
**SOUTH BANK EMPLOYERS' GROUP
(COMPANY LIMITED BY GUARANTEE)**

UNAUDITED REPORT AND FINANCIAL STATEMENTS

31 MARCH 2012



**SOUTH BANK EMPLOYERS' GROUP
(COMPANY LIMITED BY GUARANTEE)
FOR THE YEAR ENDED 31 MARCH 2012**

Directors

David Sharpe
 Jamie Walls (resigned 01/12/2011)
 John Langley
 Mike McCart
 Steve McGuire
 Gillian McLaughlin (resigned 01/06/2011)
 Andrew Swindells
 Iain Tuckett
 Douglas Sutherland
 Caroline Usher (resigned 01/06/2011)
 Beverly Jullien
 Pukar Mehta (resigned 01/04/2012)
 Chirsty Swords (resigned 31/05/2011)
 Donna Uden (appointed on 23/04/2012)
 John Bigos (appointed on 01/04/2011)
 Tim Cagney (appointed on 01/09/2011)
 Jerney Tredennick (appointed on 01/11/2011)

EDF Energy London Eye
 Shell International
 National Theatre
 Southbank Centre
 Guy's & St Thomas' NHS Foundation Trust
 British Film Institute
 Park Plaza Hotels
 Coin Street Community Builders
 British Rail Board Residuary
 King's College London
 London South Bank University
 ITV
 ITV
 ITV
 London Duck Tours Ltd
 British Film Institute
 Braeburn Estates

Secretary

Indranie Sookdeo

Accountants

Moore Stephens (Guildford) LLP
 Priory House
 Pilgrims Court
 Sydenham Road
 Guildford Surrey
 GU1 3RX

Bankers

HSBC Bank Plc
 22 Stamford Street
 London
 SE1 9LJ

Solicitors

Denton Wilde Sapte
 5 Chancery Lane
 Clifford's Inn
 London
 EC4A 1BU

Registered Office

91 Waterloo Road
 London
 SE1 8RT

Principal activities and review of operations

Summary of Main Activities

South Bank Employers' Group (SBEG), which was incorporated in 1994, is an association of the major organisations in South Bank, Waterloo and Blackfriars dedicated to achieving the best possible experience for employees, residents and visitors to the area. In the eighteen years since it was formed, the company has worked with its members, the statutory authorities and other partners to promote and secure dramatic changes to the *urban landscape of the South Bank and the quality of life* enjoyed there. In addition to improving and promoting the local neighbourhood, South Bank Employers' Group also works in a wider context to spread the benefits of the area's success by creating new jobs and opportunities for residents throughout the boroughs of Lambeth and Southwark. In the financial year 2011/12 the Group continued to build on its previous achievements and consolidate its influence and relations with its partners.

The Group continued to promote a strategic approach to badly needed improvements to the public realm in its area, with a focus on the environs of Waterloo Station. It promoted and managed the regeneration of Jubilee Gardens and consolidated and developed improved public realm management and security and emergency planning coordination. Its destination marketing activities achieved considerable success, as did its employment programmes based on the Waterloo Job Shop. It continued to administer the South Bank Partnership and to promote the widely supported Action Plan for the South Bank as set out in the Partnership's 2010 Manifesto.

Further details of the Group's operations and achievements can be found on the South Bank Employers' Group website www.sbeg.co.uk

Membership and Governance

The Group is a non-profit company limited by guarantee, governed by a Board appointed by its members, which were eighteen in the year under review. They are -

British Film Institute, Coin Street Community Builders, Ernst & Young,
Guy's and St Thomas' NHS Foundation Trust, ITV, King's College London,
Braeburn Estates, Whitbread, Park Plaza Hotels, British Rail Board Residuary,
EDF Energy London Eye, London South Bank University, Network Rail,
Elizabeth House Partners, London Duck Tours, National Theatre, Shell, Southbank Centre,

**SOUTH BANK EMPLOYERS' GROUP
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2012**

Capital Projects

During the year the Group, on behalf of Jubilee Gardens Project Board, project managed the regeneration of Jubilee Gardens, including coordinating design works, procurement of the main contractor, and construction of the scheme to be completed at the end of May 2012. The Group was also appointed as agent to the Jubilee Gardens Trust to manage finance, business planning and oversee the ongoing management and maintenance of the Gardens when completed. On behalf of Lambeth Council, the Group completed Phase 1 of the South Bank Hostile Vehicle Mitigation project and on behalf of adjacent landowners commissioned a review and plan for the repair and improvement of the South Bank Spine Route. The Group also successfully fundraised to commission further study for the groundbreaking South Bank decentralised energy network offering scope for major carbon savings.

Public Realm Management and Security Provision

Management and coordination of public realm services has continued over 2011/12. Services include the South Bank Graffiti Removal Service, the South Bank Clean Team, the South Bank Patrol service, the South Bank Area wide communications network, Utilities monitoring, and South Bank CCTV Users group. The South Bank Business Watch, managed by SBEG's Security and Risk Manager, continues to play a significant role in coordinating crime prevention, anti-terrorism measures, CCTV coverage and information sharing. The Bishop's Homelessness Tasking Group continues its task to coordinate multi agency work to help eradicate rough sleeping and street based anti-social behaviour. Extensive work to coordinate various public realm themes connected to the Olympics has also been undertaken.

Localism and Neighbourhood Working

The Group completed work on the South Bank Cycle Strategy. The Group was also commissioned to undertake an audit of green infrastructure in the area, and identifying opportunities for further greening. Under the Localism Act South Bank Employers' Group is proposing a business-led Neighbourhood Plan for the South Bank, with the support of Lambeth Council and has been identified as a 'front-runner' by the Department of Communities and Local Government. The Group has also begun work with Lambeth Council to devolve delivery of local services.

South Bank Property Group

During 2010/11 the Group worked to relaunch its South Bank Property Group which had become inactive during the economic downturn and a relaunch meeting of landowners and developers active in the area in March 2011 set the scene for renewed activity to promote development in the neighbourhood. The Group continued its key role in trying to pull together landowners, developers, and statutory authorities to maximise the prospects for development and the coordination of how S106 funds are allocated, to ensure the maximum possible benefit to the neighbourhood as resources become increasingly limited.

We also responded wherever possible to various local, regional and national planning documents affecting the neighbourhood and opportunities for development.

Marketing & Tourism

South Bank Marketing Group had a very successful year in which membership continued to grow, with new members including IWM London and Oxo Tower Restaurant, Bar & Brasserie.

The group met four times during the year with meetings hosted by a different member and also met for a Christmas networking event.

**SOUTH BANK EMPLOYERS' GROUP
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2012**

This year has seen the Group reinforce collaboration with Better Bankside and Team London Bridge through the popular **InfoBikes** service and joint publications, we have continued to host networking events with a 2012 theme in venues over the three areas with presentations from industry speakers including GLA, LOCOG, TfL, London and Partners and ODA

2011 saw the launch of the **Riverside London mobile app** for iPhone, our most ambitious joint initiative yet with Better Bankside and Team London Bridge. The free app received over 19,000 downloads in 2011 since its summer launch and was featured on the App Store's 'New and Noteworthy' section. The app features searchable events, food, drink and shopping listings with click-through to websites, click to call phone numbers, a route planning facility and an exciting augmented reality function. A lite version was launched on Android in spring 2012.

We have continued to work closely and build our profile with **London and Partners**, including feeding updates on events and festivals and feeding into the plans for the London 2012 Media centre.

Traffic to **southbanklondon.com** increased by 28% between April 2011 and March 2012, with an average of 42,000 visitors per month, with e-news subscribers at 24,000 by March 2012. **Twitter** followers were at 16,350+ (100% annual increase) and **facebook** fans at 2,520 (150% annual increase). We created new Dutch and Japanese language pages and new sections for filming and photography, One Big Winter and Riverside London. We sent two e-news per month - What's on and Offers and Competitions, ensuring spikes to the website throughout the month.

Publications included the **One Big Summer Guide** and **South Bank Winter Guide**. We refreshed our popular '**Today I am**' campaign which strengthened visibility of the brand both online and offline. We continued to produce our popular monthly **Free Events posters** and quarterly **What's On posters** and began to use QR codes on all collateral. We updated and printed 80,000 copies of the popular tear-off map. We also continued activities to target **travel trade and group travel organisers**.

South Bank Venues, launched in 2010 continued to focus on promoting the area as a destination for meetings, events, incentive travel, conferences, photo shoots and filming. The group met four times during the year with meetings hosted by different members. We updated the South Bank Venues micro site hosted at www.southbanklondon.com/venues and the **South Bank Venues Directory**. Our database increased to over 7,000 names, we created a downloadable **destination presentation**, and grew our **South Bank Venues twitter** followers to 591 by March 2012.

We ran the **South Bank Venues PA Event** in partnership with Executive PA in September 2011 and the County Hall Marriott and also ran a **Spring Showcase event** at BFI Southbank in March 2012, with all members represented on stalls. Both Events were well-attended and successful.

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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2012**

Employment & Skills

In September 2011 we successfully completed a sub-contract with Ingeus to place Lambeth and Southwark residents into work, funded by Department of Work and Pensions and the European Social Fund. We also worked on contracts with Lambeth and Southwark Councils which ended in September 2011 and March 2012 respectively. The company was successful in securing a sub-contract under the government's Work Programme with Careers Development Group and has been delivering this contract since June 2011. This has involved work with a caseload of some 240 residents of Lambeth and Southwark, who have been unemployed for more than 12 months. The end of our DWP/ESF and other contracts and the introduction of Work Programme, which is a mandatory programme based solely on referrals from Jobcentre Plus has resulted in a significant change in how we deliver. In particular in August 2011 we had to close our Waterloo Job Shop doors to the public as the demands of the Work Programme and its referral process reduced our capacity to deal with those outside the system and the need for our outreach and engagement function. The focus on smaller numbers of long-term unemployed also affected the resource we were previously able to devote to employer engagement. SBEG's employment and skills operations are currently under a review aimed at reinstating some of the most effective features of previous activity in this field.

North Lambeth & North Southwark Sport Action Zone

The fourth quarter of the year saw the completion and the transfers of staff and delivery of the Sport Action Zone to a new charity, the Community Action Zone, based at the former Lilian Baylis school in Kennington. The Sports Action Zone had been part of SBEG since 2002.

South Bank Partnership and Forum

South Bank Employers' Group continued to provide the Secretariat to the South Bank Partnership, bringing together MPs and local elected representatives, the Mayor's agencies and South Bank Employers' Group members to promote and coordinate regeneration in the neighbourhood. SBEG staff also promoted and administered the South Bank Forum, a regular and well-attended residents meeting, and produced and distributed South Bank News, a quarterly publication delivered to all households in the Partnership area.

Directors

Members appoint individuals as their nominees and these nominees are the directors of the company with the power to run the company's affairs and to delegate day to day control through an Executive Committee to the Chief Executive. The directors during the year to 31 March 2012 and changes post year end are detailed on page 1.

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

This report was approved by the board on 21st November, 2012

David Sharpe
Director



**SOUTH BANK EMPLOYERS' GROUP
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2012**

		2012	2011
	Notes	£	£
Income	3		
Membership subscriptions		369,000	351,000
Other contributions from members		114,500	97,029
		<u>483,500</u>	<u>448,029</u>
Grants and other income			
Sports Action Zone		26,901	629,182
Employment & Skills		277,883	940,735
South Bank Marketing		68,485	131,053
Public Realm		917,765	1,067,175
South Bank Partnership		15,000	21,292
Licensed Pitches Trading Income		48,920	-
Lilian Baylis Income		181,612	-
Other Income		31,267	61,743
		<u>2,051,333</u>	<u>3,299,209</u>
Expenditure			
Direct costs			
Sport Action Zone		40,016	694,388
Employment & Skills		279,901	940,734
South Bank Marketing		182,926	236,411
Environment		917,792	1,058,513
South Bank Partnership		15,000	21,365
Licensed Pitches Costs		48,920	-
Lilian Baylis Costs		181,612	-
Neighbourhood Management		28,023	30,944
		<u>1,694,191</u>	<u>2,982,355</u>
Administrative expenses		<u>328,912</u>	<u>72,502</u>
		<u>2,023,103</u>	<u>3,054,857</u>
Net operating surplus		28,230	244,352
Bank interest receivable		944	955
Net surplus before taxation		<u>29,173</u>	<u>245,307</u>
Taxation	5	<u>(198)</u>	<u>(201)</u>
Surplus for the year		<u>28,975</u>	<u>245,106</u>

SOUTH BANK EMPLOYERS' GROUP
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 2012

	2012	2011
Notes	£	£
Surplus for the year	28,975	245,106
Actuarial gain/ (loss) in pension plan	(276,000)	273,000
Total recognised gains/ (losses) in the year	<u>(247,025)</u>	<u>518,106</u>

The actuarial pension plan gain / (loss) recognised in the statement of total recognised gains and losses per the report prepared by Hymans Robertson LLP is as follows

	31 March 2012 £000	31 March 2011 £000
Actuarial gains / (losses) on scheme assets	(47)	15
Actuarial gains / (losses) on obligation	(95)	258
Actuarial gain / (loss) in pension scheme	<u>(142)</u>	<u>273</u>
Gain / (loss) from irrecoverable surplus	(134)	-
Actuarial gain / (loss) recognised in STRGL	<u>(276)</u>	<u>273</u>
Cumulative actuarial gain / (loss) recognised in STRGL	<u>987</u>	<u>1,263</u>

**SOUTH BANK EMPLOYERS' GROUP
BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2012**

Company No 02974600

		2012	2011
	Notes	£	£
Current assets			
Debtors	6	384,800	921,600
Cash at bank and in hand		<u>434,493</u>	<u>524,389</u>
		819,293	1,445,989
Creditors amounts falling due within one year	7	<u>782,915</u>	<u>1,438,586</u>
Net current assets excluding pension scheme liability		36,378	7,403
Defined benefit pension scheme liabilities		-	-
Total assets less current liabilities		<u><u>36,378</u></u>	<u><u>7,403</u></u>
Retained surplus	9	<u><u>36,378</u></u>	<u><u>7,403</u></u>

The directors are satisfied that for the year ended 31 March 2012 the company is entitled to exemption from audit under Section 477 of the Companies Act 2006 and that no members have requested an audit pursuant to Section 476 of the Act

The directors acknowledge their responsibilities for

- (i) ensuring that the company keeps proper accounting records which comply with Section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its surplus or deficit for the financial year in accordance with the requirements of Section 394 and 395 of the Act, and which otherwise comply with the requirements of this Act relating to financial statements, so far as applicable to the Company

The financial statements have been prepared in accordance with the special provisions relating to Companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)



David Sharpe
Director

Approved by the board on 21st November, 2012

The Notes on pages 9-13 form part of these Financial Statements

**SOUTH BANK EMPLOYERS' GROUP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

1 STATUS OF THE COMPANY

The company was incorporated on 6 October 1994 and is limited by guarantee of its members. The guarantee of each member is restricted to £1.

2. ACCOUNTING POLICIES

a) Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The Company has availed itself of paragraph 3 (3) of Schedule 4 of the Companies Act 2006 and adapted the Companies Act formats to reflect the special nature of the company's activities.

The financial statements have been prepared on a going concern basis. The board reviews management accounts and forecasts for the future as part of the overall review process and considers this in the light of the funding requirement. Based on their review and consideration of the funding requirement they consider it appropriate to adopt the going concern basis in the preparation of these financial statements.

b) Income Recognition

Income is recognised in the financial statements to the extent that the company has gained entitlement through fulfilment of the relevant grant or contract. Membership subscriptions are recognised in the year to which they relate. Grants are recognised to the extent that allowable expenditure has been incurred. Income under contracts for services is recognised to the extent that the services have been provided and so entitlement earned. Income that is not recognised in the year is deferred.

c) Expenditure

Where possible, expenditure is allocated directly to the headings within the income and expenditure accounts. Overhead costs are allocated to project headings on the basis of the number of staff working on that project. Non-project overheads are allocated to administration expenses. Irrecoverable VAT is allocated to the appropriate expenditure heading.

d) Accruals and deferred income

Accruals and deferred income includes contributions from members and other bodies, central government grants received and payments from local authorities which will meet the further costs of projects being, or to be, undertaken.

e) Pensions

i) Defined benefit scheme

The Company runs a final salary scheme through Citrus. The scheme is now closed and no payments are being made to the scheme for the current employees.

**SOUTH BANK EMPLOYERS GROUP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

2 ACCOUNTING POLICIES (CONTINUED)

i) Defined benefit scheme (continued)

For the defined benefit scheme any increase in the net present value of the liabilities expected to arise from the employee service in the period is charged against the operating result and included as part of staff costs. The interest cost and expected return on assets are shown as net of other finance income or costs, adjacent to interest. Actuarial gains and losses are recognised immediately in the statement of total recognised gains and losses.

Pension scheme assets are measured using fair values and liabilities on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. As the South Bank Employers Group section of the scheme is not open to new entrants no allowance has been made for new members. Accordingly, the whole of any surplus is not recognised in the Balance Sheet but restricted to zero.

ii) Defined contribution scheme

The company directly contributes to certain employees' personal pension schemes. Contributions are charged in the income and expenditure account as they become payable.

f) Operating Leases

Leases which transfer substantially all the risks and rewards of ownership to the lessee are classified as finance leases. All other leases are defined as operating leases.

Rentals applicable to operating leases are charged against profits on a straight line basis over the period.

3 INCOME

Income represents subscriptions, contributions from members and other bodies, central government grants received, and payments from local authorities exclusive of VAT, in respect of projects being undertaken by the company in the area known as South Bank as defined in the company's Memorandum of Association. The company also acts as a contractor to other bodies in undertaking projects which benefit that area but will also benefit other areas.

4 DIRECTORS REMUNERATION

None of the Directors received any remuneration for the year.

5 TAXATION

	2012 £	2011 £
UK Corporation tax on the result for the year	<u>198</u>	<u>201</u>

**SOUTH BANK EMPLOYERS' GROUP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

6 DEBTORS

	2012	2011
	£	£
Other debtors	<u>384,800</u>	<u>921,600</u>

7 CREDITORS: amounts falling due within one year

	2012	2011
	£	£
Trade Creditors	144,247	354,194
Other Creditors	46,076	93,854
Accruals	41,133	45,388
Deferred Income	551,459	945,149
	<u>782,915</u>	<u>1,438,586</u>

All amounts included within deferred income are committed to be expended upon specific projects which have either commenced or are due to commence in the forthcoming year

8 SHARE CAPITAL

The company is limited by guarantee and does not have share capital

In the event of the company being wound up, each member has agreed to contribute £1

9 RECONCILIATION OF MOVEMENT OF RESERVES

	2012	2011
	£	£
At 1 April 2011	7,403	(241,703)
Surplus for the year	28,975	245,106
Actuarial gains/(loss) less irrecoverable surplus	-	4,000
At 31 March 2012	<u>36,378</u>	<u>7,403</u>
Analysed as		
Pension liability	-	-
Retained surplus	<u>36,378</u>	<u>7,403</u>
	<u>36,378</u>	<u>7,403</u>

**SOUTH BANK EMPLOYERS' GROUP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

10 PENSIONS

i) Defined benefit scheme

The financial statements include the pension provisions and disclosures required in accordance with the FRSSE Paragraph 10.4 which uses information extracted from the actuarial valuation prepared by Hymans Robertson LLP for the purpose of FRS 17.

There are no employees who were active members of the Citrus Pension Scheme at 31 March 2012 or 31 March 2011. The Citrus Pension Scheme is a multi employer pension scheme, with separate assets for each employers section. The scheme assets and liabilities disclosed below represent the allocation to the company and not the scheme as a whole.

The valuation used for FRSSE Paragraph 10.4 disclosures has been based by Hymans Robertson LLP on the most recent full actuarial valuation as at 31 March 2009, restated by them as at 31 March 2012 to take into account the requirements of FRS 17 in order to assess the liabilities of the scheme as at 31 March 2012. Scheme assets are stated at their fair values at the respective balance sheet dates.

The South Bank Employers Group section of the scheme is now closed and under the projected unit method required by FRS 17, the current service costs will increase as the members approach retirement. The pension charge for the year was £nil (2011 - £11,290).

Irrecoverable surplus

The Hymans Robertson LLP report establishes that the surplus at the year end is greater than the present value of the liability expected to arise. As the South Bank Employers Group employers section of the scheme is not open to new entrants no allowance has been made for new members. In accordance with FRS 17 the whole of the surplus should not be recognised but be restricted to zero. The difference is shown in the note below as an irrecoverable surplus and does not affect the balance sheet or the income and expenditure account.

	Expected long-term rate of return at			Value at		
	31 March 2012 %	31 March 2011 %	31 March 2010 %	31 March 2012 £000	31 March 2011 £000	31 March 2010 £000
Equities	5.8	6.8	7.00	547	470	395
Corporate Bonds	4.6	5.5	5.50	106	88	91
Government Bonds	3.3	4.3	4.50	106	123	129
Property	-	6.8	7.00	-	39	35
Cash	0.50	0.50	0.50	23	63	61
Overall expected return / total fair value of assets	5.14%	5.76%	5.80%	782	783	711
Present value of scheme liabilities				(635)	(514)	(721)
Surplus/(deficit) in funded scheme				147	269	(10)
Irrecoverable surplus				(147)	(269)	-
Net pension asset/ (liability)				-	-	(10)

**SOUTH BANK EMPLOYERS' GROUP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

10 PENSIONS (CONTINUED)

	2012	2011
	£000	£000
Reconciliation of fair value of section assets		
Opening fair value of scheme assets	783	711
Expected return on assets	41	38
Contributions by plan participants	-	4
Contributions by the employer	7	17
Actuarial gains / (losses)	(47)	15
Benefits (paid)	(2)	(2)
Closing fair value of scheme assets	<u>782</u>	<u>783</u>
	2012	2011
	£000	£000
Reconciliation of defined benefit obligation		
Opening defined benefit obligation	514	721
Current service cost	-	10
Contributions by plan participants	-	4
Interest cost	28	39
Actuarial losses/(gains)	95	(258)
Benefits (paid)	(2)	(2)
Present value of scheme liabilities	<u>635</u>	<u>514</u>

ii) Defined contribution schemes

The company contributes directly to employers personal pension schemes. The pension cost charge represents contributions payable by the company to the funds and amounted to £51,603 (2011 - £89,896). Unpaid contributions at 31 March 2012 totalled £2,516 (2011 - £1,706).

11 TRANSACTIONS WITH MEMBERS

During the year subscription, marketing and other income was received from members totalling £782,932 (2011 - £676,093). Expenses from transactions with members within the normal course of the organisation, were incurred totalling £19,534 (2011 - £46,610). At the year end the members owed £134,125 (2011 - £340,444) in aggregate to the company and £522 (2011 - £11,198) was owed to members.

12 OPERATING LEASE COMMITMENTS

The annual commitment under non-cancellable operating leases was as follows

	2012	2011
	£	£
Leases expiring		
Within 1 year	35,400	50,740
Within 2-5 years	-	7,800
	<u>35,400</u>	<u>58,540</u>

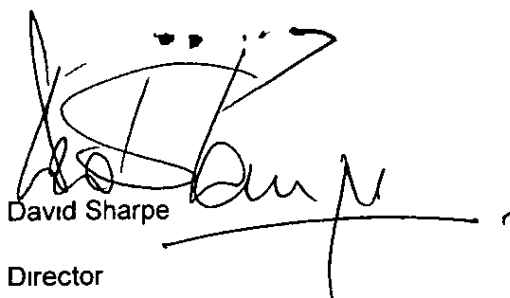
**SOUTH BANK EMPLOYERS' GROUP
DIRECTORS' STATEMENT
FOR THE YEAR ENDED 31 MARCH 2012**

We confirm that as directors we have met our duty in accordance with the Companies Act 2006 to

ensure that the company has kept adequate accounting records,

prepare financial statements which give a true and fair view of the state of affairs of the company as at 31 March 2012 and of the surplus or deficit for that period in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), and

follow the applicable accounting policies, subject to any material departures disclosed and explained in the notes to the financial statements



David Sharpe

Director

Approved by the board on 21st November, 2012

SOUTH BANK EMPLOYERS' GROUP**Chartered Accountants' Independent Assurance Report on the Unaudited Financial Statements****To the Board of Directors of South Bank Employers Group ("the Company")**

We have performed certain procedures in respect of the Company's unaudited financial statements for the year ended 31 March 2012 as set out on pages 6 to 13, made enquiries of the Company's directors and assessed accounting policies adopted by the directors, in order to gather sufficient evidence for our conclusion in this report

This report is made solely to the Company's directors, as a body, in accordance with the terms of our engagement letter. It has been released to the directors on the basis that this report shall not be copied, referred to or disclosed, in whole (save for the directors' own internal purposes or as may be required by law or by a competent regulator) or in part, without our prior written consent. Our work has been undertaken so that we might state to the directors those matters that we have agreed to state to them in this 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 Company and the Company's directors as a body for our work, for this report or the conclusions we have formed.

Respective Responsibilities

You have confirmed that you have met your duty as set out in the directors' statement on page 14. You consider that the Company is exempt from the statutory requirement for an audit for the year. Our responsibility is to form and express an independent conclusion, based on the work carried out, to you on the financial statements.

Scope

We conducted our engagement in accordance with the Institute of Chartered Accountants in England & Wales Interim Technical Release AAF 03/06. Our work was based primarily upon enquiry, analytical procedures and assessing accounting policies in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). If we considered it to be necessary, we also performed limited examination of evidence relevant to certain balances and disclosures in the financial statements where we became aware of matters that might indicate a risk of material misstatement in the financial statements.

The terms of our engagement exclude any requirement to carry out a comprehensive assessment of the risks of material misstatement, a consideration of fraud, laws, regulations and internal controls, and we have not done so. We are not required to, and we do not, express an audit opinion on these financial statements.

Conclusion

Based on our work, nothing has come to our attention to refute the directors' confirmation that in accordance with the Companies Act 2006 the financial statements give a true and fair view of the state of the Company's affairs as at 31 March 2012 and of its surplus for the year then ended and have been properly prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Moore Stephens (Gildford) LLP

Moore Stephens (Guildford) LLP

Chartered Accountants

Priory House

Pilgrims Court

Sydenham Road

Guildford

Surrey

GU1 3RX

Date 28th November 2012