors (which includes the Union's Sabbatical President)

Student Representatives commence their terms of office subject to completion of an appropriate course of training. This includes, for Sabbatical Officers, a handover with the outgoing Sabbatical Officer and training on the roles and responsibilities of Trustees (legal and administrative), with an ongoing training programme as and when needed for issues arising during their term of office

As charity Trustees, all Trustees receive a comprehensive training programme into their legal and administrative responsibilities at the start of their term of office, with ongoing guidance as and when required for issues arising during their term.

The Trustees meet throughout the year to receive reports from individual Officers and Union employees to review the Union's performance and administration. Recommendations for Union policy are made to the Trustee Board to consider and approve policy. Key information is provided to Trustees which includes accounts, the strategic plan, and an organisational diagram. Trustee knowledge and skills are evaluated at regular intervals and training is designed around the specific needs of individuals and the Board as a whole. Through the Union's membership of the National Union of Students, Trustees have access to expert advice and guidance, conferences, and training.

SBSU also employs a number of non-student full and part-time staff for the sake of continuity in the management of its many activities. Such staff are accountable to the Chief Executive for the performance of their duties. The overview of the staff structure is:

Chief Executive

- Finance Manager > Finance Team
- People & Office Manager > People & Office Team
- Deputy Chief Executive
- Representation & Insight Manager > Representation & Insight Team
- Student Activities Manager > Student Activities Team
- Communications Manager > Communications Team
- Advice Manager > Advice Team

Key management remuneration

The remuneration of key management personnel is set by the Board, 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 their remuneration is reviewed regularly, and will include job market analysis and reference to comparisons with other unions to ensure that the Union remains sensitive to the broader issues of pay and employment conditions elsewhere.

We aim to recruit, subject to experience, at the lower to medium point within a band, providing scope to be rewarded for excellence. Delivery of the Union's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

**Report of the Trustees
for the Year Ended 31 July 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Relationship with the University

SBSU is established in the University's Memorandum and Articles of Association in that there shall be a Students' Union. The Union receives a Subvention/Block Grant from the University, and in-kind support related to utilities, some security staff and the majority of the costs associated with cleaning and premises maintenance. The non-monetary support is intrinsic to the relationship between the University and SBSU. As recommended by the Charities SORP an estimated value to SBSU for this free serviced accommodation has been included in the accounts at an estimated value (based on prior year space charge calculations). Although SBSU undertakes some income generating activities, it is dependent on the University's financial support.

The trustees consider it reasonable to anticipate that this or equivalent support from the University will continue for the foreseeable future, as the Education Act 1994 imposes a duty on the University 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.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Southbank Students' Union Ltd for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and 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 business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware;
and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Knox Cropper LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**Report of the Trustees
for the Year Ended 31 July 2022**

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 16 January 2023 and signed on the board's behalf by:

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

Devonte James
SU President & Chair of the Trustee Board

Opinion

We have audited the financial statements of Southbank Students' Union Ltd (the 'charitable company') for the year ended 31 July 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2022 and of its incoming resources and application of resources, including 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 Auditors' 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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.

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 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.

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees 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 Report of the Trustees.

We have nothing to report in respect of the following matters where 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The Charity is required to comply with charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for any restricted funds was of key significance.
- We gained an understanding of how the charity complied with its legal and regulatory framework, including the requirement to properly account for any restricted funds, through discussions with management and a review of the documented policies, procedures and controls.
- 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.
- Our approach was to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions.

There are inherent limitations in the audit procedures described above 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 would become aware of it. 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 or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

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 auditors' 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.

Stephen Anderson FCCA (Senior Statutory Auditor)
for and on behalf of Knox Cropper LLP
Chartered Accountants and Statutory Auditors
153 -155 London Road
Hemel Hempstead
Hertfordshire
HP3 9SQ

16 January 2023

SOUTHBANK STUDENTS' UNION LTD

Statement of Financial Activities for the Year Ended 31 July 2022

	Notes	Unrestricted funds £	Restricted fund £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	1,220,628	-	1,220,628	1,125,619
Charitable activities	5				
Student Activities		-	22,378	22,378	901
Other trading activities	3	41,317	-	41,317	1,593
Investment income	4	1,250	-	1,250	7,264
Other income		468	-	468	200
Total		<u>1,263,663</u>	<u>22,378</u>	<u>1,286,041</u>	<u>1,135,577</u>
EXPENDITURE ON					
Raising funds	6	30,715	-	30,715	-
Charitable activities	7				
Student Activities		394,594	15,373	409,967	396,441
Advice & Representation		447,373	-	447,373	567,030
Communications & Marketing		375,683	-	375,683	183,482
Total		<u>1,248,365</u>	<u>15,373</u>	<u>1,263,738</u>	<u>1,146,953</u>
NET INCOME/(EXPENDITURE)		15,298	7,005	22,303	(11,376)
Transfers between funds	18	6,874	(6,874)	-	-
Other recognised gains/(losses)					
Actuarial gains/(losses) on defined benefit schemes		118,317	-	118,317	(418,549)
Net movement in funds		140,489	131	140,620	(429,925)
RECONCILIATION OF FUNDS					
Total funds brought forward		(1,126,400)	-	(1,126,400)	(696,475)
TOTAL FUNDS CARRIED FORWARD		<u>(985,911)</u>	<u>131</u>	<u>(985,780)</u>	<u>(1,126,400)</u>

The notes form part of these financial statements

SOUTHBANK STUDENTS' UNION LTD

Balance Sheet 31 July 2022

	Notes	Unrestricted funds £	Restricted fund £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	13	94,832	-	94,832	92,825
CURRENT ASSETS					
Stocks	14	13,996	-	13,996	21,078
Debtors	15	19,634	-	19,634	3,934
Cash at bank		520,457	131	520,588	573,641
		554,087	131	554,218	598,653
CREDITORS					
Amounts falling due within one year	16	(74,898)	-	(74,898)	(69,567)
NET CURRENT ASSETS		479,189	131	479,320	529,086
TOTAL ASSETS LESS CURRENT LIABILITIES		574,021	131	574,152	621,911
PROVISIONS FOR LIABILITIES	17	(1,559,932)	-	(1,559,932)	(1,748,309)
NET ASSETS/(LIABILITIES)		(985,911)	131	(985,780)	(1,126,398)
FUNDS	18				
Unrestricted funds				(985,911)	(1,126,398)
Restricted funds				131	-
TOTAL FUNDS				(985,780)	(1,126,398)

The financial statements were approved by the Board of Trustees and authorised for issue on 16 January 2023 and were signed on its behalf by:



Devonte James
SU President & Chair of the Trustee Board

The notes form part of these financial statements

SOUTHBANK STUDENTS' UNION LTD**Cash Flow Statement
for the Year Ended 31 July 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(39,559)</u>	<u>(16,177)</u>
Net cash used in operating activities		<u>(39,559)</u>	<u>(16,177)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(14,744)	(21,905)
Interest received		<u>1,250</u>	<u>7,264</u>
Net cash used in investing activities		<u>(13,494)</u>	<u>(14,641)</u>
Change in cash and cash equivalents in the reporting period		(53,053)	(30,818)
Cash and cash equivalents at the beginning of the reporting period		<u>573,641</u>	<u>604,459</u>
Cash and cash equivalents at the end of the reporting period		<u><u>520,588</u></u>	<u><u>573,641</u></u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 July 2022

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	22,303	(11,376)
Adjustments for:		
Depreciation charges	12,738	7,821
Interest received	(1,250)	(7,264)
Defined benefit scheme adjustments	(70,063)	(20,332)
Decrease in stocks	7,082	-
(Increase)/decrease in debtors	(15,700)	25,454
Increase/(decrease) in creditors	<u>5,331</u>	<u>(10,480)</u>
Net cash used in operations	<u>(39,559)</u>	<u>(16,177)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.8.21 £	Cash flow £	At 31.7.22 £
Net cash			
Cash at bank	<u>573,641</u>	<u>(53,053)</u>	<u>520,588</u>
	<u>573,641</u>	<u>(53,053)</u>	<u>520,588</u>
Total	<u>573,641</u>	<u>(53,053)</u>	<u>520,588</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Critical accounting judgements and key sources of estimation uncertainty

Preparation of the financial statements requires management to make judgements and estimates. 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. A discount rate of 2.5% (2021: 1.5%) has been used in line with industry standards.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- 15% on cost
Fixtures and fittings	- 25% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

London South Bank University Students' Union administers and accounts for a number of charitable funds, as follows: -

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

1. ACCOUNTING POLICIES - continued

Fund accounting

(ii) Restricted funds raised and administered by London South Bank University Students' 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 College.

(iii) Custodian Funds entrusted to London South Bank University Students' Union for safekeeping, but not under its management control, e.g., annual RAG. Such custodian activities are disclosed in the Annual Report, but as the funds are not managed by London South Bank University Students' Union they cannot be included in the accounts.

(iv) Designated Funds relating to amounts set aside from existing reserves to cover restructuring costs, including depreciation associated with refurbishment work.

(v) Transfers from Unrestricted Funds to Designated Funds represent planned costs associated with restructuring which have been financed from the Union's reserves. These include capital refurbishment costs.

Pension costs and other post-retirement benefits

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

SUSS

The 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 Scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence, no share of the underlying assets and liabilities can be directly attributed to LSBUSU. However, the Union has entered into an arrangement to clear the scheme deficit over a 20-year period.

NUSPS

Since 1 October 2011, all participating employees have been in a new defined contribution pension scheme, National Union of Students Pension Scheme (NUSPS). Contributions are at the rate of 6% for the employer and 3% for the employee pensions costs are charged in the period in which the salaries to which they relate are payable.

Notes to the Financial Statements - continued
for the Year Ended 31 July 2022**2. DONATIONS AND LEGACIES**

	2022	2021
	£	£
Gifts	(2)	1
Donations	980,000	899,999
Grants	15,011	-
Donated services and facilities	225,619	225,619
	<u>1,220,628</u>	<u>1,125,619</u>

Grants received, included in the above, are as follows:

	2022	2021
	£	£
Kick start grant	<u>15,011</u>	<u>-</u>

3. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Fundraising events	6,108	-
Merchandising	31,800	-
Marketing	3,409	1,593
	<u>41,317</u>	<u>1,593</u>

4. INVESTMENT INCOME

	2022	2021
	£	£
Deposit account interest	<u>1,250</u>	<u>7,264</u>

SOUTHBANK STUDENTS' UNION LTD

Notes to the Financial Statements - continued for the Year Ended 31 July 2022

5. INCOME FROM CHARITABLE ACTIVITIES

	2022	2021
	£	£
Activity Clubs and Societies income Student Activities	<u>22,378</u>	<u>901</u>

6. RAISING FUNDS

Raising donations and legacies

	2022	2021
	£	£
Sundries	1,215	-
Merchandise	<u>29,500</u>	<u>-</u>
	<u>30,715</u>	<u>-</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Student Activities	166,885	243,082	409,967
Advice & Representation	1,728	445,645	447,373
Communications & Marketing	<u>254,142</u>	<u>121,541</u>	<u>375,683</u>
	<u>422,755</u>	<u>810,268</u>	<u>1,233,023</u>

8. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Student Activities	178,593	8,364	56,125	243,082
Advice & Representation	327,415	15,334	102,896	445,645
Communications & Marketing	<u>89,297</u>	<u>4,182</u>	<u>28,062</u>	<u>121,541</u>
	<u>595,305</u>	<u>27,880</u>	<u>187,083</u>	<u>810,268</u>

Notes to the Financial Statements - continued
for the Year Ended 31 July 2022**8. SUPPORT COSTS - continued**

Activity	Basis of allocation
Management	Based on usage
Finance	Based on usage
Governance costs	Based on usage

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022	2021
	£	£
Auditors' remuneration	9,297	7,241
Depreciation - owned assets	<u>12,738</u>	<u>7,821</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

The Trustees' four sabbatical officers each received an annual salary of £23,970 (2021: £23,500) for the year, 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 includes voicing student opinion with the institution and local community, defending and extending the rights of students through petitions, discussion with MPs and also organising and supporting student volunteers and service provision for them. The total salary, NI and pension costs for the sabbatical officers in post during the year amounted to £93,017 (2021: £104,079). There were no other trustee benefits for the year.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 July 2022 nor for the year ended 31 July 2021.

11. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	577,947	484,853
Social security costs	49,421	37,183
Other pension costs	<u>11,103</u>	<u>10,394</u>
	<u>638,471</u>	<u>532,430</u>

The average monthly number of employees during the year was as follows:

<u>2022</u>	<u>2021</u>
--------------------	-------------

No employees received emoluments in excess of £60,000.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,125,619	-	1,125,619
Charitable activities			
Student Activities	-	901	901
Other trading activities	1,593	-	1,593
Investment income	7,264	-	7,264
Other income	200	-	200
Total	<u>1,134,676</u>	<u>901</u>	<u>1,135,577</u>
EXPENDITURE ON			
Charitable activities			
Student Activities	392,582	3,859	396,441
Advice & Representation	567,030	-	567,030
Communications & Marketing	183,482	-	183,482
Total	<u>1,143,094</u>	<u>3,859</u>	<u>1,146,953</u>
NET INCOME/(EXPENDITURE)	(8,418)	(2,958)	(11,376)
Transfers between funds	10,484	(10,484)	-
Other recognised gains/(losses)			
Actuarial gains/(losses) on defined benefit schemes	(418,549)	-	(418,549)
Net movement in funds	(416,483)	(13,442)	(429,925)
RECONCILIATION OF FUNDS			
Total funds brought forward	(709,917)	13,442	(696,475)
TOTAL FUNDS CARRIED FORWARD	<u>(1,126,400)</u>	<u>-</u>	<u>(1,126,400)</u>

Notes to the Financial Statements - continued
for the Year Ended 31 July 2022**13. TANGIBLE FIXED ASSETS**

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 August 2021	124,294	1,723	13,224	28,061	167,302
Additions	<u>-</u>	<u>-</u>	<u>9,672</u>	<u>5,072</u>	<u>14,744</u>
At 31 July 2022	<u>124,294</u>	<u>1,723</u>	<u>22,896</u>	<u>33,133</u>	<u>182,046</u>
DEPRECIATION					
At 1 August 2021	45,191	1,723	3,305	24,257	74,476
Charge for year	<u>6,512</u>	<u>-</u>	<u>4,145</u>	<u>2,081</u>	<u>12,738</u>
At 31 July 2022	<u>51,703</u>	<u>1,723</u>	<u>7,450</u>	<u>26,338</u>	<u>87,214</u>
NET BOOK VALUE					
At 31 July 2022	<u>72,591</u>	<u>-</u>	<u>15,446</u>	<u>6,795</u>	<u>94,832</u>
At 31 July 2021	<u>79,103</u>	<u>-</u>	<u>9,919</u>	<u>3,804</u>	<u>92,826</u>

14. STOCKS

	2022 £	2021 £
Stocks	<u>13,996</u>	<u>21,078</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	4,170	110
Other debtors	35	61
VAT	4,472	555
Prepayments and accrued income	<u>10,957</u>	<u>3,208</u>
	<u>19,634</u>	<u>3,934</u>

Notes to the Financial Statements - continued
for the Year Ended 31 July 2022**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022	2021
	£	£
Trade creditors	30,770	27,066
Social security and other taxes	15,397	11,882
Other creditors	2,525	2,525
Accruals and deferred income	26,206	28,094
	<u>74,898</u>	<u>69,567</u>

17. PROVISIONS FOR LIABILITIES

	2022	2021
	£	£
Provisions	<u>1,559,932</u>	<u>1,748,309</u>

18. MOVEMENT IN FUNDS

	At 1.8.21 £	Net movement in funds £	Transfers between funds £	At 31.7.22 £
Unrestricted funds				
General fund	480,293	63,383	(92,990)	450,686
Facilities and refurbishment fund	92,826	-	2,006	94,832
Pension deficit	(1,748,309)	92,092	96,285	(1,559,932)
Covid-19 fund	12,513	-	-	12,513
Incorporation fund	20,287	(21,860)	1,573	-
National Student Survey	15,990	-	-	15,990
	(1,126,400)	133,615	6,874	(985,911)
Restricted funds				
Clubs and Societies	-	7,005	(6,874)	131
TOTAL FUNDS	<u>(1,126,400)</u>	<u>140,620</u>	<u>-</u>	<u>(985,780)</u>

Notes to the Financial Statements - continued
for the Year Ended 31 July 2022**18. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,263,663	(1,200,280)	-	63,383
Pension deficit	-	(26,225)	118,317	92,092
Incorporation fund	-	(21,860)	-	(21,860)
	<u>1,263,663</u>	<u>(1,248,365)</u>	<u>118,317</u>	<u>133,615</u>
Restricted funds				
Clubs and Societies	22,378	(15,373)	-	7,005
	<u>22,378</u>	<u>(15,373)</u>	<u>-</u>	<u>7,005</u>
TOTAL FUNDS	<u>1,286,041</u>	<u>(1,263,738)</u>	<u>118,317</u>	<u>140,620</u>

Comparatives for movement in funds

	At 1.8.20 £	Net movement in funds £	Transfers between funds £	At 31.7.21 £
Unrestricted funds				
General fund	513,434	123,297	(156,438)	480,293
Facilities and refurbishment fund	78,741	-	14,085	92,826
Pension deficit	(1,350,092)	(486,054)	87,837	(1,748,309)
Covid-19 fund	18,000	(5,487)	-	12,513
Incorporation fund	30,000	(9,713)	-	20,287
National Student Survey	-	(49,010)	65,000	15,990
	<u>(709,917)</u>	<u>(426,967)</u>	<u>10,484</u>	<u>(1,126,400)</u>
Restricted funds				
Clubs and Societies	13,442	(2,958)	(10,484)	-
	<u>13,442</u>	<u>(2,958)</u>	<u>(10,484)</u>	<u>-</u>
TOTAL FUNDS	<u>(696,475)</u>	<u>(429,925)</u>	<u>-</u>	<u>(1,126,400)</u>

Notes to the Financial Statements - continued
for the Year Ended 31 July 2022

18. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,134,676	(1,011,379)	-	123,297
Pension deficit	-	(67,505)	(418,549)	(486,054)
Covid-19 fund	-	(5,487)	-	(5,487)
Incorporation fund	-	(9,713)	-	(9,713)
National Student Survey	-	(49,010)	-	(49,010)
	1,134,676	(1,143,094)	(418,549)	(426,967)
Restricted funds				
Clubs and Societies	901	(3,859)	-	(2,958)
TOTAL FUNDS	<u>1,135,577</u>	<u>(1,146,953)</u>	<u>(418,549)</u>	<u>(429,925)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.8.20 £	Net movement in funds £	Transfers between funds £	At 31.7.22 £
Unrestricted funds				
General fund	513,434	186,680	(249,428)	450,686
Facilities and refurbishment fund	78,741	-	16,091	94,832
Pension deficit	(1,350,092)	(393,962)	184,122	(1,559,932)
Covid-19 fund	18,000	(5,487)	-	12,513
Incorporation fund	30,000	(31,573)	1,573	-
National Student Survey	-	(49,010)	65,000	15,990
	(709,917)	(293,352)	17,358	(985,911)
Restricted funds				
Clubs and Societies	13,442	4,047	(17,358)	131
TOTAL FUNDS	<u>(696,475)</u>	<u>(289,305)</u>	<u>-</u>	<u>(985,780)</u>

Notes to the Financial Statements - continued
for the Year Ended 31 July 2022**18. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,398,339	(2,211,659)	-	186,680
Pension deficit	-	(93,730)	(300,232)	(393,962)
Covid-19 fund	-	(5,487)	-	(5,487)
Incorporation fund	-	(31,573)	-	(31,573)
National Student Survey	-	(49,010)	-	(49,010)
	2,398,339	(2,391,459)	(300,232)	(293,352)
Restricted funds				
Clubs and Societies	23,279	(19,232)	-	4,047
TOTAL FUNDS	<u>2,421,618</u>	<u>(2,410,691)</u>	<u>(300,232)</u>	<u>(289,305)</u>

19. RELATED PARTY DISCLOSURES

The London South Bank University provides the Union with an annual grant as shown in the Statement of Financial Activities. The London South Bank University provides the Union with accommodation and a range of support services for which no actual charge is made, however the value of this support has been recognised in the accounts as a benefit in kind.

Amounts due from the London South Bank University as at the year-end were £2,668 (2021: £nil due to the University).

20. EMPLOYEE BENEFIT OBLIGATIONS**Defined benefit scheme - SUSS**

London South Bank University 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 assumptions which have the most significant effect upon the results of the Valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions.

The following assumptions applied at 30 June 2019:

- The investment return would be 4% per annum before retirement and 2% per annum after retirement.

20. EMPLOYEE BENEFIT OBLIGATIONS - continued

- Pensions accruing on the CARE basis would revalue at 3.4% per annum.
- Present and future pensions would increase at rates specified by Scheme rules with appropriate assumptions where these are dependent on inflation.

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 15 years from 2019/20, increasing by 29.5% in October 2021 and 5% each year until the next valuation. These contributions also include an allowance for the cost of the ongoing administrative and operational expenses of running the Scheme. These rates will be formally reviewed following completion of the next Valuation due with an effective date of 30 June 2022. Surpluses or deficits which arise at future valuations will also impact on London South Bank University Students' Union's future contribution commitment. In addition to the above contributions, London South Bank University Students' Union also pays its share of the Scheme's levy to the Pension Protection Fund.

In accordance with FRS102, the net present value of the future contributions required over 15 years to clear the funding deficit is £1,559,932 (2021: £1,748,309). In calculating this net present value annual increases of 0% have been made and a discount rate of 2.5% (2021: 1.5%) representing the typical yield of high-quality corporate bonds has then been applied.

The contributions paid into the Scheme in respect of eligible employees for the year ended 31 July 2021 amounted to £96,288 (2020: £80,742).

Defined Contribution Pension Scheme

Since 1 October 2011, all participating employees have been in a new defined contribution pension scheme, the National Union of Students Pension Scheme (NUSPS). Contributions are at variable rates up to 6% for the employer and a minimum of 3% for the employee. The Union's cost of contribution for the year amounted to £11,103 (2021: £10,394).

21. INCORPORATION OF LONDON SOUTHBANK UNIVERSITY STUDENTS' UNION

During the year the assets, liabilities, reserves and operations of London Southbank University Students' Union (charity registration number: 1158441) were transferred to this company. Under FRS 102, when a charity changes its legal form but its purposes and beneficiary class remain the same, merger accounting should be used. Accordingly, the result for the period to 31 July 2022 represents the transactions for the year to 31 July 2022 and the comparative figures are for the year to 31 July 2021 as previously reported in London Southbank University Students' Union accounts.

SOUTHBANK STUDENTS' UNION LTD**Detailed Statement of Financial Activities
for the Year Ended 31 July 2022**

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Gifts	(2)	1
Donations	980,000	899,999
Grants	15,011	-
Donated services and facilities	<u>225,619</u>	<u>225,619</u>
	1,220,628	1,125,619
Other trading activities		
Fundraising events	6,108	-
Merchandising	31,800	-
Marketing	<u>3,409</u>	<u>1,593</u>
	41,317	1,593
Investment income		
Deposit account interest	1,250	7,264
Charitable activities		
Clubs and Societies income	22,378	901
Other income		
Other income	<u>468</u>	<u>200</u>
Total incoming resources	1,286,041	1,135,577
EXPENDITURE		
Raising donations and legacies		
Sundries	1,215	-
Merchandise	<u>29,500</u>	<u>-</u>
	30,715	-
Charitable activities		
Wages	254,437	281,313
Social security	19,980	27,839
Pensions	6,425	9,254
Insurance	442	-
Postage and stationery	136	-
Carried forward	281,420	318,406

This page does not form part of the statutory financial statements

SOUTHBANK STUDENTS' UNION LTD

Detailed Statement of Financial Activities for the Year Ended 31 July 2022

	2022 £	2021 £
Charitable activities		
Brought forward	281,420	318,406
Advertising	12,999	14,735
Sundries	349	-
Other costs	4,915	2,437
Clubs and societies	47,657	4,459
Training and development	11,788	621
Travel and subsistence	9,425	-
Website	8,004	23,680
Affiliations	-	15,454
Elections	601	1,252
Research	7,995	23,754
Student events	21,017	9,630
Professional fees	8,231	-
Front desk	3,199	-
Campaigns	5,155	-
	422,755	414,428
Support costs		
Management		
Wages	230,493	203,540
Social security	21,378	9,344
Pensions	3,431	1,140
Insurance	10,375	9,003
Telephone	1,008	-
Postage and stationery	661	267
Sundries	(4)	2,352
Irrecoverable VAT	23,548	19,211
Recruitment	2,177	36,334
Professional fees	3,437	75,160
Staff welfare	-	449
Licences and subscriptions	29,915	18,964
Training	29,810	32,424
Rent	225,619	225,619
Travel and subsistence	513	866
Postage & stationery	-	391
Bad debts	-	(500)
Repairs and maintenance	206	1,398
Website	-	2,839
Depreciation of tangible and heritage assets	12,738	7,821
	595,305	646,622

This page does not form part of the statutory financial statements

SOUTHBANK STUDENTS' UNION LTD**Detailed Statement of Financial Activities
for the Year Ended 31 July 2022**

	2022 £	2021 £
Management		
Finance		
Bank charges	27,880	68,949
Governance costs		
Trustees' salaries	93,017	-
Social security	8,063	-
Pensions	1,247	-
Auditors' remuneration	9,297	7,241
Accountancy and legal fees	50,500	-
Professional fees	24,959	9,713
	187,083	16,954
Total resources expended	1,263,738	1,146,953
Net income/(expenditure)	22,303	(11,376)

This page does not form part of the statutory financial statements

SOUTH BANK STUDENTS' UNION LTD

AUDIT SUMMARY
FOR THE YEAR ENDED 31ST JULY 2022



SOUTH BANK STUDENTS' UNION LTD AUDIT SUMMARY FOR THE YEAR ENDED 31ST JULY 2022

In accordance with our normal practice, we have set out in this report those matters arising from the audit which we are required to bring to your attention in accordance with International Auditing Standard 260. We have also provided a brief commentary on the financial statements along with a draft of the Trustees' representations on which we are placing reliance for the purpose of our audit.

As you will appreciate, our audit procedures are designed primarily to enable us to form an opinion on the accounts as a whole. Our procedures include such tests of the accounting records and internal control systems as are, in our opinion, necessary for audit purposes. Consequently, whilst our procedures may identify certain weaknesses, they should not be relied upon to reveal all systems weaknesses which may exist.

This report has been prepared for your sole use and we assume no responsibility to any other party in respect of its contents. The report should not be disclosed to any third party without our prior written consent.

In conclusion we would like to take this opportunity of expressing our appreciation to all your staff, particularly Amy, Mohamed and Talha, for their assistance and co-operation during the course of our audit.

If you have any queries on any of the points in this letter, please do not hesitate to contact us.

Yours faithfully,

Knox Cropper LLP

14th December 2022

SOUTH BANK STUDENTS’ UNION LTD AUDIT SUMMARY FOR THE YEAR ENDED 31ST JULY 2022

Contents

Audit Overview	4 - 5
Key Audit Risks And Conclusions	6 - 7
Internal Control Matters	8 - 10
Emerging Issues	11 - 12
Commentary On The Accounts	13 - 15
Draft Representation Letter	16 - 18

SOUTH BANK STUDENTS' UNION LTD AUDIT SUMMARY FOR THE YEAR ENDED 31ST JULY 2022

Audit Overview

General

The purpose of our audit is to gather sufficient evidence to allow us to conclude that the transactions and balances disclosed in the accounts are unlikely to be materially misstated, to establish that disclosures reflected in the accounts comply with the requirements of legislation and relevant accounting standards, to assess whether the accounting policies adopted are appropriate and consistently applied and to assess whether judgements exercised and estimates made in the preparation of the accounts were both prudent and even handed.

Audit Report

We have completed the audit to our satisfaction and intend to issue an unqualified audit opinion on the accounts. The text of the audit report is in accordance with the standard text for unqualified audit reports issued by the Financial Reporting Council.

Reconciliation to the First Draft of the Accounts

Below is a summary of the adjustments that have made to the reported profit in the first draft of the accounts.

Description	£
Loss per first draft of the accounts to 31 July 2022	(2,236)
SUSS pension deficit liability payments incorrectly posted to I&E	96,285
Facilities and refurbishment expenditure posted to reserves	(21,858)
Sports and societies income and expenditure posted to reserves	(16,581)
Unwinding of the discount on the SUSS pension deficit liability	(26,225)
Actuarial gain on the SUSS pension deficit liability due to change in discount rate	118,317
Write down in value of NUS cards held in stock	(7,082)
Profit before tax per the final accounts	140,620

SOUTH BANK STUDENTS' UNION LTD AUDIT SUMMARY FOR THE YEAR ENDED 31ST JULY 2022

Audit Overview (continued)

Audit Adjustments

No significant adjustments arose from our audit work other than those included in the table on page 4. Minor adjustments resulting for our work have been discussed with management and appropriately reflected in the financial statements.

We confirm that no misstatements were detected during the audit which remain uncorrected in the financial statements other than matters which are both individually and cumulatively clearly trifling.

Accounting Policies and Disclosures

The accounting policies adopted by the Union are consistent with those adopted in previous years and are appropriate to the Union's operations.

We also report that adequate consideration was given to the potential impact of changes in legislation and accounting standards which arose during the year. No changes arose during the current year which affected the accounts and therefore the form and content of the accounts are consistent with the preceding year.

COVID-19

As part of our audit we have considered the impact on the charity of COVID-19. Discussions have taken place with management and we are satisfied that the impact has been adequately disclosed in the accounts and that no further adjustments to the balance sheet are necessary.

Professional Ethics and Independence

We confirm our compliance with Ethical Standards issued by the Financial Reporting Council and there are no matters in relation to our audit engagement which we consider should be brought to your attention.

SOUTH BANK STUDENTS' UNION LTD AUDIT SUMMARY FOR THE YEAR ENDED 31ST JULY 2022

Key Audit Risks And Conclusions

Risk	Audit Approach	Conclusion
Classification of income Income received by the Charity could be subject to restrictions and therefore income may need to be treated as restricted income.	We will review the underlying documentation supporting income to ascertain whether restrictions apply, and if applicable, review expenditure from these funds to ascertain whether the imposed restrictions are being adhered to.	We did not identify any further restricted income during our audit work and we are happy with the classification of income.
Payroll expenditure Payroll expenditure is a substantial part of total expenditure therefore this is an area that will be thoroughly reviewed due to its materiality.	We will review salary costs on a proof in total basis by agreeing the payroll reports to the accounts. We will also perform substantive testing on a sample of employees, including checking contracts of employment.	There were no issues noted during our audit testing. Payroll expenditure appears to be fairly stated in the accounts.
Control issues The small complement of staff at the Charity could result in controls being overridden.	Expenditure will be tested to ensure that it is valid and authorised. Reconciliations will be reviewed to ensure they are regularly prepared.	The controls appear to be appropriate for the size of the Union. We are happy that controls are adhered to and reconciliations are prepared regularly.
Related party transactions Identification of all related party transactions conducted throughout the year.	We will review and assess the controls in place to identify and disclose related party transactions and look out for related party transactions during our review of the accounting records.	We did not identify any additional related party transactions other than those already disclosed in the accounts.

SOUTH BANK STUDENTS' UNION LTD AUDIT SUMMARY

FOR THE YEAR ENDED 31ST JULY 2022

Key Audit Risks And Conclusions (continued)

Risk	Audit Approach	Conclusion
VAT Risk that VAT has been incorrectly accounted for.	During our income and expenditure testing we will perform substantive tests, which will include checking the accuracy and the treatment of the VAT recorded.	There were no significant errors found that remained uncorrected. There were a few errors found during our testing that appear to have been corrected. See the point in the internal control matters section below.
SUSS Pension deficit liability The assumptions and calculations used may be inappropriate and may cause a material misstatement.	Check the calculations and assumptions used for the pension deficit provision.	The assumptions used for the SUSS pension deficit calculation are appropriate and the calculation performed has been agreed. The SUSS pension deficit liability appears to be fairly stated in the accounts.

SOUTH BANK STUDENTS' UNION LTD AUDIT SUMMARY

FOR THE YEAR ENDED 31ST JULY 2022

Internal Control Matters

We are required to report to you in writing, significant deficiencies in the internal control environment that we have identified during the course of our audit. These matters are limited to those which we have concluded are of sufficient importance to be reported to you. Our audit cannot necessarily be expected to disclose all matters that may be of interest to you and, as a result, the matters reported may not be the only ones which exist.

We have categorised the internal deficiencies noted via a colour-scale rating system. The key to which follows:

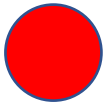
We do not consider there to be a risk of material loss from these risks



These controls should be strengthened but we do not consider these to be an urgent priority



We consider this to be of critical importance and would recommend that it is addressed as a matter of urgent priority



SOUTH BANK STUDENTS' UNION LTD AUDIT SUMMARY FOR THE YEAR ENDED 31ST JULY 2022

Internal Control Matters – Current Year

Risk rating	Observation	Recommendation	Managements response
	VAT postings and corrections During our audit testing on income and expenditure, we found that there were some transactions that had been posted with the incorrect VAT amount/code. After discussions with management and after reviewing the VAT returns it appears that these errors have been corrected. These were corrected by making one adjustment to each box on the VAT returns, which included multiple corrections. Therefore, it was not clear which transactions were included in the adjustments made.	We would recommend making the adjustments to each individual transaction or more detail should be provided when performing the adjustments to the VAT return, such as, including the transaction numbers in the description. This would ensure that the VAT returns are compliant with Making Tax Digital.	
	Fixed assets When reviewing the fixed asset register, we noted that the total cost of the assets and the total depreciation did not agree to Sage or the accounts. This is because some assets with a NBV of nil had been disposed of on the asset register but not in the accounts because the assets disposed of had a nil NBV there is no impact on the NBV in the accounts. We also found that the capitalisation policy had not been adhered to which had caused some inconsistency when capitalising assets. There were items capitalised that were less than the £1,000 capitalisation policy.	The fixed asset register should be reconciled to Sage on a regular basis. This would prevent minor errors, such as, the July 2022 computer depreciation charge being incorrectly posted to the computer cost nominal account. The amount is trivial and has no impact on the NBV but the cost and depreciation charge are understated. The capitalisation policy should be adhered to. If the current policy is not appropriate, then the Union could consider reviewing the policy to see if it needs to be updated.	

SOUTH BANK STUDENTS' UNION LTD AUDIT SUMMARY

FOR THE YEAR ENDED 31ST JULY 2022

Internal Control Matters - **Prior Year**

Risk rating	Observation	Recommendation	Managements response
-------------	-------------	----------------	----------------------

We are pleased to report that the accounting records were well maintained. No significant weaknesses were identified during the audit.

Internal controls were generally appropriate for the size of organisation and our compliance testing indicated that they were operating effectively in practice.

SOUTH BANK STUDENTS' UNION LTD AUDIT SUMMARY FOR THE YEAR ENDED 31ST JULY 2022

Emerging Issues

New Charities Act

The Charities Bill received Royal Assent and passed into law as the Charities Act 2022 (the Act) on 24 February 2022. The primary purpose of the Act is to reduce the administrative burden on charities through the implementation of the recommendations made by the Law Commission in its report of 2017. The provisions of the Act are due to be implemented in a phased way, over a period of 18 months, which will give the Charity Commission sufficient time to update its guidance. A key point to note is that the Act does not impose any additional obligations on charity trustees. Instead, it simplifies the administrative steps which trustees are required to take when making certain decisions. The key provisions of the Act are summarised on our website.

Guidance from the Charity Commission on Investing charity funds

The existing guidance. The existing guidance, which is set out in the Charity Commission publication CC14, is currently subject to a consultation with a number of changes proposed. Charity trustees had frequently raised concerns that their responsibilities to maximise income precluded them from having an ethical investment policy or a policy to invest in social investments.

The proposed changes. The consultation paper proposes to change the term “ethical” investment to “responsible” investment and makes it more explicit that Trustees can approve investment policies which include investing ethically and supporting social investments where these policies reflect or further the charity’s charitable purposes.

Cyberfraud

Cyberfraud is a growing issue for all organisations, including charities. As part of Charity Fraud Awareness Week in October 2021, charities have been asked to sign a pledge to work actively to prevent fraud in their organisations. This initiative is supported by the Fraud Advisory Panel and the Charity Commission. The website includes a wealth of information including case studies, about fraud risk and preventative tools.

SOUTH BANK STUDENTS' UNION LTD AUDIT SUMMARY FOR THE YEAR ENDED 31ST JULY 2022

Emerging Issues (continued)

Charity Financial Statements

New consultation framework. The next update of the Charities Statement of Recommended Practice (SORP) is expected to be published in Autumn 2023 to come into effect in 2024. The consultation process is already underway, involving a wide range of stakeholders (through volunteer engagement partners). One theme of the consultation is the simplification of financial statements for smaller charities.

Charity Commission Guidance

Five Minute Guides. The Charity Commission has published simple five minute guides for trustees covering the following areas:

- a) Charity purposes
- b) Managing charity finances
- c) Managing conflicts of interest
- d) Making decisions

SOUTH BANK STUDENTS' UNION LTD AUDIT SUMMARY FOR THE YEAR ENDED 31ST JULY 2022

Commentary On The Accounts

General

The accounts have been drawn up on the basis of generally accepted accounting principles (Charities SORP 2019 - FRS 102) and relevant legislation. The accounts consist of:

- The Report of the Trustees, which affords the trustees the opportunity to explain the Union's objectives for the year and its achievements and in particular how it has delivered public benefit. It also allows them to comment on financial performance for the year and financial position at the year end as well as making a range of disclosures required either by law or by accounting standards.
- An Auditors' report, which explains the scope of the audit, the nature of the auditors' responsibilities and expresses the audit opinion.
- A Statement of Financial Activities, which analyses incoming resources and resources expended by the Union arriving at a net result thereby providing a measure of financial performance.
- A Balance Sheet, which analyses the Union's assets and liabilities at the year end, thereby providing a measure of financial position at that date.
- A Cash Flow Statement and notes, which analyses the Union's movement in cash during the year.
- Notes to the accounts, which provide an indication of the accounting policies adopted and provide further analysis of the figures disclosed in the primary statements.

SOUTH BANK STUDENTS' UNION LTD AUDIT SUMMARY FOR THE YEAR ENDED 31ST JULY 2022

Commentary On The Accounts (continued)

Statement of Financial Activities

Net movement in total funds for the year showed a surplus of £140,620 in comparison to a deficit of £429,925 last year.

Total Income increased from £1,136k to £1,286k. The increase in income is the result of the following:

1. Donations and legacies income increased due to an increase in the block grant. The block grant from the University was £980k this year, which is an increase from £900k in the prior year. The space grant remained the same this year, £226k, which relates to the space used by the Union. A Kick start grant, of £15k, was received for the first time this year.
2. Income from Student Activities increased from £1k last year to £22k this year. This income represents funds raised by the various clubs and societies of the Union. This is due to an increase in activities due to the COVID-19 pandemic restrictions being relaxed this year.
3. Income from other trading activities also increased to £41k from £2k. This includes Merchandise sales of £32k, Fundraising events income of £6k and the balance is Marketing income. This has increased due to the impact of COVID being much less this year.
4. Investment income was £1k compared with £7k last year because of an adjustment last year for interest that had not previously been recognised.
5. Other income was under £1k, which is the same as last year.

Expenditure for the year also increased from £1,147k to £1,264k. The main reasons for the increase are explained below:

1. Raising funds expenditure was £31k, which relates to merchandise expenditure. This was nil last year.
2. Student activities costs increased from £396k to £410k.
3. Advice and representation expenditure decreased from £567k to £447k.
4. Communications and marketing expenditure has increased from £183k to £376k.
5. Included in the above expenditure headings is wages and salary costs of £638k, which has increased from £532k.

There was also a transfer between funds from restricted funds to unrestricted funds of £7k. This is for expenditure that was paid out of unrestricted funds in relation to clubs and societies.

There is an actuarial gain of £118k this year compared with a loss of £419k last year. The reason for the gain is because the discount rate used when calculating the SUSS pension deficit liability has increased from 1.5% last year to 2.5% this year.

SOUTH BANK STUDENTS' UNION LTD AUDIT SUMMARY FOR THE YEAR ENDED 31ST JULY 2022

Commentary On The Accounts (continued)

Balance Sheet

The net book value of fixed assets has increased from £93k to £95k. This is because additions of £15k are greater than the depreciation charge for the year of £13k.

Net current assets, the principal balance sheet measure of short to medium term solvency, has decreased from £529k to £479k. There is a sound margin of solvency with cash and bank balances alone being sufficient to cover creditors by a factor of 7:1.

The stock figure of £14k relates to retail stocks and NUS cards. This has decreased by £7k this year, which is the write down in value of the NUS cards.

Debtors have increased from £4k to £20k, which mostly relates to prepayments of £11k. Trade debtors and VAT are both £4k.

Cash and bank balances have decreased from £574k to £521k.

Creditors have increased slightly to £75k from £70k. Creditors are mainly made up of accruals, which have decreased from £28k to £26k, and trade creditors that have increased from £27k to £31k. Social security of £15k makes up the remainder of the balance, which has increase from £12k last year.

Provisions for liabilities' represents the calculated deficit funding contributions the Union must make in respect of the SUSS scheme. This has decreased from £1,748k to £1,560k. The decrease represents the changes in assumption, of £118k, and the contributions made to SUSS of £96k, which net off against the unwinding of the discount, of £26k.

As a result of the above, the total funds have increased by £141k, from a negative £1,126k to a negative £986k. All funds are unrestricted except for £131 of restricted funds.

SOUTH BANK STUDENTS' UNION LTD AUDIT SUMMARY FOR THE YEAR ENDED 31ST JULY 2022

Draft Representation Letter

Knox Cropper LLP
153-155 London Road
Hemel Hempstead
Hertfordshire HP3 9SQ

South Bank Students' Union Ltd
Student Centre
103 Borough Road
London SE1 0AA

We confirm, to the best of our knowledge and belief, and having made appropriate enquiries of other trustees and officials of the Union, the following representations given to you in connection with your audit of the Union's financial statements for the year ended 31st July 2022.

1. GENERAL

We fulfilled our responsibilities as trustees under the Charities SORP for preparing financial statements which give a true and fair view and for making accurate representations to you. We confirm the financial statements are free of material misstatements, including omissions. We also acknowledge our responsibility for the design and implementation of internal controls to prevent and detect error and fraud.

2. RECORDS

All the accounting records have been made available to you for the purpose of your audit and all the transactions undertaken by the Union have been properly reflected in the accounting records. All other records and related information, including minutes of trustees' meetings have been made available to you. We confirm that, so far as each trustee is aware, there is no relevant audit information of which you have not been made aware.

3. GOING CONCERN

We believe that the Union's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support has been considered for the next twelve months and working capital will be more than adequate for the Union's needs. We believe that no further disclosures relating to the Union's ability to continue as a going concern need to be made in the financial statements.

SOUTH BANK STUDENTS' UNION LTD AUDIT SUMMARY FOR THE YEAR ENDED 31ST JULY 2022

Draft Representation Letter (continued)

4. LAWS AND REGULATIONS

We confirm that we are not aware of any possible or actual instance of non-compliance with those laws and regulations which provide a legal framework within which the Union conducts its operations. The Union has complied with all aspects of contractual and other agreements that could have a material effect on the financial statements in the event of non-compliance. There has been no communication with Regulatory Authorities during the year or subsequently concerning non-compliance with financial and regulatory matters.

5. INTERNAL CONTROL

There have been no irregularities or allegations thereof involving trustees or officials who have a significant role in internal control or others that could have a material effect on the financial statements.

6. POST-BALANCE SHEET EVENTS

There have been no further events since the balance sheet date which necessitate revision of the figures included in the financial statements or inclusion of a note thereto. Should further material events occur, which may necessitate revision of the figures included in the financial statements or inclusion of a note thereto, we will advise you accordingly.

7. CONTINGENT LIABILITIES

We are not aware of any litigation pending at 31st July 2022 or other matters giving rise to potential liabilities or guarantees.

8. LOANS AND ARRANGEMENTS

The Union has not had, nor entered into at any time during the year, any arrangement, transaction or agreement to provide credit facilities for trustees nor to guarantee or provide security for such matters. No remuneration or reimbursement for expenses was paid to the trustees except as disclosed in the financial statements.

9. TRANSACTIONS WITH RELATED PARTIES

We confirm that we have disclosed to you all related party transactions relevant to the Union and that we are not aware of any related party matters that require disclosure other than matters set out in the financial statements.

SOUTH BANK STUDENTS' UNION LTD AUDIT SUMMARY

FOR THE YEAR ENDED 31ST JULY 2022

Draft Representation Letter (continued)

10. ASSETS AND LIABILITIES

We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.

11. SIGNIFICANT ASSUMPTIONS

Significant assumptions used by us in making accounting estimates are reasonable. We confirm that we believe that a discount rate of 2.5% is appropriate for the calculation of the Charity's deficit funding contribution to SUSS.

12. TITLE TO ASSETS

The Union has satisfactory title to all assets, and there are no liens or encumbrances on the assets except for those disclosed in the financial statements.

Yours faithfully

.....
Signed on behalf of the Board of Trustees

.....
Date