

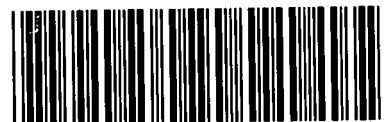
Registration No: 02974600

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

UNAUDITED REPORT AND FINANCIAL STATEMENTS

31 MARCH 2017

WEDNESDAY



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

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**SOUTH BANK EMPLOYERS' GROUP
(COMPANY LIMITED BY GUARANTEE)
FOR THE YEAR ENDED 31 MARCH 2017**

Directors

John Bigos
 Stephen Bradley (appointed 7 September 2016)
 Raj Dadra (appointed 1 September 2016 and
 resigned 31 July 2017)
 Yair Ginor (resigned 1 December 2016)
 Andrew Gower (appointed 2 September 2016)
 John Langley
 Adrian Lee
 Ralph David Luck (resigned 1 December 2016)
 Mike McCart
 Steve McGuire
 Daniel Pedreschi (appointed 1 September 2016)
 Lisa Rowe (appointed 7 September 2016)
 Paul Semple (appointed 2 September 2016)
 David Sharpe
 Michael Simmons (appointed 1 September 2016)
 Maxine Taylor (appointed 20 January 2017)
 Iain Tuckett
 Donna Uden

London Duck Tours Ltd
 Hermes Investment UK

Ogilvy & Mather
 Elizabeth House Partners
 Morley College
 National Theatre
 London & Continental Railways
 Kings College London
 Southbank Centre
 Guy's & St Thomas' NHS Foundation Trust
 Park Plaza Hotels
 British Film Institute
 Canary Wharf Contractors
 Merlin Entertainments
 London South Bank University
 King's College London
 Coin Street Community Builders
 ITV

Secretary

Indranie Sookdeo

Chief Executive

Nic Durston

Accountants

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

Bankers

HSBC Bank PLC
 28 Borough High Street
 Southwark London
 SE1 1YB

Solicitors

Dentons UKMEA LLP
 One Fleet Place
 London
 EC4M 7WS

Registered Office

Elizabeth House
 39 York Road
 SE1 7NQ

**SOUTH BANK EMPLOYERS' GROUP
(COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2017**

Principal Activities and Review of Operations

Summary of Main Activities

South Bank Employers' Group (SBEG), incorporated in 1994, is an association of major organisations in South Bank, Waterloo and Blackfriars dedicated to promoting and improving the area for the benefit of employees, residents and visitors.

The vision is to make South Bank:

- a desirable destination for cultural pursuits, business and pleasure;
- a place which supports and encourages investment and business growth;
- a place with a flourishing, healthy and cohesive residential community;
- a place which is welcoming to visitors and tourists; and
- a friendly, clean, colourful, safe, dynamic and diverse area.

In the twenty-three years since it was incorporated, the company has worked with members, statutory authorities and other partners to promote and secure dramatic changes to the urban landscape of South Bank, and the quality of the local environment, as well as promoting the area as a major cultural and tourist destination. In addition to improving and promoting the South Bank neighbourhood, SBEG also works to spread the benefits of the area's success by creating opportunities for unemployed residents of Lambeth and Southwark to access jobs in the area. In the financial year 2016-17, SBEG continued to build on previous achievements and consolidate its influence and relations with partners.

SBEG continued to promote a strategic approach to much needed improvements to the public realm. The company also continued the successful delivery of its critical public realm management and security programmes. SBEG's destination marketing activities also achieved considerable success, and its employment and skills work, through the Waterloo Job Shop, delivered job opportunities to Lambeth and Southwark residents. SBEG's influence in promoting and coordinating improvements to the neighbourhood remained high, and it continued to administer South Bank Partnership and the associated South Bank Forum.

The year was marked by some significant political and economic events. In May 2016, Sadiq Khan was elected as the new Mayor of London. In June 2016, the EU Referendum resulted in a "Leave" result, and the political aftermath had profound reverberations throughout the rest of the year, including the appointment of a new Prime Minister, changes to the Cabinet and Government department restructures. The year ended with the formal triggering of Article 50, which will ultimately lead to the UK leaving the EU. Like other parts of London, South Bank felt the consequences of these events, and SBEG responded in various ways.

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

Membership and Governance

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

Braeburn Estates, British Film Institute, Coin Street Community Builders, Garden Bridge Trust, Guy's and St Thomas' NHS Foundation Trust, Hermes Investment Management, ITV, King's College London, London Duck Tours, London South Bank University, London & Continental Railways, Merlin Entertainments, Morley College, National Theatre, Network Rail, Ogilvy & Mather, Park Plaza Hotels, Shell UK, Southbank Centre.

**SOUTH BANK EMPLOYERS' GROUP
(COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

Directors

Members appoint individuals as their nominees and these nominees are eligible to be appointed as 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 2017 and changes post year end are detailed on page 1.

South Bank Business Improvement District

In May 2013, the Board resolved to investigate the feasibility of proposing a Business Improvement District (BID) for the South Bank area, and in November 2013 agreed to develop a full proposal and take it to a BID ballot, the first under newly introduced regulation allowing for cross-borough BIDs. The ballot was held in July 2014 and was successful, with majorities in favour of the BID of 90% by hereditament and 95% by rateable value, on a turnout of 45%.

The BID commenced operations in October 2014. It is a separate legal entity, delivered by SBEG under a Service Level Agreement (SLA) with the BID Company - South Bank Business Improvement District Ltd. The introduction of the BID generates revenue of approximately £500,000 per annum. Further information is available on the BID website www.southbankbid.co.uk.

In 2016/17, South Bank BID marked two years of its achievements: holding its first Annual General Meeting, and producing its first annual report. The BID is now an established part of the South Bank infrastructure, and has successfully progressed several key projects and initiatives, including the STAR Card loyalty programme, delivered in conjunction with WeAreWaterloo Business Improvement District. The BID continues to support key priorities for South Bank businesses, including: an enhanced security resource through Met Plus; cleaning and graffiti removal; and the promotion of South Bank as the cultural heart of London, and a leading destination for visitors.

In governance terms, the BID elected a new Chair and strengthened the management relationship with SBEG through a new Commissioning Agreement, which sits alongside the SLA.

Capital Projects

During the year, SBEG continued to work with stakeholders and adjacent landowners to develop plans for the refurbishment and redesign of the South Bank Spine Route. Work to develop the concept into a detailed design continued, as did engagement with London Borough of Lambeth and Transport for London on funding options for the project.

SBEG continued to play an important role in developing plans to address the very poor public realm in the IMAX roundabout / Waterloo Road area, and has been extensively involved in a coordinated programme of improvements to the Westminster Bridge / Addington Street roundabout and Westminster Bridge Road. Engagement has taken place with Transport for London, the scheme champion and promoters. SBEG was pleased to see the IMAX project (Waterloo City Hub) included in TFL's Business Plan - a recognition of the project's strategic importance for South Bank and Waterloo.

For several years, SBEG has been working to promote and plan a decentralised energy network for South Bank, which resulted in a 2012 report that demonstrated the feasibility of such a proposal. In 2015, SBEG worked with Lambeth Council to secure a Department of Energy and Climate Change (DECC) grant to support detailed planning of such a network and to study an extension of the area it might cover. This was progressed in the year, although the project has been complicated by the restructuring of DECC and the formation of the new Department for Business, Energy and Industrial Strategy (BEIS).

**SOUTH BANK EMPLOYERS' GROUP
(COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

Public Realm Management and Security Provision

Management and coordination of public realm services continues to be a central part of SBEG's activities in 2016-17. Services and projects included the South Bank Clean Team and Graffiti Removal Service, and the South Bank Patrol Service. This work plays a critical role in maintaining a clean and safe environment in the busiest parts of South Bank.

These high-quality neighbourhood management services are delivered on behalf of both the South Bank BID and South Bank Visitor Management Group (VMG), and funded through both. The latter is a coordinating body of local landowners and occupiers which, with the statutory authorities, oversees management and maintenance issues in the area. This body, administered by SBEG, oversees the expenditure of some £600,000 of funding for local services from the London Eye's Section 106 planning agreement with an additional £400,000 or so of private contributions as match funding, including contributions made by South Bank BID. SBEG also administers and supports South Bank Business Watch, and monitors and shares information on utilities, events, and developments.

On behalf of VMG, SBEG continues to manage sharing of local information via the "Our South Bank" website and its Twitter account, whose following is growing.

Also, on behalf of VMG, SBEG continues to coordinate the South Bank Construction Coordination Group to ensure the impact of developments is minimised for members, residents and visitors. During the year SBEG has also undertaken secretariat functions for the Traffic Management and Utilities Group on behalf of Transport for London.

SBEG has played a key role in developing arrangements to mitigate the impact of construction in the South Bank neighbourhood. Discussions have been ongoing with London Borough of Lambeth to recruit a Construction Coordinator to assist with the task at hand. Agreement has been reached on funding.

Through South Bank Business Watch, we continue to deliver the aims of the South Bank Security Strategy. The strategy aims to coordinate the security activity of the principal organisations in South Bank, including CCTV, security patrolling, liaison with police and major incident unit.

SBEG successfully negotiated the MET PLUS scheme of additional Metropolitan Police Service (MPS) officers dedicated to South Bank, funded through London Eye S106 and South Bank BID funds. SBEG manages the scheme day to day on behalf of members. During 2016-17 further negotiations took place to increase the number of officers.

SBEG coordinates multi-agency work to help reduce rough sleeping; street based anti-social behaviour and illegal trading.

SBEG worked with partners to assess the benefits of developing a Business Crime Reduction Partnership (BCRP) in South Bank and has taken a lead in supporting the launch of the Lambeth BCRP, and directing its relationship with South Bank.

Neighbourhood Planning

SBEG formally assumed the role of providing the secretariat function to South Bank and Waterloo Neighbours (SoWN), the constituted and local authority designated Neighbourhood Forum in the South Bank and Waterloo area. SBEG played a key role in the information gathering and consultation stages of developing a South Bank and Waterloo Neighbourhood Plan. The membership of SoWN grew to nearly 500 during the period and its steering group, representing seven membership categories, has made excellent progress with initial drafting of the plan. Should the plan pass various stages of consultation, examination and referendum, formal adoption will follow and the plan will become a part of Lambeth and Southwark's core strategy, and a material consideration in planning applications brought forward for five years.

**SOUTH BANK EMPLOYERS' GROUP
(COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

Marketing and Promotion

The Marketing Team continued to run both **South Bank Marketing Group** (SBMG - promoting the area to leisure visitors) and **South Bank Venues Group** (SBV - targeting the MICE segment - meetings, incentives, conferences, events) with additional responsibilities to manage marketing and communications for SBEG and South Bank BID. Both SBMG and SBV have defined objectives around marketing and promotion, and SBEG's Marketing Team produced key action plans for both.

In addition to the daily delivery of communications and marketing for SBEG and members of SBMG / SBV, some of the most important highlights of the year were the redevelopment of our destination website southbanklondon.com, as well as SBEG's corporate site sbeg.co.uk.

A new rewards programme for local employees, students and residents - the STAR CARD - was rolled out, with 20,000 cards produced for local distribution, supported by a digital version and a website. This was created in partnership with WeAreWaterloo BID. SBEG also took part in / delivered several events, including The Meetings Show, two speed meeting events, a reception for the Deputy Mayor for Culture, two walking tours as part of Open House Weekend, and a 25th anniversary event for SBEG.

Over the course of the year, our destination website performed well, with an average 260,000 visitors using the site per quarter and 554,000 pages of content viewed (up 22% from previous year). August 2016 registered the highest visitor numbers on record, with 90,400 visitors accessing the site. Our social media channels have now surpassed 250,000 followers. Twitter is by far our most popular platform, with our tweets earning an average of 57.6K impressions per day. Our Facebook page has reached 27,000 fans. Facebook currently accounts for 40% of total social traffic referred to southbanklondon.com. On Instagram, our account southbank.london - launched in January 2015 - has reached 30,000 followers, with an average 400 likes per post.

We produced and distributed eight e-newsletters (What's on + Offers and Comps) per quarter to our database of 20,000 subscribers. These e-news were also sent to our database of 650 London hotel concierges. We have revamped and printed for the first time our first Official Visitor Guide to South Bank London 2016 - 2017. The guide was primarily intended for the travel trade and collects practical visitor information and suggested itineraries into a 32pp A4 booklet, highlighting the top features offered by South Bank and its key attractions. We have distributed the guide to regional Destination Marketing Organisations such as London & Partners, Visit Britain and Visit England, Tourist Information Centres around London and front-of-house teams at local organisations.

We have revamped our popular South Bank - Walk This Way guide, which SBEG first produced in 2001. The guide provides a walking trail for visitors in relation to local architecture and heritage. Distribution commenced on the Open House London weekend and continue throughout the year.

Our strong partnership with the Association of Train Operating Companies (ATOC) continued with ATOC approaching us to provide copy for a South Bank focused leaflet, where we could promote many of our members. 30,000 were printed and distributed throughout the summer season via Waterloo Station and other major train hubs to Waterloo. Alongside neighbouring BIDS, Better Bankside and Team London Bridge, we re-launched the Riverside London App which promotes what's on and offers across the three areas.

**SOUTH BANK EMPLOYERS' GROUP
(COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

Marketing and Promotion (continued)

To streamline and improve the provision of visitor information in South Bank, we delivered a free training session for visitor-facing South Bank staff who regularly talk with members of the public. The session was hosted by Park Plaza County Hall and was open to all members.

We produced the One Big Summer Guide, in partnership with Better Bankside, Team London Bridge, We are Waterloo and Vauxhall One BIDs, showcasing the best of London's riverside – and beyond – during the summer season. The A5 32pp guide included maps, member events from June to September 2016, as well as pages dedicated to eating & drinking, shopping and hotels in South Bank. We printed 70,000 copies, with distribution beginning in late May and continuing throughout the summer.

Following a request from Mayor Sadiq Khan for South Bank Marketing Group to support his #LondonIsOpen campaign, we edited our summer marketing campaign film to include the #LondonIsOpen message, with additional footage that highlights South Bank's reputation for openness and inclusivity.

We conducted an extensive visitor research project undertaken in partnership with Better Bankside and led by the Audience Agency. The research took place over the Easter and Summer periods. A final report was made available to members in early October 2016.

SBMG/South Bank BID coordinated and attended a joint stall at Lambeth Country Show at the request of Lambeth Council, alongside This Is Clapham and We Are Waterloo BIDs. The aim was to present the work of SBEG in Lambeth and spread the word about our work and our members' offerings. We wanted to demonstrate that we work for the local community and not just for the businesses within it, highlighting the fact that our organisation is committed to greening, cleaning and maintaining the public spaces South Bank as well as keeping the area safe.

Employment and Skills

Our Work Programme contract continued through 2016-17, targeted at Lambeth and Southwark residents who have been unemployed for 12 months or more. We placed 93 people into work, achieving 70% of our target. We achieved 89% of our job outcome target (people staying in work for six months) and for those who remained in work after the six-month period, we achieved 115% of our target for the year.

We undertook significant development work in preparation for the upcoming Work and Health Programme, and engaged with several prime contractors who could potentially secure the large contract opportunities in London. The Government announced a significant change in its approach, with devolved responsibilities to London and Manchester. This has delayed the tender process, and eventual roll-out.

We also invested significant time in the development of our employment and skills service, to ensure that there is a balance of contracted / payment by results work, and a more creative and employer-led approach to raising the profile of South Bank as a place of employment, and how residents can better access the jobs that are available.

South Bank Partnership and South Bank Forum

SBEG continued to provide the Secretariat to South Bank Partnership, co-chaired by the two local MPs and bringing together ward councillors, the Leaders of Lambeth and Southwark Councils, the Mayor's agencies and SBEG members, to promote and coordinate development and regeneration in the neighbourhood. SBEG staff also administered South Bank Forum, a regular and well-attended residents' meeting, which is held four times a year.

**SOUTH BANK EMPLOYERS' GROUP
(COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

Partnership and Influence

Throughout the year, SBEG worked closely with its members, South Bank BID, neighbouring BIDs (especially We Are Waterloo and Better Bankside), Lambeth and Southwark Councils, the GLA, Transport for London (TfL) and the Metropolitan Police Service to advance SBEG's objectives to promote and improve the area. Much of this was on a direct basis, but SBEG also played a significant role in groups such as the Waterloo Strategic Forum, various BID meetings, Cross River Partnership, and many others.

Sadiq Khan's election as the new Mayor of London was a key event, and we prioritised meeting his key appointments and Deputy Mayors. Ben Johnson, the Mayor's Business Adviser attended the first SBEG Board meeting post the EU Referendum, and helped to secure a high-level round-table discussion with Rajesh Agrawal, the Deputy Mayor of Business and Chair of London and Partners. In January 2017, SBEG organised and held a reception for Justine Simons, the Deputy Mayor for Culture, and her team. The newly appointed Night Czar - Amy Lame - also attended. Val Shawcross, Deputy Mayor for Transport, agreed to attend the SBEG Board meeting in December 2016, but unfortunately had to pull out due to other commitments.

We continued to consolidate the relationship between SBEG and South Bank BID and the role that SBEG plays in terms of partnership and influence, given its role as the delivery agent for South Bank BID. This has been an important feature of the year and SBEG and South Bank BID worked well together on several key issues, most significantly the campaign against the impact of the 2017 Revaluation of Business Rates. Like other part of central London, South Bank will be hit hard by the rate increases, as virtually all businesses in South Bank must pay significantly higher rates. This is a major blow to South Bank's competitiveness and its position as a leading destination for culture, arts and tourism.

Future ambitions

The Board held an Away Day in June 2016, which provided a useful opportunity to review many aspects of SBEG's priorities and its future direction, particularly key projects, the relationship to South Bank BID, and policy context with a new Mayor and the EU Referendum. Guest presenters included Professor Tony Travers from the London School of Economics, who provided valuable perspectives on the key political and fiscal issues that are likely to influence South Bank's future growth and development.

Building on this, the SBEG Board has identified and agreed a small number of key objectives that will shape its work over the next three years. Under a collective heading of **OUR AGENDA**, these objectives span SBEG's work on public realm, destination marketing and area promotion, and employment and skills. They also recognise the importance of securing a successful outcome in the BID's renewal ballot in 2019, and the need for SBEG to attract new members as South Bank continues to attract new businesses, employers, landowners and developers.

Representatives of the Board have discussed these objectives with members of the South Bank BID Board, and there is agreement that they reflect the shared aims of the business community. Both Boards have agreed that the key priority is to ensure that Lambeth Council, Southwark Council, the GLA and the new Government recognise the economic importance and tax contributions of South Bank, and commit to an appropriate level of investment in its public realm and facilities, whether capital, revenue or maintenance. South Bank BID has supported further economic analysis to underpin the case for increased levels of investment in South Bank's public realm, and its ongoing maintenance.

**SOUTH BANK EMPLOYERS' GROUP
(COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

Directors' Responsibilities

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

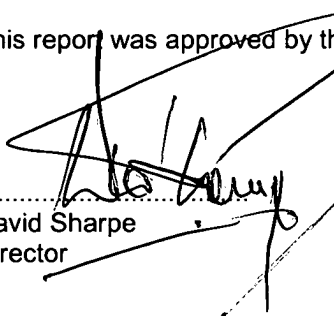
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 19 September 2017.



.....
David Sharpe
Director

**CHARTERED ACCOUNTANTS' INDEPENDENT ASSURANCE REPORT
ON THE UNAUDITED FINANCIAL STATEMENTS OF
SOUTH BANK EMPLOYERS' GROUP
(COMPANY LIMITED BY GUARANTEE)
FOR THE YEAR ENDED 31 MARCH 2017**

We have reviewed the financial statements of South Bank Employers' Group for the year ended 31 March 2017, which comprise the Statement of Income and Retained Earnings, the Balance Sheet and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard FRS102, subject to the small companies exemptions under section 1A.

This report is made solely to the Directors, as a body, in accordance with the terms of our engagement letter. Our review has been undertaken so that we may state to the Directors those matters we have agreed with them in our engagement letter and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Directors, as a body, for our work, for this report or the conclusions we have formed.

RESPECTIVE RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

You have confirmed that you have met your responsibilities as set out in the Directors' Responsibilities Statement on page 7. You consider the company is exempt from an audit for the year.

Our responsibility is to express a conclusion based on our review of the financial statements. We conducted our review in accordance with International Standards on Review Engagements (ISRE) 2400 (Revised), *Engagements to review historical financial statements* and ICAEW Technical Release TECH 09/13AAF *Assurance review engagements on historical financial statements*. ISRE 2400 also requires us to comply with the ICAEW Code of Ethics.

SCOPE OF THE ASSURANCE REVIEW

A review of financial statements in accordance with ISRE2400 (Revised) is a limited assurance engagement. We have performed additional procedures to those required under a compilation engagement. These primarily consist of making enquiries of management and others within the entity, as appropriate, applying analytical procedures and evaluating the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (UK and Ireland). Accordingly, we do not express an audit opinion on these financial statements.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the financial statements have not been prepared:

- so as to give a true and fair view of the state of the company's affairs as at 31 March 2017, and of its surplus for the year then ended;
- in accordance with the United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities;
- in accordance with the requirements of the Companies Act 2006.

Priory House
Pilgrims Court
Sydenham Road
Guildford
Surrey GU1 3RX

Moore Stephens (Guildford) LLP
Moore Stephens (Guildford) LLP
Chartered Accountants

Date: 22 September 2017

**SOUTH BANK EMPLOYERS' GROUP
(COMPANY LIMITED BY GUARANTEE)
STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 MARCH 2017**

	Notes	2017 £	As restated 2016 £
Income	2		
Membership subscriptions		292,034	262,639
Other contributions from members		183,663	133,764
		<u>475,697</u>	<u>396,403</u>
Grants and other income			
Employment & Skills		221,241	191,729
South Bank Marketing		99,469	89,014
Public Realm		968,211	1,002,958
South Bank Partnership		4,800	4,800
Neighbourhood Planning		15,408	8,000
Other Income		138,577	119,410
		<u>1,923,403</u>	<u>1,812,314</u>
Expenditure			
Direct Costs			
Employment & Skills		152,431	147,927
South Bank Marketing		295,966	230,523
Public Realm		968,211	1,002,958
South Bank Partnership		7,604	7,142
Neighbourhood Planning		15,408	8,000
Neighbourhood Management		19,410	13,437
		<u>1,459,030</u>	<u>1,409,987</u>
Administrative Expenses		352,553	299,916
		<u>1,811,583</u>	<u>1,709,903</u>
Net operating surplus		111,820	102,411
Investment income	3	1,609	2,298
Other finance costs		(16,000)	(15,000)
		<u>97,429</u>	<u>89,709</u>
Net surplus before taxation		97,429	89,709
Taxation	5	(322)	(460)
Surplus for the year		97,107	89,249
		<u>=====</u>	<u>=====</u>
Other comprehensive income			
Re-measurement (losses) / gains on defined benefit pension scheme		(44,500)	2,700
Total comprehensive income for the year		52,607	91,949
		<u>=====</u>	<u>=====</u>

The notes on pages 12 to 21 form part of these financial statements.

**SOUTH BANK EMPLOYERS' GROUP
(COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2017**

Company No 02974600

	Notes	2017 £	2016 £
Current assets			
Debtors	6	624,028	474,624
Cash at bank and in hand		877,421	884,912
		<u>1,501,449</u>	<u>1,359,536</u>
Creditors: amounts falling due within one year	7	(1,141,324)	(1,099,318)
		<u>360,125</u>	<u>260,218</u>
Total assets less current liabilities		<u>360,125</u>	<u>260,218</u>
Provisions for liabilities	10	(47,300)	-
		<u>312,825</u>	<u>260,218</u>
Net Assets		<u>312,825</u>	<u>260,218</u>
Retained surplus	9	<u>312,825</u>	<u>260,218</u>

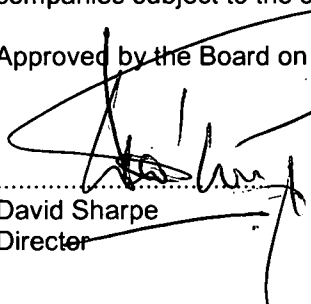
For the financial year ended 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its' financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Board on 19 September 2017


David Sharpe
Director

The notes on pages 12 to 21 form part of these financial statements.

**SOUTH BANK EMPLOYERS' GROUP
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

1. ACCOUNTING POLICIES

Company information

South Bank Employers Group is a private company limited by guarantee incorporated in England and Wales. The registered office is Elizabeth House 39 York Road, London SE1 7NQ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Income

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.

1.3 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.

1.4 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

1.5 Cash and cash equivalents

Cash and cash equivalents include cash in hand and other short-term liquid investments with original maturities of three months or less.

1.6 Creditors

Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowance for any trade discounts due.

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.

**SOUTH BANK EMPLOYERS' GROUP
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

1. ACCOUNTING POLICIES (CONTINUED)

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Fair value measurement of financial instruments

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those held at fair value through the income statement, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the income statement.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

**SOUTH BANK EMPLOYERS' GROUP
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

1. ACCOUNTING POLICIES (CONTINUED)

1.7 Financial instruments (continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 Taxation

The company is non-profit making and only pays tax on its investment income.

1.9 Pensions

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.

A full actuarial valuation of the defined benefit scheme is carried out every three years and updated to 31 March each year by a qualified actuary. The difference between the market value of the scheme's assets and present value of the liabilities is included in the financial statements as a liability.

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.

**SOUTH BANK EMPLOYERS' GROUP
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

1. ACCOUNTING POLICIES (CONTINUED)

1.10 Operating leases

Leases which transfer substantially all the risks and rewards of ownership to the lessees 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.

2. INCOME

Income is shown exclusive of VAT and represents subscriptions, contributions from members and other bodies, central government grants received, and payments from local authorities, 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.

3. INVESTMENT INCOME

	2017 £	2016 £
Bank interest	1,609	2,298
	<u>1,709</u>	<u>2,298</u>
	=====	=====

4. DIRECTORS REMUNERATION

None of the Directors received any remuneration for the year (2015 – None).

5. EMPLOYEE NUMBERS

The average number of employees in the year was 21 (2016 – 21).

6. DEBTORS

	2017 £	2016 £
Trade debtors	577,997	437,543
Other debtors	46,031	37,081
	<u>624,028</u>	<u>474,624</u>
	=====	=====

**SOUTH BANK EMPLOYERS' GROUP
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

7. CREDITORS: amounts falling due within one year

	2017 £	2016 £
Trade creditors	263,693	151,593
Other creditors	203,832	28,700
Accruals	59,937	26,879
Deferred income	613,861	892,146
	-----	-----
	1,141,324	1,099,318
	=====	=====

All amounts included within deferred income are either subscriptions and similar costs paid in advance or amounts committed to be expended upon specific projects. £520,812 of deferred income from 2016 was utilised in the 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

	2017 £	2016 £
At 1 April 2016	260,218	168,269
Surplus for the year	52,607	91,949
	-----	-----
At 31 March 2017	312,825	260,218
	=====	=====
Analysed as:		
Retained surplus	312,825	260,218
	=====	=====

10. PENSIONS

Defined Benefit Scheme

The financial statements include the pension provisions and disclosures required in accordance with the FRS102 which uses information extracted from the actuarial valuation prepared by Hymans Robertson LLP for this purpose.

There are no employees who were active members of the Citrus Pension Scheme at 31 March 2017 or 31 March 2016. 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.

**SOUTH BANK EMPLOYERS' GROUP
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

10. PENSIONS (continued)

Defined Benefit Scheme (continued)

The valuation used for FRS 102 disclosures has been based by Hymans Robertson LLP on the most recent full actuarial valuation as at 31 March 2015. 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. The pension charge for the year was £Nil. The current service costs remain at the same level.

Funding policy

The company has agreed to pay £1,410 per month from 1 January 2017 to cover general core Plan expenses.

Irrecoverable surplus

The Hymans Robertson LLP report established a surplus at 31 March 2016 was greater than the present value of the liability expected to arise. This irrecoverable surplus was reversed in year ended 31 March 2017. At the year end there was a deficit on the scheme and this has been included as a liability in the accounts. 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 102 any 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.

Disclosures for the year to 31 March 2017

Financial assumptions

Assumptions as at:	31-Mar-16 % p.a.	31-Mar-17 % p.a.
Retail Price inflation (RPI)	3.15%	3.40%
Consumer Price inflation (CPI)	2.15%	2.40%
Discount rate	3.50%	2.60%

Longevity assumptions

Longevity assumptions as at 31 March 2017		
Males (M) or Females (F)	M	F
Base table	Bespoke longevity tables for your members provided by Club Vita for the formal valuation of the Section as at 31 March 2015.	
Future improvements	Increases in longevity improvements seen in recent years will begin to tail off over the next 10-20 years and, over the long term, longevity improvements will stabilise at 1.5% p.a. for males and 1.0% p.a. for females.	

**SOUTH BANK EMPLOYERS' GROUP
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

10. PENSIONS (CONTINUED)

Life expectancies

Longevity expectancies as at 31 March 2017		
Males (M) or Females (F)	M	F
Average future life expectancy (in years) for a pensioner ages 65 at 31 March 2017	23.0	N/A
Average future life expectancy (in years) at age 65 for a non-pensioner aged 45 at 31 March 2017	25.9	25.9

Balance sheet position

Assets	Fund value at 31-Mar-16 £'000	Fund value at 31-Mar-17 £'000
Equity securities	29.9	11.3
Diversified Growth and Hedge Funds	142.6	131.7
Debt securities – Corporate	615.5	678.9
Debt securities – Government	158.8	153.3
Cash and cash equivalents	0.8	0.6
Total value of assets	947.6	975.8
Actuarial (value) of liabilities	(820.4)	(1,023.1)
Surplus / (deficit) of funded Plan liabilities	127.2	(47.3)
Actuarial (value) of unfunded Plan liabilities	-	-
Irrecoverable (surplus)	(127.2)	-
Surplus	-	(47.3)
Related deferred tax liability	-	-
Net pension asset / (liability)	-	(47.3)

Analysis of amount charged to operating profit

Year ended:	31-Mar-16	31-Mar-17
Administration costs	17.5	20.4
Total operating charge	17.5	20.4

**SOUTH BANK EMPLOYERS' GROUP
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

10. PENSIONS (CONTINUED)

Analysis of amount credited to other finance income

Year ended:	31-Mar-16	31-Mar-17
Interest income on Plan assets	31.8	32.1
(Interest) on Plan liabilities	(29.3)	(27.7)
Impact of asset ceiling on net interest	(2.3)	(4.5)
Net interest on net defined benefit liability	(0.2)	(0.1)
Total amount charged to profit & loss (total operating charge less net interest)	17.3	20.5

Analysis of amount recognised in Other Comprehensive Income (OCI)

Year ended:	31-Mar-16	31-Mar-17
Actual return on assets excluding amounts included in net interest	(21.7)	58.9
Actuarial gains / (losses) on Plan obligations	81.6	(230.6)
Remeasurement gain / (loss) in Plan	59.9	(171.7)
Decrease / (increase) in irrecoverable surplus from membership fall and other factors	(57.2)	127.2
Remeasurement gain / (loss) recognised in OCI	2.7	(44.5)

Reconciliation of Plan benefit obligation

Year ended:	31-Mar-16	31-Mar-17
Opening defined benefit obligation	876.0	820.4
Administration costs	17.5	20.4
Interest cost	29.3	27.7
Actuarial (gains) / losses	(81.6)	230.6
Benefits and expenses (paid)	(20.8)	(76.0)
Closing defined benefit obligation	820.4	1,023.1

**SOUTH BANK EMPLOYERS' GROUP
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

10. PENSIONS (CONTINUED)

Reconciliation of fair value of Plan assets

Year ended:	31-Mar-16	31-Mar-17
Opening fair value of Plan assets	946.0	947.6
Interest income	31.8	32.1
Contributions by South Bank Employers Group Ltd	12.3	13.2
Actual return on assets excluding amounts included in net interest	(21.7)	58.9
Benefits and expenses (paid)	(20.8)	(76.0)
Closing fair value of Plan assets	947.6	975.8

Sensitivity Analysis

Change in assumptions compared with 31 March 17 actuarial assumptions:	Actuarial value of liabilities on 31-March-17
-0.5% decrease in discount rate	1,152.4
1 year increase in member life expectation	1,064.1
+0.5% change in inflation	1,138.2

Defined contribution schemes

The company contributes directly to employees personal pension schemes. The pension cost charge represents contributions payable by the company to the funds and amounted to £25,100 (2016 - £41,915). Unpaid contributions at 31 March 2017 were £2,726 (2016 - £9,628).

11. TRANSACTIONS WITH MEMBERS

During the year subscription, marketing and other income relating to the year was received from members totalling £532,435 (2016 - £568,306). Expenses from transactions with members within the normal course of the organisation, were incurred totalling £11,922 (2016 - £10,258). At the year end the members owed £120,279 (2016 - £280,900) in aggregate to the company and £1,265 (2016 - £1,350) was owed to members.

Three of the Directors of South Bank Employers Group are also Trustees of Jubilee Gardens Trust and the company is closely involved with the management and administration of Jubilee Gardens Trust. During the year South Bank Employers Group received income totalling £80,623 (2016 - £80,191) from Jubilee Gardens Trust with £1,770 (2016 - £4,025) being due at the year end.

During the year South Bank Employers Group also received £180,540 (2016 - £176,090) of S106 income that is due to Jubilee Gardens Trust for the maintenance of Jubilee Gardens. At the year end South Bank Employers Group had not received all of the monies and at the year end £90,270 (2016 - £Nil) was owed to Jubilee Gardens Trust.

**SOUTH BANK EMPLOYERS' GROUP
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

12. OPERATING LEASE COMMITMENTS

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

	2017 £	2016 £
Lease expiring		
Within 1 year	28,126	33,329
Within 2-5 years	18,216	4,953
	<u>46,342</u>	<u>38,282</u>
	=====	=====

13. RELATED PARTY TRANSACTIONS

The Chief Executive Officer of South Bank Employers Group is also the Chief Executive Officer of South Bank BID Limited. In addition, two of the members are also members of South Bank BID Limited board. During the year South Bank Employers Group raised invoices totalling £293,110 (2016 – 414,185), of which £1,479 (2016 - £7,989) was outstanding at the year end.

14. CONTROL

There is no controlling party.