

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

**Report of the Trustees and
Financial Statements for the Year Ended 31 July 2024
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 2024

	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 30

SOUTHBANK STUDENTS' UNION LTD

**Reference and Administrative Details
for the Year Ended 31 July 2024**

TRUSTEES

M Dunwell (resigned 30.9.24)
J H Gulrajani (resigned 30.6.24)
B A C Hudson
D C A James (resigned 30.6.24)
Ms F T Z Rabbi (resigned 30.6.24)
C Adams
G Firmin
S M E Islam
T Monowar (resigned 9.5.24)
M N Sadman (resigned 18.5.24)
R Alam (appointed 1.7.24)
J Alfert (appointed 1.7.24)
J Braithwaite (appointed 1.10.24)
A R Tanim (appointed 1.7.24)

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 2024**

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 2024. 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 2024**

STRATEGIC REPORT

Achievement and performance

Charitable activities

South Bank Students Union had a successful year, improving results and achieving 95% of annual KPIs - exceeding target in over 50% of cases. See Table. 1

Table. 1	2023	2024	
	Actual	Target	Actual
Overall students engaged in SU-led activity	47%	52%	55%
International students engaged in SU-led activity	33%	40%	64%
Apprentice / PT students engaged in SU-led activity	12%	30%	30%
Croydon based students engaged in SU-led activity	30%	30%	30%
Havering based students engaged in SU-led activity	19%	20%	40%
First years engaged in SU-led activity	43%	60%	78%
Students receiving SU support to help stay in study	16%	38%	40%
Students engaged in SU-led academic enhancement activity	15%	20%	31%
Students voted in an SU election	950	1600	2142
Students engaged in SU-led recreational activity	16%	15%	39%
Student insights collected	898	900	1962
Student insights reported and acted on	65% 52%	65% 52%	77% 82%
No of course reps	587	590	499
Divisions represented across student voice	100%	100%	100%
Courses with student representation	88%	90%	90%
Staff engagement	90%	90%	100%
Income from commercial services	£55k	£75k	£78k
External financial audit	Pass	Pass	Pass
SBSU positively contributes to students' academic success	65%	> 3%	77%
KPIs achieved / exceeded	80% 33%	90% 20%	95% 47%

Student Engagement and Student Voice

The Union continued on its upward trajectory with regards to improving student engagement, engaging over 50% of the student body, and in particularly increasing engagement from a broader cross-section of students at the University; Overseas; Apprentices; Croydon; Havering and those in their first year of study.

The Union had its most successful year to date with regard to course level representation with 90% of courses across 100% divisions having student representation. This stable level of interaction with a wide variety of students means that the Union is better placed to offer meaningful insight to LSBU which can help shape and improve the student experience. This work in no doubt contributed to a significant increase in the Union's NSS core for 2024 which rates student satisfaction with the Union, Raising it to 77% and placing SBSU as joint 4th Students Union in London.

The Union worked in partnership with academic colleagues across all schools to deliver an academic communities programme. This included over 30 academic societies and communities which were supported by over 50 student volunteers and had a combined membership of over 2,100 students, exceeding our KPI for the academic year. The highlight of this programme was the apprenticeship Lunch & Learn events series, where the Union hosted guest speakers from a range of industries including the civil service, BBC, Lloyds TSB and others, engaging over 300 students across the series. The Union also provided non-academic opportunities for students to socialise, engaging a further 2,500 students in our recreational programmes, far exceeding our KPI for the year.

**Report of the Trustees
for the Year Ended 31 July 2024**

A mid-strategy review commissioned by the Union's board of Trustees in Spring 2023 also identified that the university's strategic plan over the next 5-10 years would result in a rapidly changing student body whose needs and wants from their student experience were unlikely to fit the traditional model of what SBSU currently delivered. As a result of this, the Union's trustees commissioned a review of its representation and governance structures in AY2023/24 with the aim of designing a new, sustainable structure which would be compatible with the needs of students now and in the future, and would boost student engagement and outcomes.

The review took place from January to March 2024 and included insight from over 1400 LSBU students, full and part-time officers, students trustees, SBSU staff, LSBU stakeholders, over 15 other SUs and similar organisations and specialist charity legal advisors. Insight gathered from students spanned all schools and demographics and included students who both had, and had not participated in the Union's democratic processes before. Findings from this review were presented to SBSU Trustees on in March 2024 and a plan for implementation was approved in June, with changes to be rolled out for Academic year 2025/26.

Student Support and Outreach

Following the impact of the resit phone bank in 2022/23, the Union once again worked with LSBU colleagues to provide support over the phone for students needing to resit their assessments in both semester one and two. In addition to this and at the request of university colleagues, we called students with low engagement in early semester one, and apprentices who are yet to complete their end point assessment in semester one. We also called apprentices in semester two as a means of connecting with this section of our membership. In total, we called over 3,000 students to offer them with signposting support and encouragement at various points throughout the year. This was both in line with our strategic KPIs and a key part of the University's retention strategy.

The Union Advice Service continued to support students with complex cases and needs to help them stay in study, through processes such as appeals, fitness to practice and disciplinary matters. Whilst the spike in demand for appeals from Nursing students from the previous year was not repeated in September, the Union did support a significant number of complex withdrawal appeal cases related to bad financial standing. Case numbers exceeded the previous year but fell slightly short of the KPI; for 2024/25, the KPI has been reviewed so that it falls more within the control of the team, focussing on the impact of support rather than volume of demand.

Organisational Health

The Union continued its focus on ensuring good organisational health which resulted in a successful financial audit, continued compliance checks and reporting and most notably some excellent results for staff engagement, with the Union scoring 100% in an externally run employee engagement survey, and being recognised for its achievement by winning three awards from the National Union of Students, making SBSU sector leaders in this field.

Projected income targets from commercial services were met this year, with both sales from merchandise and targeted project income both performing well.

STRATEGIC REPORT

Financial review

The Union's gross income from all sources this year totalled £1,441,350 (2023: £1,331,334). Total expenditure this year spent on a wide-range of student benefits and revenue-generating activity was £1,344,200 (2023: £1,266,167) leaving an operational surplus for the year of £97,150 (2023: £65,167).

Once the movements in relation to the Unions' membership of the Students' Union Superannuation scheme are taken into account the Union had an increase its net funds of £361,266 (2023: decrease of £189,917).

Designated (unrestricted) funds relating to the ongoing costs associated with facilities improvements amounted to £69,154 (2023 £81,965). This fund relates to the Union's investments in its fixed assets.

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 2024 were £533,785 (2023: £490,871) 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 £26,950 (2023: £23,625) 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 £1,050 (2023: 216).

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 2024-2025 the Union has been awarded a block grant of £960,000.

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:

- Declining participation in the Union's democratic processes has resulted over recent years in a lack of diversity and cross-school representation within the Union's major decision making bodies. To counter this, Trustees commissioned a full review of these processes in 2023/24 and a new model of delivery has been developed which will roll out in the academic year 2025/26, to ensure delivery is sustainable for the future.
- A reduction in funding from the University due to LSBU's financial challenges. Despite this however, the Union have a strong relationship with the University's executive and Governors and have had ongoing conversations throughout the year concerning funding and are fully included into the University's finance planning process enabling us to negotiate and plan for increases or decreases in our funding allocation.
- 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.

STRATEGIC REPORT**Future plans**

New operational KPIs for 24/25 have been set and progress is being reported to trustees quarterly.

Engagement
55% Students Engaged in SU-led activity
30% of Apprentices/PT engaged in SU-led activity
70% of International engaged in SU-led activity
35% Croydon and Havering engaged in SU-led activity
75% of First years engaged in SU-led activity
45% Students receive high quality SU Support and advice to help them stay in study
35% Students engaged in SU-led academic based activity
20% students involved in academic activity programme
16% students engaged in the Spring election
40% Students engaged in SU-led recreational activity.
15% students involved in SU (non-academic) community activity
85% First years enrolled by the end of week 2 engaged in SU led welcome activity
Student Satisfaction & Retention Impact
3% > Students think SU positively contributes to their academic success
2000 Student views collected
75% views reported and 80% acted on
100% course reps supported
100% divisions/schools represented across student voice tracker
90% students called rate SU phone bank as helpful factor for continuing their studies
80% SU Advice Service users rate the service as helpful factor for continuing their studies
SU supported appeal cases have 10% higher success rate
Critical Factors
90% KPIs Achieved, 20% Exceeded *
90% Staff think SBSU is a great place to work
Income targets met (Total)
95% Compliance audits completed, 90% passed
External Finance Audit passed
85% LSBU Partners are satisfied with the SU's contribution to student success

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.

**Report of the Trustees
for the Year Ended 31 July 2024**

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:

- . Furtheres 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.
-

**Report of the Trustees
for the Year Ended 31 July 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

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, where possible, 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
- Student Voice & Outreach Manager > Representation & Outreach Team
- Advice Manager > Advice Team
- Head of Commercial Operations
- Communications Team
- Student Activities 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 2024**

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 2024**

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 5m Feb 2025 and signed on the board's behalf by:



.....
C Adams - Trustee

Opinion

We have audited the financial statements of Southbank Students' Union Ltd (the 'charitable company') for the year ended 31 July 2024 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 2024 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 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

Date:5 February 2025.....

SOUTHBANK STUDENTS' UNION LTD
**Statement of Financial Activities
for the Year Ended 31 July 2024**

	Notes	Unrestricted funds £	Restricted fund £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	1,341,078	-	1,341,078	1,259,451
Charitable activities	5				
Student Activities		-	5,907	5,907	9,229
Other trading activities	3	84,873	-	84,873	56,447
Investment income	4	9,492	-	9,492	4,378
Other income		-	-	-	1,829
Total		<u>1,435,443</u>	<u>5,907</u>	<u>1,441,350</u>	<u>1,331,334</u>
EXPENDITURE ON					
Raising funds	6	35,588	-	35,588	27,281
Charitable activities	7				
Student Activities		420,503	5,072	425,575	379,371
Advice & Representation		571,785	-	571,785	537,184
Communications & Marketing		311,252	-	311,252	322,331
Total		<u>1,339,128</u>	<u>5,072</u>	<u>1,344,200</u>	<u>1,266,167</u>
NET INCOME		96,315	835	97,150	65,167
Other recognised gains/(losses)					
Actuarial gains/(losses) on defined benefit schemes		264,116	-	264,116	(255,084)
Net movement in funds		360,431	835	361,266	(189,917)
RECONCILIATION OF FUNDS					
Total funds brought forward		(1,175,913)	216	(1,175,697)	(985,780)
TOTAL FUNDS CARRIED FORWARD		<u>(815,482)</u>	<u>1,051</u>	<u>(814,431)</u>	<u>(1,175,697)</u>

The notes form part of these financial statements

Balance Sheet
31 July 2024

	Notes	Unrestricted funds £	Restricted fund £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	13	69,154	-	69,154	81,965
CURRENT ASSETS					
Stocks	14	1,500	-	1,500	2,778
Debtors	15	19,921	-	19,921	10,467
Cash at bank and in hand		561,292	1,051	562,343	544,911
		582,713	1,051	583,764	558,156
CREDITORS					
Amounts falling due within one year	16	(48,928)	-	(48,928)	(67,068)
NET CURRENT ASSETS		533,785	1,051	534,836	491,088
TOTAL ASSETS LESS CURRENT LIABILITIES		602,939	1,051	603,990	573,053
PROVISIONS FOR LIABILITIES	17	(1,418,421)	-	(1,418,421)	(1,748,750)
NET ASSETS/(LIABILITIES)		(815,482)	1,051	(814,431)	(1,175,697)
FUNDS	18				
Unrestricted funds				(815,482)	(1,175,913)
Restricted funds				1,051	216
TOTAL FUNDS				(814,431)	(1,175,697)

The financial statements were approved by the Board of Trustees and authorised for issue on 5m Feb 2025 and were signed on its behalf by:


 C Adams - Trustee

The notes form part of these financial statements

SOUTHBANK STUDENTS' UNION LTD**Cash Flow Statement
for the Year Ended 31 July 2024**

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	<u>9,633</u>	<u>21,201</u>
Net cash provided by operating activities		<u>9,633</u>	<u>21,201</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,693)	(1,256)
Interest received		<u>9,492</u>	<u>4,378</u>
Net cash provided by investing activities		<u>7,799</u>	<u>3,122</u>
Change in cash and cash equivalents in the reporting period		17,432	24,323
Cash and cash equivalents at the beginning of the reporting period		<u>544,911</u>	<u>520,588</u>
Cash and cash equivalents at the end of the reporting period		<u>562,343</u>	<u>544,911</u>

The notes form part of these financial statements

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net income for the reporting period (as per the Statement of Financial Activities)	97,150	65,167
Adjustments for:		
Depreciation charges	14,504	14,122
Interest received	(9,492)	(4,378)
Defined benefit scheme adjustments	(66,213)	(66,265)
Decrease in stocks	1,278	11,218
(Increase)/decrease in debtors	(9,454)	9,167
Decrease in creditors	(18,140)	(7,830)
Net cash provided by operations	<u>9,633</u>	<u>21,201</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.8.23 £	Cash flow £	At 31.7.24 £
Net cash			
Cash at bank and in hand	<u>544,911</u>	<u>17,432</u>	<u>562,343</u>
	<u>544,911</u>	<u>17,432</u>	<u>562,343</u>
Total	<u>544,911</u>	<u>17,432</u>	<u>562,343</u>

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.

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	- Straight line over 15 years
Plant and machinery	- 25% on cost
Fixtures and fittings	- 25% on cost
Computer equipment	- 25% - 50% 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;

(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.

1. ACCOUNTING POLICIES - continued

Fund accounting

(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 (SUSS), a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the trustees on the advice of the actuary.

The most recent valuation of the Scheme was carried out as at 30 June 2022 and showed that the market value of the Scheme's assets was £106,697,000 with these assets representing 44% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £136,645,000.

The 2022 valuation recommended a monthly contribution requirement by each participating Union intended to clear the ongoing funding deficit ending in 2037, increasing by 5% each year.

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 the Union.

Under FRS 102, where a scheme participates in a multi-employer defined benefit pension scheme that is in deficit and the employer has entered into an agreement to fund the deficit the entity shall recognise a liability for the contributions payable that arise from the agreement. As the agreement runs until 2037, a discount rate of 2.5% has been applied in determining the net present value of the contributions made in the 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.

2. DONATIONS AND LEGACIES

	2024	2023
	£	£
Donations	1,115,459	1,032,000
Grants	-	1,832
Donated services and facilities	<u>225,619</u>	<u>225,619</u>
	<u>1,341,078</u>	<u>1,259,451</u>

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

	2024	2023
	£	£
Kick start grant	<u>-</u>	<u>1,832</u>

3. OTHER TRADING ACTIVITIES

	2024	2023
	£	£
Fundraising events	6,115	1,719
Merchandising	44,682	22,858
Marketing	<u>34,076</u>	<u>31,870</u>
	<u>84,873</u>	<u>56,447</u>

4. INVESTMENT INCOME

	2024	2023
	£	£
Deposit account interest	<u>9,492</u>	<u>4,378</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2024	2023
	£	£
Clubs and Societies		
income		
Activity		
Student Activities	<u>5,907</u>	<u>9,229</u>

6. RAISING FUNDS**Raising donations and legacies**

	2024	2023
	£	£
Merchandise	<u>35,588</u>	<u>27,281</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Student Activities	166,534	259,041	425,575
Advice & Representation	96,873	474,912	571,785
Communications & Marketing	<u>181,730</u>	<u>129,522</u>	<u>311,252</u>
	<u>445,137</u>	<u>863,475</u>	<u>1,308,612</u>

8. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Student Activities	208,193	13,602	37,246	259,041
Advice & Representation	381,684	24,937	68,291	474,912
Communications & Marketing	<u>104,095</u>	<u>6,801</u>	<u>18,626</u>	<u>129,522</u>
	<u>693,972</u>	<u>45,340</u>	<u>124,163</u>	<u>863,475</u>

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):

	2024	2023
	£	£
Auditors' remuneration	9,617	8,100
Depreciation - owned assets	<u>14,504</u>	<u>14,123</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

The following transactions took place with sabbatical officers in the year ended the 31st July, 2024.

Sabbatical Post	Salary	EmployersPension	EmployersNIC	Total
D James	£24,596	-	£2,218	£26,814
C Adams	£26,531	-	£2,406	£28,937
F Rabbi	£25,702	-	£2,292	£27,993
M Sadman	£25,025	-	£2,407	£27,433
R Alam	£2,119	-	£188	£2,307
A Tanim	£2,119	-	£188	£2,307
S Islam	£2,119	-	£188	£2,307
Total	£108,212	-	£9,887	£118,098

Trustees' expenses

Trustees expenses paid during the year were £1,179 (2023: £117).

11. STAFF COSTS

	2024 £	2023 £
Wages and salaries	769,109	634,171
Social security costs	67,454	56,684
Other pension costs	10,383	15,831
	<u>846,946</u>	<u>706,686</u>

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

	2024	2023
Average employees	<u>32</u>	<u>26</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024	2023
£60,001 - £70,000	1	2
£70,001 - £80,000	1	-
	<u>2</u>	<u>2</u>

Included within staff costs above is the remuneration of the Senior Management Team which amounted to £142,099 for the year ended 31 July 2024.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,259,451	-	1,259,451
Charitable activities			
Student Activities	-	9,229	9,229
Other trading activities	56,447	-	56,447
Investment income	4,378	-	4,378
Other income	1,829	-	1,829
Total	<u>1,322,105</u>	<u>9,229</u>	<u>1,331,334</u>
EXPENDITURE ON			
Raising funds	27,281	-	27,281
Charitable activities			
Student Activities	370,227	9,144	379,371
Advice & Representation	537,184	-	537,184
Communications & Marketing	322,331	-	322,331
Total	<u>1,257,023</u>	<u>9,144</u>	<u>1,266,167</u>
NET INCOME	65,082	85	65,167
Other recognised gains/(losses)			
Actuarial gains/(losses) on defined benefit schemes	(255,084)	-	(255,084)
Net movement in funds	(190,002)	85	(189,917)
RECONCILIATION OF FUNDS			
Total funds brought forward	(985,911)	131	(985,780)
TOTAL FUNDS CARRIED FORWARD	<u>(1,175,913)</u>	<u>216</u>	<u>(1,175,697)</u>

13. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 August 2023	124,294	1,723	22,896	34,389	183,302
Additions	-	-	-	1,693	1,693
At 31 July 2024	<u>124,294</u>	<u>1,723</u>	<u>22,896</u>	<u>36,082</u>	<u>184,995</u>
DEPRECIATION					
At 1 August 2023	58,216	1,723	12,401	28,997	101,337
Charge for year	6,513	-	4,950	3,041	14,504
At 31 July 2024	<u>64,729</u>	<u>1,723</u>	<u>17,351</u>	<u>32,038</u>	<u>115,841</u>
NET BOOK VALUE					
At 31 July 2024	<u>59,565</u>	<u>-</u>	<u>5,545</u>	<u>4,044</u>	<u>69,154</u>
At 31 July 2023	<u>66,078</u>	<u>-</u>	<u>10,495</u>	<u>5,392</u>	<u>81,965</u>

14. STOCKS

	2024 £	2023 £
Stocks	<u>1,500</u>	<u>2,778</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Trade debtors	13,897	5,215
Prepayments and accrued income	<u>6,024</u>	<u>5,252</u>
	<u>19,921</u>	<u>10,467</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Trade creditors	583	23,446
Social security and other taxes	16,071	15,879
VAT	1,772	2,166
Other creditors	4,790	4,849
Accruals and deferred income	<u>25,712</u>	<u>20,728</u>
	<u>48,928</u>	<u>67,068</u>

17. PROVISIONS FOR LIABILITIES

	2024 £	2023 £
Provisions	<u>1,418,421</u>	<u>1,748,750</u>

18. MOVEMENT IN FUNDS

	At 1.8.23 £	Net movement in funds £	Transfers between funds £	At 31.7.24 £
Unrestricted funds				
General fund	490,871	154,553	(111,639)	533,785
Facilities and refurbishment fund	81,966	(14,504)	1,692	69,154
Pension deficit	<u>(1,748,750)</u>	<u>220,382</u>	<u>109,947</u>	<u>(1,418,421)</u>
	(1,175,913)	360,431	-	(815,482)
Restricted funds				
Clubs and Societies	216	835	-	1,051
TOTAL FUNDS	<u>(1,175,697)</u>	<u>361,266</u>	<u>-</u>	<u>(814,431)</u>

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	1,435,443	(1,280,890)	-	154,553
Facilities and refurbishment fund	-	(14,504)	-	(14,504)
Pension deficit	-	<u>(43,734)</u>	<u>264,116</u>	<u>220,382</u>
	1,435,443	(1,339,128)	264,116	360,431
Restricted funds				
Clubs and Societies	5,907	(5,072)	-	835
TOTAL FUNDS	<u>1,441,350</u>	<u>(1,344,200)</u>	<u>264,116</u>	<u>361,266</u>

18. MOVEMENT IN FUNDS - continued**Comparatives for movement in funds**

	At 1.8.22 £	Net movement in funds £	Transfers between funds £	At 31.7.23 £
Unrestricted funds				
General fund	450,686	104,095	(63,910)	490,871
Facilities and refurbishment fund	94,832	-	(12,866)	81,966
Pension deficit	(1,559,932)	(294,097)	105,279	(1,748,750)
Covid-19 fund	12,513	-	(12,513)	-
National Student Survey	15,990	-	(15,990)	-
	(985,911)	(190,002)	-	(1,175,913)
Restricted funds				
Clubs and Societies	131	85	-	216
TOTAL FUNDS	<u>(985,780)</u>	<u>(189,917)</u>	<u>-</u>	<u>(1,175,697)</u>

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	1,322,105	(1,218,010)	-	104,095
Pension deficit	-	(39,013)	(255,084)	(294,097)
	1,322,105	(1,257,023)	(255,084)	(190,002)
Restricted funds				
Clubs and Societies	9,229	(9,144)	-	85
TOTAL FUNDS	<u>1,331,334</u>	<u>(1,266,167)</u>	<u>(255,084)</u>	<u>(189,917)</u>

18. MOVEMENT IN FUNDS - continued

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

	At 1.8.22 £	Net movement in funds £	Transfers between funds £	At 31.7.24 £
Unrestricted funds				
General fund	450,686	258,648	(175,549)	533,785
Facilities and refurbishment fund	94,832	(14,504)	(11,174)	69,154
Pension deficit	(1,559,932)	(73,715)	215,226	(1,418,421)
Covid-19 fund	12,513	-	(12,513)	-
National Student Survey	15,990	-	(15,990)	-
	(985,911)	170,429	-	(815,482)
Restricted funds				
Clubs and Societies	131	920	-	1,051
TOTAL FUNDS	<u>(985,780)</u>	<u>171,349</u>	<u>-</u>	<u>(814,431)</u>

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	2,757,548	(2,498,900)	-	258,648
Facilities and refurbishment fund	-	(14,504)	-	(14,504)
Pension deficit	-	(82,747)	9,032	(73,715)
	2,757,548	(2,596,151)	9,032	170,429
Restricted funds				
Clubs and Societies	15,136	(14,216)	-	920
TOTAL FUNDS	<u>2,772,684</u>	<u>(2,610,367)</u>	<u>9,032</u>	<u>171,349</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.

20. EMPLOYEE BENEFIT OBLIGATIONS

Defined benefit scheme - 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 most recent valuation of the Scheme was carried out as at 30 June 2022 and showed that the market value of the Scheme's assets was £106,700,000 with these assets representing 44% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £136,600,000.

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 2022:-

- **Discount rate:** Bank of England gilt curve + 1.5% pa, linearly changing over a term of 13 years to gilts curve + 0.25% pa.
- **Pension increases:** A model of each increase, allowing for insurers' relative pricing of different caps and collars.

The 2022 Valuation recommended a monthly contribution requirement by each Participating Employer expressed in monetary terms intended to clear the ongoing funding deficit by 1 May 2037 and will increase by at least 5% each year.

These contributions also include an allowance for cost of the ongoing administrative and operational expenses of running the Scheme of £5,038 pa. Surpluses or deficits which arise at future valuations will also impact on the Union's future contribution commitment. In addition to the above contributions, the Union also pays its share of the Scheme's levy to the Pension Protection Fund.

The liability provided for in respect of the SUSS pension deficit increased to £1,418,421 (2023: £1,748,750) at 31 July 2024 (see note 17).

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 £10,383 (2023: £15,831).



**Southbank Students'
Union Limited**

Audit Findings Report

**Year Ended
31st July 2024**

Southbank Students' Union Limited
Audit Findings Report for the year ended 31st July 2024

The Board of Trustees

Southbank Students' Union Limited

22nd January 2025

Dear Trustees

Audit findings for the year ended 31st July 2024

This Audit Findings Report highlights the significant findings arising from the audit and sets out the key matters which we are required to formally report to those charged with governance in accordance with International Standard on Auditing (UK) 260.

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 which may exist, the audit procedures in themselves should not be relied upon to reveal all the weaknesses which may exist in the system.

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.

This report is not exhaustive and deals with only the more significant matters which came to our attention during the audit. Other matters of lesser significance have been discussed with the relevant staff during the course of our audit work.

In conclusion we would like to take this opportunity of expressing our appreciation to all your staff, particularly Amy and Eunice, 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 Sincerely

Knox Cropper LLP

Southbank Students' Union Limited
Audit Findings Report for the year ended 31st July 2024

Contents

Audit Overview	Pages 3-4
Materiality and Audit Adjustments	Pages 5-6
Key Audit Risks and Conclusions	Pages 7-8
Internal Control Observations and Recommendations	Pages 9-10
Emerging Issues	Pages 11-12
Letter of Representation	Pages 13-15
Commentary on the Financial Statements	Pages 16-18

Southbank Students' Union Limited

Audit Findings Report for the year ended 31st July 2024

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 are fair and reasonable.

Audit Report

We confirm that we have completed the audit to our satisfaction and intend to issue an unqualified audit opinion on the Financial Statements. This means that we have no material reservations over the figures or information disclosed in the financial statements.

The wording of our audit report is in accordance with the standard text for unqualified audit reports prescribed by the Financial Reporting Council. Our report also includes a section which is specific to this audit setting out our response to the risk of material misstatement in respect of irregularities arising from non-compliance with laws and regulations, including fraud.

Estimates and Judgments

The estimates and judgments made by management affecting the financial statements are in respect of the SUSS pension deficit provision, depreciation, accruals and prepayments.

We have concluded that management have exercised judgments and calculated estimates in a fair and reasonable way.

Accounting Policies and Disclosures

The accounting policies which have been adopted in the financial statements are in accordance with Generally Accepted Accounting Practice and are, in all material respects, appropriate to the organisation's operations and in compliance with FRS 102 and the Charity SORP 2019.

Adequate consideration was given to the potential impact of changes in legislation and accounting standards which arose during the year. No significant changes arose during the current year which affected the financial statements and therefore the form and content of the accounts are consistent with the preceding year.

Professional Ethics and Independence

We confirm our compliance with the Ethical Standard issued by the Financial Reporting Council.

We confirm that we have not carried out any non-audit work which could impair our independence and there are no other matters in relation to our audit engagement which we consider should be brought to your attention.

Other Audit Matters

In accordance with UK auditing standards, we confirm the following matters in relation to our audit of the financial statements:

- a) We have not identified or been made aware of any incidents of fraud or suspected fraud. We would emphasise that our work as auditor is not intended to identify any instances of fraud of a non-material nature and should not be relied upon for this purpose.
- b) We have not identified or been made aware of any incidents of non-compliance with laws and regulations which could have a material impact on the financial statements.
- c) We have not identified or been made aware of any related party transactions other than matters which have been disclosed in the financial statements.
- d) We have received all requested third-party confirmations which represent an essential element of our audit evidence.
- e) Apart from the matters set out in this report, there were no significant matters discussed with management during the audit which we are required to bring to your attention. There were no significant disagreements with management or any limitations placed on the scope of our work. No significant difficulties were encountered during the audit.

Southbank Students' Union Limited
Audit Findings Report for the year ended 31st July 2024

Materiality and Audit Adjustments

Materiality

Materiality is used both to plan the nature and extent of audit testing and to evaluate the effect of misstatement. In accordance with ISA (UK) 260 'Communication with those charged with governance', we are obliged to include details in this report of all unadjusted errors which are below materiality unless they are clearly trivial. Whilst our audit procedures are designed to identify misstatements which are material to our audit opinion, we also report to those charged with governance and management any uncorrected misstatements of lower value errors to the extent that our audit identifies these.

Omissions or misstatements are regarded as material if they would reasonably influence the users of the financial statements. The assessment of what is material is a matter of professional judgement.

Our assessment of materiality the year ended 31st July 2024 was calculated as follows:

	£	Explanation
Overall Materiality for the Financial Statements	21,620	Accounts materially misstated where total errors exceed this value
Performance Materiality	16,215	Work performed to capture individual errors at this level.
Triviality Level	1,081	Unadjusted errors above this level are reported.

Southbank Students' Union Limited
Audit Findings Report for the year ended 31st July 2024

Audit Adjustments

There were no material adjustments made to the financial statements arising from our audit work.

The following misstatements, which are above our triviality level, have not been corrected in the financial statements by management because they are not individually or cumulatively material.

Description of adjustment	Debit	Credit
Missing prepayment	£	£
Balance sheet – Prepayments	6,507	
SOFA – Software subscriptions		6,507

Reconciliation to Management Accounts

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

Description	£
Surplus per first draft of the accounts to 31 July 2024	30,045
SUSS pension deficit liability payments incorrectly posted to I&E	110,112
Unwinding of the discount on the SUSS pension deficit liability	(43,734)
Actuarial gain on the SUSS pension deficit liability due to change in discount rate	264,116
Sports and societies income and expenditure movement in the year posted to reserves	727
Deficit per the final accounts	361,266

Southbank Students' Union Limited
Audit Findings Report for the year ended 31st July 2024

Key Audit Risks and Conclusions

The following schedule sets out the key risks which we identified as part of our audit planning. It sets out our approach to ensuring that these risks did not give rise to any material misstatement in the financial statements and our audit findings.

Risk		Audit Approach	Audit Findings
1	Completeness of income Completeness of income is always considered high risk and audit procedures need to be devised to address this risk.	We carried out testing on the various income streams and the controls around them. We also performed analytical procedures for testing income trends.	We are satisfied following the review of income documentation and analytical procedures that income is not materially mis-stated within the accounts.
2	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 reviewed the underlying supporting documentation for income to ascertain whether restrictions applied and we reviewed expenditure from these funds to ascertain whether the imposed restrictions were being adhered to.	This was tested as part of our income and expenditure testing. Classification of income appears to be fairly stated in the accounts.
3	Payroll costs Payroll expenditure is a substantial part of total expenditure therefore this is an area, which although not a high risk area, will be thoroughly reviewed due to its materiality.	We performed a proof in total on the payroll costs by agreeing the payroll reports to the accounts. We also performed 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.

Southbank Students' Union Limited
Audit Findings Report for the year ended 31st July 2024

4 SUSS Pension deficit provision

The assumptions and calculations used may be inappropriate and may cause a material misstatement.

We checked 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.

5 Management Override of Controls

This represents a key risk for all organisations and we are required to specifically check to ensure that there is no evidence of management override during the year.

We checked that controls were applied consistently throughout the year and reviewed a sample of journal adjustments to ensure they are valid.

We did not find any instances where management had overridden controls.

6 Related party transactions

Identification of all related party transactions conducted throughout the year.

We reviewed and assessed the controls in place to identify and disclose related party transactions and looked out for related party transactions during our review of the accounting records.

This was tested as part of our income and expenditure testing. We requested that related party declaration forms were completed by all trustees and senior management. No issues noted were noted.

7 VAT

There is a risk that VAT has been incorrectly accounted for.

During our income and expenditure testing we performed substantive tests, which included checking the accuracy and the treatment of the VAT recorded.

We are satisfied that VAT is not materially mis-stated within the accounts.

Southbank Students' Union Limited
Audit Findings Report for the year ended 31st July 2024

Internal Control Observations and Recommendations

We are required to report to you, in writing, significant deficiencies in the internal controls and 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 deficiencies in the system and, as a result, the matters reported may not be the only ones which exist.

We have categorised the internal control deficiencies using a colour-scale rating system. The key to which is as follows:

Control weakness is not significant but we recommend that it be addressed to comply with good practice	
Control weakness is serious and needs to be addressed	
Control weakness is of critical importance and needs to be addressed as a priority	

Matters Brought Forward from the Previous Year

Risk Rating	Observation	Recommendation	Management Response
	1 VAT postings and corrections Last year we found some minor errors with the postings of the merchandise income. The VAT has been calculated on the net amounts received, which is the income less the iZettle fees. The VAT should be calculated on the income before the fees have been deducted. Therefore, income has been understated and VAT is understated. The error amount is not material.	Last year We recommend that VAT should be calculated on the income before the fees have been deducted. Current year We are pleased to report that this issue has been resolved this year.	

Southbank Students' Union Limited
Audit Findings Report for the year ended 31st July 2024

2 Documentation of Benefit in Kind

We were unable to agree the value of the Grant of serviced accommodation to supporting documentation. There is a risk of material misstatement due to the degree of subjectivity in the measurement of the BIK.

Last year

We recommend that this valuation is reviewed on a regular basis and evidence of the calculation is maintained.

Current year

We are pleased to report that management have reviewed the benefit in kind this year. Management have confirmed that they will continue to monitor this going forward.

Matters Arising in the Current Year

Risk Rating	Observation	Recommendation	Management Response
	We are pleased to report that the accounting records were well maintained. No significant weaknesses were identified during the audit.		

Emerging Issues

Proposed changes to Financial Reporting

The Charity SORP and Financial Reporting Standard 102 (FRS 102), on which the SORP is based, are both in the process of being updated, with changes expected to be implemented for accounting periods beginning on or after 1 January 2026. On 29 September 2023, the FRC published a project update on its periodic review of FRS 102. The proposed changes reflect changes which have been made to International Financial Reporting Standards and include:

- a) a requirement for all leases, with limited exceptions, to be capitalised, requiring the asset and the lease liability to be accounted for in the Balance Sheet.
- b) a revised criteria for the recognition of goods and services based on a five-step model which may have implications for the recognition of grants and contracts

The update to the Charity SORP is following the same timetable as it is required to incorporate all the changes made to FRS 102. However, it is also likely to implement a number of additional changes, reflecting feedback from a wide range of stakeholders. Changes are likely to include:

- a) a requirement for larger charities to include sustainability reporting in their Annual Report
- b) a simplified reporting regime for smaller charities.

Companies House Reform

The Economic Crime and Corporate Transparency Act, which became law on 26 October 2023, has introduced significant changes to the way Companies House will operate, changing its role from a passive recipient of information to an active gatekeeper, charged with ensuring that information held on the register is valid and accurate.

Some changes are due to be implemented from 4 March 2024 but the majority of changes will not be implemented for at least a year because many of the provisions require secondary legislation and Companies House will need to increase its resources and establish new systems and processes.

The principal changes are set out below:

- a) Identification Checks - Directors, persons with significant control and those filing returns on behalf of the company will all have to have their identities verified.

Southbank Students' Union Limited
Audit Findings Report for the year ended 31st July 2024

- b) Filing information and documentation with Companies House - Following implementation, all filing with Companies House must be carried out by an authorised company official whose identity has been verified or by an Authorised Corporate Services Provider.
- c) Directors and Members - Companies will no longer be permitted to have corporate shareholders unless all the directors of the corporate entity are natural persons whose identities have been verified. Companies will no longer be required to keep a register of directors as the record held by Companies House will be the sole verified listing of directors.
- d) Company Registered Address - In future, following implementation, company registered addresses must be able to physically receive letters and documents with the expectation that they will come to the attention of an authorised person acting on behalf of the company. As a result, PO Box addresses will no longer be acceptable. Companies must also register an e-mail address, although this will not be available for public view. New companies will have to provide this on formation. Existing companies will need to provide it on their next Confirmation Statement following implementation.
- e) Statutory Accounts - There will be a gradual transition, over a period of two to three years, requiring all statutory accounts to be filed using software. Companies House are currently working with software providers to facilitate the filing of more complex accounts.
- f) Companies House Role - Companies House will have a statutory responsibility to monitor and check company information to ensure that it is valid and accurate with the objective of disrupting economic crime and preventing abuse of the register.

Southbank Students' Union Limited

Audit Findings Report for the year ended 31st July 2024

Letter of Representation

International auditing standards require us to obtain, from the trustees, a number of specific representations and also confirmation of any other material representation given to us during the course of our audit which forms part of our audit evidence. The representations should be made on the basis of enquiries of management and staff with relevant knowledge and expertise.

The following is the full list of representations which we will require to be formally provided to us in a letter, signed on behalf of the trustees, prior to signing our audit report.

Confirmation of Responsibilities

1. We have fulfilled our responsibilities as trustees under the Companies Act 2006 and the Charities Act 2011 ("the Act") for preparing financial statements, for the year ended 31st July 2024, which give a true and fair view in accordance with the financial reporting framework (FRS 102 and the Charity SORP).
2. We confirm that all accounting records have been made available to you for the purpose of your audit, in accordance with your terms of engagement, and that all the transactions undertaken by the charity have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all management and Trustees' meetings, have been made available to you. We have given you unrestricted access to persons within the charity in order to obtain audit evidence and have provided any additional information that you have requested for the purposes of your audit.
3. We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that:
 - so far as each Trustee is aware, there is no relevant audit information of which you as auditors are unaware; and
 - each Trustee has taken all the steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that you are aware of that information.

Estimates and Judgments

4. We confirm that the methods, significant assumptions and source data used by us in making accounting estimates, and their disclosure in the financial statements, are appropriate and in compliance with the recognition, measurement and disclosure requirements of FRS 102.
5. We confirm that all known actual or possible litigation and claims, the implication of which should be considered when preparing the financial statements, have been disclosed to you and have been accounted for and disclosed in accordance with FRS102 and the Act.

Southbank Students' Union Limited

Audit Findings Report for the year ended 31st July 2024

Post Balance Sheet Events and Commitments

6. We confirm that there have been no events since the balance sheet date which necessitate revision of the figures in the financial statements, or inclusion of a note thereto, other than those matters which have already been disclosed or included in the financial statements.
7. We confirm that the charity has not contracted for any capital expenditure other than as disclosed in the financial statements.
8. We confirm that we have no plans or intentions that may materially alter the carrying value and, where relevant, the fair value measurements or classification of assets and liabilities reflected in the financial statements.

Related Parties

9. We confirm that we are aware of the definition of a related party as set out in FRS102 and the charity SORP.
10. We confirm that we have disclosed to you all related parties and related party transactions relevant to the charity and that we are not aware of further related party transactions other than those already disclosed in the financial statements in accordance with the requirements of FRS102 and the Act.
11. We confirm that the charity has not had, at any time during the year, an arrangement, transaction or agreement to provide credit facilities for trustees, nor to provide guarantees of any kind on behalf of the trustees, except as disclosed in the financial statements.

Laws, Regulations and Contractual Agreements

12. 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 charity conducts its operations, non-compliance with which could affect the financial statements.
13. The charity 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.

Internal Control and Fraud

14. We acknowledge our responsibility for the design and implementation of controls to prevent and detect fraud and we confirm that we have assessed the risk that the financial statements may be materially misstated as a result of fraud and that we have made this assessment available to you. We also confirm that, to the best of our knowledge and belief, there have been no significant deficiencies in internal control during the year.

Southbank Students' Union Limited

Audit Findings Report for the year ended 31st July 2024

15. We confirm that we have disclosed to you our knowledge of any actual or suspected instances of fraud involving management, employees with a significant role in internal control, and others where the fraud could have a material effect on the financial statements. We also confirm that we have disclosed to you our knowledge of any allegations of fraud or suspected fraud, affecting the financial statements, which have been communicated by employees, former employees, regulators or others.

Going Concern

16. We confirm that, having considered financial projections which reflect the charity's expectations and intentions for a period of at least twelve months from the date on which the financial statements are expected to be approved, in our opinion, the charity's financial statements should be prepared on the going concern basis.

Uncorrected Misstatements

17. We confirm that, in our opinion, the effects of any uncorrected misstatements which have been set out in the Audit Findings Report, are immaterial, both individually and in aggregate, to the financial statements as a whole.

Southbank Students' Union Limited

Audit Findings Report for the year ended 31st July 2024

Commentary on the Financial Statements

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.

STATEMENT OF FINANCIAL ACTIVITIES

Net movement in total funds for the year showed a surplus of £361k in comparison to a deficit of £190k last year.

Total Income increased from £1,331k to £1,441k. The increase in income is the result of the following:

1. Donations and legacies income increased from £1,032k to £1,115k. The block grant from the University increased from £980k to £1,010k. The space grant remained the same this year, £226k, which relates to the space used by the Union. Additional grants were received this year of £105k from the University.
2. Income from Student Activities decreased from £9k last year to £6k this year. This income represents funds raised by the various clubs and societies of the Union.
3. Income from other trading activities increased to £85k from £56k. This includes Merchandise sales of £45k, Fundraising events income of £6k and Marketing income of £34k.
4. Investment income was £9k compared with £4k last year.

Southbank Students' Union Limited
Audit Findings Report for the year ended 31st July 2024

5. Other income was nil compared to £2k last year.

Expenditure for the year increased from £1,266k to £1,344k. The main expenditure variances are explained below:

1. Student activities costs increased from £379k to £426k.
2. Advice and representation expenditure increased from £537k to £572k.
3. Communications and marketing expenditure decreased from £322k to £311k.
4. Included in the above expenditure headings are wages and salary costs of £847k, which has increased from £707k.

There is an actuarial gain, on the SUSS pension scheme, of £264k this year compared with a loss of £255k last year. The reason for the gain this year is because the discount rate used increased from 2.5% to 5%. The reason for the loss last year is because of an extension to the term for deficit funding contributions. The contributions are now due to end in May 2037.

BALANCE SHEET

The net book value of fixed assets has decreased from £82k to £69k. This is because additions of £2k are less than the depreciation charge for the year of £15k.

Net current assets, the principal balance sheet measure of short to medium term solvency, have increased from £491k to £535k. There is a sound margin of solvency with cash and bank balances alone being sufficient to cover creditors by a factor of 11.5:1.

The stock figure of £1.5k relates to retail stocks and NUS cards. This has decreased from £3k.

Debtors have increased from £10k to £20k, which relates to prepayments of £6k and trade debtors of £14k.

Cash and bank balances have increased from £545k to £562k.

Creditors have decreased to £49k from £67k. Creditors are mainly made up of accruals, which have increased from £21k to £26k, and trade creditors that have decreased from £23k to £0.5k. Social security of £16k, VAT of £2k and other creditors of £5k make up the remainder of the balance.



Southbank Students' Union Limited

Audit Findings Report for the year ended 31st July 2024

Provisions for liabilities represents the calculated deficit funding contributions the Union must make in respect of the SUSS scheme. This has decreased from £1,749k to £1,418k. The decrease represents the changes in assumption, of £264k, and the unwinding of the discount, of £44k, which net off against the contributions made to SUSS of £110k.

As a result of the above, the total funds have increased by £361k, from a negative £1,176k to a negative £814k. All funds are unrestricted except for £1k of restricted funds.