

# SOUTHBANK CENTRE

Annual Report and Financial Statements

2023-24



Supported using public funding by  
**ARTS COUNCIL  
ENGLAND**





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2023-24

Presented to Parliament pursuant to Section 47 (3) of the Local Government Act 1985



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## **REFERENCE AND ADMINISTRATION DETAILS**

Registered as a Charity No. 298909

Principal office  
Belvedere Road  
London  
SE1 8XX

## **PROFESSIONAL ADVISORS**

### **BANKERS**

Lloyds TSB Bank plc  
4th Floor  
25 Gresham Street  
London  
EC2V 7HN

AIB Group (UK) plc  
9/10 Angel Court  
London  
EC2R 7AB

### **SOLICITORS**

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Exchange House  
Primrose Street  
London  
EC2A 2HS

Farrer and Co LLP  
66 Lincoln's Inn Fields  
London  
WC2A 3LH

### **INDEPENDENT AUDITORS**

Crowe U.K. LLP  
55 Ludgate Hill  
London  
EC4M 7JW

## **BOARD OF GOVERNORS AND SENIOR STAFF**

### **BOARD OF GOVERNORS**

The Governors of the Board who served during the year and subsequently are:

#### **Governor**

Misan Harriman (Chair)  
Glyn Aikins (resigned 4 May 2024)  
Venetia Butterfield (resigned 30 June 2024)  
Michael Hussey  
Dame Vivian Hunt DBE  
Luke Mayhew (Deputy Chair)  
Sandy Rattray  
Sir William Sargent CBE  
Lisbeth Savill  
Lynne Shamwana  
Kieron Boyle  
Anais Hayes  
Salman Mahdi  
Jerome Misso  
Ndidie Okezie OBE

### **EXECUTIVE LEADERSHIP TEAM**

The Chief Executive and other senior staff to whom day-to-day management of the charity is delegated by the Governors are:

Elaine Bedell OBE	CEO
Mark Ball	Artistic Director
Nicola Cardillo-Zallo	Director of People and Culture (to June 2024)
Heather Clark-Charrington	Director of Audiences
Katy Dent	Director of People and Culture (Interim – from June 2024)
Susan Johnston	Chief Operating Officer
Amy Ross	Director of Development

## **Our Mission**

To make a difference to the lives of artists, audiences and communities through the variety of our programming and spaces.

## **Our Vision**

To be the world's most exciting centre for the arts.

## **Our Values**

Creating welcoming spaces

Making wonderful experiences together

Sparking new thinking

## **CHAIR'S FOREWORD**

I have been inspired by the artistic programme and ambitions over the past year throughout the multiple genres we showcase at Southbank - from the large to the small, from the contemporary to the classical, both indoor and outdoor, both paid for and free. We aim to be an engine of creativity for a wide range of artists and audiences and some of the most innovative work has been in encouraging cross genre collaboration, something Southbank is uniquely equipped to encourage.

The exciting *Southbank Centre Studios* is a new initiative, creating an incubator space for artists to experiment and collaborate without the pressure of a performance but rather to expand art and push the boundaries of artistic practice. This builds on a proud tradition of supporting innovators from David Bowie's first performance in the Purcell Room to the UK's first electronic music performance in the Queen Elizabeth Hall.

I get particularly excited by the initiatives we have developed and delivered for young and early career creatives over the past year.

Our brand new Technical Academy has shown that there is real appetite in the wider sector for interventions that tackle the issue of skills development for those starting out in their creative careers and I'm glad we have developed a collaborative and innovative approach to supporting the talent pipeline. We had over 700 applications for 25 spaces - 52% were from the Global Majority, 60% female or in-binary, 88% on a low income and 20% neurodiverse.

*Reframe* and *Inspire Schools*, the programmes for young Black and Black mixed heritage creatives developed through our unique partnership with Apple, showed the power and potential of global technology companies partnering with creative organisations to support skills and training and diversifying the creative workforce which can only benefit the whole creative ecology.

We are very grateful for the continued support of Arts Council England for this outstanding artistic and creative programme.

However, while our artistic output and social impact continues to grow, the need for our venues to be fit for purpose, let alone environmentally sustainable, is becoming ever more challenging. Couple that with the unfunded responsibility Southbank holds for 11 acres of public realm along one of the most popular banks of the Thames, and there is an urgent need for a longer term programme of capital support.

2026 will be the 75th anniversary of the Festival of Britain, and the Royal Festival Hall, as the only remaining building from that Festival, will therefore also celebrate its 75th birthday. We are doing as much work as we can to tackle the maintenance priorities from existing funds, including using reserves which were shored up by our gratefully received Cultural Recovery Fund Repayable Finance following the pandemic. However, we start paying back this loan in March 2025 further increasing our financial challenges. This is not a sustainable capital funding model.

We hope that as part of celebrating and recognising those amazing 75 years, we can, with the help of the new Government and Arts Council England, generate the funding to ensure another 25 years at least of the building, the site and therefore the Art and Culture which was at the heart of the birth of what is now the Southbank Centre. We urge the new Government to actively work with us to address the historical underfunding of the capital infrastructure of our site and cultural buildings.

As ever, I want to thank Elaine and the Executive Leadership Team for all their hard work and the amazing Southbank Centre colleagues for bringing people together for wonderful experiences in our spaces every day. Working in the Arts Sector brings many personal and professional challenges and pressure; but a passion for the importance and power of Culture, Music and Art in our community and society at large still lies at the heart of the Southbank Centre as it did back in 1951.

**Misan Harriman**

**Chair**

## CEO'S FOREWORD

We were very pleased that the Southbank Centre maintained its position as the UK's fifth most visited attraction this year with over 20 million visitors enjoying our 11 acre site, our bars and restaurants, our outdoor stages as well as our venues.

We've had an outstanding year artistically and commercially with some extraordinary and impactful events and successes.

Christine and the Queens curated a memorable Meltdown festival in June with the very best in contemporary music in our venues, foyers and terraces. 27,607 people attended our venues and there were 30 free and paid gigs over the festival.

*Dear Earth*, the flagship Hayward Gallery exhibition that anchored our Summer festival, *Planet Summer*, underpinned our commitment to sustainability and we're making strong progress against our strategy to be net zero by 2035 (this of course partly depends on our ability to invest in our infrastructure).

As a National, Arts Council England funded organisation, we take very seriously our commitment to support smaller arts organisations outside London and our renowned and unique Hayward Touring programme once again provided curated exhibitions for galleries across the UK including Arnolfini in Bristol, the Royal Albert Memorial Museum, Exeter and the Mead, in Coventry and also in the Glucksman, Cork, Republic of Ireland, in total reaching 196,460 visitors from their local communities.

I was delighted that we were able to announce our new organisational values: Creating welcoming spaces; Making wonderful experiences together; and Sparking new thinking. These were developed in partnership with Southbank Centre staff and launched in a special all-staff meeting.

Enormous challenges continue in terms of maintaining and improving our 11-acre site - all of it owned by central Government - without sustainable capital funding. We were disappointed not to receive any public funding for our estate in the 2024 spring Budget under the last Government despite making what we are told was a very strong case. While we understand there is a challenging economic condition, we will be making the case to the new Government for the need for support if we are to continue to deliver against the new Government's Missions and serve our communities.

The Southbank Centre belongs to the Nation and its very popularity attests to its continuing value. Christopher Nolan, the director of *Oppenheimer*, in accepting his Best Director award on the Royal Festival Hall stage during this year's BAFTA film awards said, "this was the place my mum and dad dragged me to get some culture, and I guess some of it stuck." And in March 2024, the now Prime Minister, Sir Keir Starmer described "the thrill" of playing at the Festival Hall as a child and the "opportunities music gave me".

But the Royal Festival Hall building itself desperately needs help and attention. We all care very much about the extraordinary buildings we look after and are united in wanting the very best for our heritage and arts sectors. We are planning a 75th birthday celebration in 2026 and hope very much we will receive the support and funding we need now to ensure the Southbank Centre can be fit for purpose for this important moment in its history, and indeed so that it can last another 75 years.

**Elaine Bedell OBE**

**CEO**

## ARTISTIC DIRECTOR'S FOREWORD

The arts entertain us, allow us explore new possibilities of living, and, in increasingly turbulent times can help us make sense of the world around us. Over the last year our team has presented a truly diverse programme, supporting artists at every stage of their career and enabling audiences and communities to see their interests and experiences reflected back to them through the lens of world-class creative practice.

The Southbank Centre's two central artistic ambitions - to become an Engine of Creativity and the nation's most culturally democratic and expressive space for artists and audiences - have guided all of our work this year. As an Engine of Creativity we have supported artists to forge new and innovative artistic ideas and present and create ground breaking work. Southbank Centre Studios, our incubator for collaborative artistic practice, has given the space and support for artists to collaborate across art forms with more opportunities planned in the coming year; Reframe, our ground-breaking partnership with Apple supported 77 young Black and Mixed Heritage creatives in London, Birmingham and Manchester to develop their artistic and production skills and present their work across 3 cities.

Our reinvigorated Performance and Dance programme, under the leadership of our new Head of Performance and Dance, Aaron Wright, has seen new work by younger artists curated by the pioneer of performance art Marina Abramovic in a 5-day takeover of the Queen Elizabeth Hall; Drew McOnie and Cassie Kinsohi's wonderfully alternative Nutcracker thrilled audiences by playfully re-imagining the classic Christmas favourite; and La Horde/Ballet National de Marseille, one of the most exciting new global dance talents, played in London for the first time to sold out houses.

We once again staged a hugely successful Opening Weekend to kick off the 2023/24 Classical Music season with a curated programme attracting the widest possible audience to classical music, including the London Philharmonic Orchestra's Mahler's Resurrection, a breath taking musical panorama, and the extraordinary exquisite feat of Vikingur Olaffson's recital of Bach's Goldberg Variations. In contemporary music the brilliant Christine and the Queens took us on a ten-day musical journey with his curation of Meltdown.

Across the visual arts Hiroshi Sugimoto: Time Machine and When Forms Come Alive continued the Hayward Gallery's remarkable run of critically acclaimed exhibitions and our Hayward Touring programme continued to extend our presence across the country.

Our ambition to become the nation's most culturally democratic and expressive space for artists and audiences has started to take shape. As guest curator George the Poet launched the London Literature Festival with a provocative and engaging spoken word event that celebrated London's vibrant and diverse spoken word scene; our new South Asian Sounds festival presented new music from India, Pakistan, Bangladesh and Afghanistan to reach London's diaspora communities, and included a partnership with the promoter Dialled In that saw young Muslim audiences fill the Queen Elizabeth Hall.

The Planet Summer season brought artists, activists and communities together to inject hope into the climate debate and embedded sustainable best practices into our onsite behaviour and offer; across the wider Southbank Centre site our Public Programme and site design teams created free-to-access programmes that account for 53% of our artistic offer.

I am tremendously excited for the year ahead, not least Chaka Khan's Meltdown festival, marking a remarkable career of 50 years and the long awaited return of Daniel Barenboim and the West-Eastern Divan Orchestra that exemplifies the power of music to bring artists and communities together. Our summer Hayward Gallery exhibition Tavares Strachan: There is Light Somewhere anchors organisation-wide programming under the title You Belong Here, celebrating the different communities that have chosen to make London their home.

**Mark Ball**  
Artistic Director

## ARTISTIC HIGHLIGHTS

- Marina Abramovic Institute Takeover: Using all areas of the Queen Elizabeth Hall building for the Marina Abramovic Institute Takeover, the takeover saw 11 artists taking over the whole of the QEH with durational performance artworks. Audiences were free to wander on stage, backstage and even into dressing rooms to find the performances that ranged from the fierce to the contemplative.
- Classical Season opening weekend has an amazing array of performance for all tastes including Philharmonia playing Verdi's Requiem, Manchester Collective performed 20th Century Classics with Different Trains followed by a classical club night as part of our Alternative Experiences strand for first-timers.
- LPO played Mahler's Symphony No 2 with Sally Matthews, Christine Rice and the London Philharmonic Choir and in our Queen Elizabeth Hall Foyer the Multi-Story Orchestra stunned with the RPS-winning The Endz.
- Vikingur Olafsson performed a transcendent Goldberg Variations in a sold out Royal Festival Hall experience.
- Honey Dijon Experience, a collaboration between Grammy Award Winning Black Trans dance music icon Honey Dijon, presented a brand new orchestra for performance in the Royal Festival Hall, and we supported her to curate a sold out programme of club nights, gigs and talks across the site.
- The When Forms Come Alive exhibition received widespread critical acclaim including 5 stars in The Observer and 4 stars in Timeout and has been popular with visitors. Spanning over 60 years of contemporary sculpture, the exhibition highlights ways in which artists draw on familiar experiences of movement, flux and organic growth.
- Acts of Creation, part of our Hayward Touring programme, was launched at Arnolfini Bristol on 9 March 2024, before commencing a National Tour. It's a major new group exhibition exploring the lived experience of motherhood and being an artist.
- George the Poet guest-curated the spoken-word focus of London Literature Festival, encompassing a night of music and spoken word in the Royal Festival Hall and a specially commissioned series of animations of his poems which were projected on the RFH and at Piccadilly Circus.
- In its 70th birthday year, the National Poetry Library launched the 70-Poet Challenge, a new project to encourage people nationally to discover new poets performing and writing in the past 70 years. Breaking down hierarchies, we prompted people to engage with the poetry around them and tell us what's really exciting them.
- We collaborated with Underbelly to co-produce Drew McOnie's Nutcracker in our old Spiritland restaurant space. The partnership saw us working closely together to transform the space into an in-the-round jazz club, with late night jazz events overseen by our Contemporary Music team.
- The site design team collaborated with the architecture firm Squire and Partners- on the production of a series of light artworks that came out of workshops with children from year six at Oasis Academy in Waterloo. These neon wonders adorned the windows of the Queen Elizabeth hall as part of our Winter Lights installation.
- We continued hosting globally recognised awards ceremonies for BAFTA for the Film, TV and Video Games sectors.

## CHARITABLE IMPACT IN NUMBERS

	<b>2023/24</b> (2022/23)
Venue visitors	<b>3,500,000</b>  (3,200,000)
Site visitors	20m+
Tickets issued	<b>790,000</b>  (760,000)
Events	<b>5,100</b>  (5,400)
% free public events	<b>53%</b> of every time slot or exhibition day (55%)
Schools engaged (from CE)	<b>365</b> school groups engaged in person with a total of <b>8,384</b> children and <b>877</b> teachers  (305 school groups engaged in person with a total of 4,600 children and 658 teachers)  <b>117</b> teachers engaged with us through digital events from <b>103</b> schools  (164 teachers engaged with us through digital events from 160 schools)
Regional audiences for Hayward Touring	<b>197,000</b>  (123,000 plus 349,000 for British Art Show 9)
Global Majority audiences	<b>13.5%</b> (post show surveys)  (14%)
Lambeth and Southwark bookers	<b>10%</b>  (12%)

## RECENT ACTIVITY AND FUTURE PLANS

In 2023/24 we continued to deliver against our Strategic Principles and artistic strategy. The principles and strategy align with the Arts Council's Investment Principles and Outcomes and underpin all artform and departmental strategies to enable us to achieve our purpose and vision.

In 2024/25 we will deliver activity in support of ACE's strategic outcomes, set out in Let's Create. We'll present an artistic programme that features world class performances and artists. Global majority artists will create and present new work and more collaborative curatorial approaches will connect audiences with themes across art-forms and the entire Southbank estate. We will develop our audiences so they better reflect the diversity of London. We'll also help grow the creative talent of the future through learning, skills and training programmes such as Inspire Schools, in partnership with Apple, and our Technical Academy and by continuing to develop Southbank Studios as a key artist development space. We will continue to upgrade the Royal Festival Hall in line with phase 1 of our capital development programme (subsequent phases are contingent on public funding and private giving).

Whilst we necessarily deliver the majority of our cultural programme on our Southbank Centre site, we will also present and develop work in the London Boroughs of Southwark and Croydon and in Birmingham, Coventry, Nottingham, Worcester, Barnsley, Barrow-in-Furness, County Durham, Sheffield, Basingstoke, Brighton and Hove, Lewes, Southend-on-Sea, West Suffolk, Woking, Bristol, Gloucester, Manchester, Newcastle, Sunderland, Norfolk and Southampton, alongside tours to Zurich, LA, Philadelphia and Toulouse. Much of our work will be accessible to global audiences online.

## STRATEGIC PRINCIPLES

### 1. INNOVATION AND DYNAMISM

*We innovate all the time, in all that we do, in all our spaces, physical and digital. We are dynamic and flexible in the way we face challenges of the future. We strive for excellence in everything we do.*

- We initiated 12 *Southbank Studios* creative residencies to develop new artistic work with diverse individuals and collectives and, together with our partners Apple, Aviva Studios and SteamHouse, we hosted a new creative academy: *Reframe* to support and develop 80 young Black creatives and workforce. This was a major, new flagship programme, supported by Apple's REJI (Racial, Equity, Justice Initiative) fund. The programme was the first REJI funded partnership in Europe and was launched by Tim Cook, Apple CEO, at Southbank Centre in September 2022.
- We presented the *Marina Abramovic Institute Takeover*, using all areas of the Queen Elizabeth Hall building. The takeover saw 11 artists subverting the spaces with durational performance artworks.
- Following our incredibly successful presentation of Paraorchestra's *Anatomy of the Orchestra* during this season's *Opening Weekend*, Paraorchestra returned with *SMOOSH!* on the last day of this season. A music street parade, Paraorchestra took music out of the concert hall, animating the entire Southbank Centre site.
- We worked with structural engineers, architectural advisors and external manufacturers on the installation of two large scale inflatable artworks by the Brazilian artist Fefe Talavera. We ran the *Poets in Vogue* exhibition which connected poetry and fashion in ways which were unexpected and surprising.

## 2. COLLABORATION

*Partners and Artists are critical to our success and central to our way of working. Artistic/ tech/ commercial and cross-sector partnerships as well as community and venue partnerships across the UK and the world.*

- 2024 saw the launch of Southbank Centre's Technical Academy with 9 sector partners - the latest project in the Emerging Artists programme - a training programme which aims to create new pathways into careers in Technical Production, attract new talent and improve the diversity of the workforce.
- For the final show of his residency, cellist and Resident Artist Abel Selaocoe appeared alongside kora player Seckou Keita with a wonderfully eclectic show mixing Western Classical music and music from Abel's homeland of South Africa, accompanied by new Resident Orchestra Chineke!
- We collaborated with the author Max Porter on a staged reading of his new novel *Shy*, abridging the text and casting actors including Ruth Wilson, Toby Jones and David Alade alongside a young performer from Southbank Centre resident company ZooNation in the title role.
- We worked with Underbelly to co-produce Drew McOnie's *Nutcracker* in our old Spiritland restaurant space. The partnership saw us collaborating to transform the space into an in-the-round jazz club, with late night jazz events overseen by our Contemporary Music team.
- We developed a partnership with the architecture firm Squire and Partners- on the production of a series of light artworks that came out of workshops with children from year six at Oasis Academy in Waterloo.

## 3. AUDIENCES AND PEOPLE

*Democratic access for all is our founding and our guiding principle. We are always extending our reach and relevance.*

- Simmer Down is a new regular series of reggae music in partnership with Tomorrow's Warriors targeting older Caribbean people, which sees audiences of over 500 people on average.
- We've welcomed 700 members of our community to the Hayward Gallery, many of them first time visitors for relaxed hours exhibitions.
- We continued to introduce new audiences to the centre through our Archive drop-in volunteering sessions.
- We partnered with the Black British Book Festival for a takeover of Southbank Centre's site, which included talks, workshops, family programming and a marketplace. The majority of the programme was free, with a programme that featured leading voices including Leigh Anne Pinnock, Gary Younge, Clive Myrie and Oti Mabuse.
- We launched the *70-Poet Challenge* in our 70th birthday year, a new project to encourage people nationally to discover new poets performing and writing in the past 70 years.
- Our Creative Engagement team gave out free tickets for Alice Ripoll's *Zona Francato* to Portuguese-speaking communities based in Lambeth.
- We curated the exhibition, *Occupied Archives*. This exhibition focused on the history of the Road Protest movement and had strong links to current ecological issues. Images from the project have recently been shown at Manchester International, and the exhibition was also the inspiration for a debate and conversation forum on related issues, jointly hosted with English PEN.

#### 4. RESILIENCE AND SUSTAINABILITY

*We are resilient and our organisation is stable. We make agile use of our resources so that we can invest for the long term future of Southbank Centre. We are environmentally responsible in everything we do.*

- We presented a summer of programming and advocacy under the banner of *Dear Earth* and embedded sustainable best practices into our on site behaviour and offer.
- We began a refurbishment of the Royal Festival Hall on a phased basis, prioritising and assessing improvements through the lens of sustainability.
- We delivered year 1 of our sustainability roadmap actions and initiatives.
- We rebalanced resource levels aligning with NPO activity and grew our commercial income levels a further 18% versus the prior year offsetting the impact of a cut in Arts Council Funding.
- We planned for ongoing investment in innovation and digital for the future and completed an important piece of work to review and agree significant future revenue growth targets for 2024 and beyond.

#### FORWARD LOOK

- We'll take the learnings from the Technical Academy pilot in March and 24/25 will see Southbank Centre develop the skills of at least 50 participants, with the view to roll out an annual plan to reach 100 participants a year and with 80% of participants securing future employment.
- We'll roll out a new Audience Development Strategy delivering an increase in under-represented audiences and we will launch a new young persons offer and new revitalised Membership Scheme
- We'll launch a distinctive Performance and Dance programme that intersects with other artforms and platforms new artists. Continuing to create the space for artists to innovate we'll develop Southbank Centre Studio sessions to support a further 12 artists in the year.
- In order to ensure the Royal Festival Hall is fit for purpose for the 21st century audiences and artists we'll deliver planned refurbishment works and will deliver year 2 sustainability initiatives to achieve 2025 near term target savings.

#### ENVIRONMENTAL REPORTING

In 2022/2023 Southbank Centre reset the target to reduce carbon emissions of our buildings to net zero by 2035 (Scope 1 and 2) and 2040 (all scopes).

*Streamlined Energy and Carbon Reporting (SECR) Summary Report for Southbank Centre*

The UK government's Streamlined Energy and Carbon Reporting (SECR) policy was implemented on 1 April 2019, when the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 came into force.

SBC have opted to use the Operational Control boundary definition to define their carbon footprint boundary. The reporting period for the compliance is 1st April 2023 – 31st March 2024. Included within that boundary are Scope 1 & 2 emissions, as well as Scope 3 emissions from gas, electricity, company fleet and grey fleet in the UK. The GHG Protocol Corporate Accounting & Reporting Standard and UK Government's GHG Conversion Factors for Company Reporting have been used as part of carbon emissions calculation.

The results show that SBC total energy use and total gross Greenhouse Gas (GHG) emissions amounted to 15,152,805 kWh and 2,931 tonnes of CO<sub>2</sub>e respectively in the 2023 financial year in the UK. In their 2023 financial year, SBC procured 100% renewable electricity. As a result, their Scope 2 Market Based\* emissions dropped by 1,358 tCO<sub>2</sub>e.

SBC have chosen 'Tonnes of CO<sub>2</sub>e per million turnover (m£)' and as an intensity metric as this is an appropriate metric for the business. The intensity metric for the financial year 2023/24 was 54.6 tCO<sub>2</sub>e/m£ compared to 60.8 CO<sub>2</sub>e/m£ in 2022/23. Below is the energy consumption and GHG emissions summary table as well as the table outlining the year on year analysis.

Type of Emissions	Activity	kWh	tCO <sub>2</sub> e	% of Total
<b>Direct (Scope 1)</b>	<b>Natural Gas</b>	<b>8,558,884</b>	1,565.7	53.41%
	<b>Company Fleet</b>	<b>0.0</b>	0.0	0.0%
	<b>LPG</b>	<b>35,385</b>	7.4	0.25%
	<b>Subtotal</b>	<b>8,594,269</b>	<b>1,573.1</b>	<b>53.67%</b>
<b>Indirect (Scope 2)</b>	<b>Electricity</b>	<b>6,558,536</b>	1,358.1	46.33%
	<b>Subtotal</b>	<b>6,558,536</b>	<b>1,358.1</b>	<b>46.33%</b>
<b>Indirect Other (Scope 3)</b>	<b>Grey Fleet</b>	<b>0.0</b>	0.0	0.0%
	<b>Subtotal</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Total Energy Use (kWh)</b>				<b>15,152,805</b>
<b>Total (Location-based*) Gross Emissions (tCO<sub>2</sub>e)</b>				<b>2,931.2</b>
<b>Renewable Electricity (tCO<sub>2</sub>e)</b>				<b>1,358.1</b>
<b>Total (Market-based*) Gross Emissions (tCO<sub>2</sub>e)</b>				<b>1,573.1</b>
<b>Gross Turnover (m£)</b>				<b>53.7</b>
<b>Tonnes of Gross CO<sub>2</sub>e per m£</b>				<b>54.6</b>

The Southbank Centre is committed to energy reduction and has had ISO 50001 since July 2017. The RFH is going through a period of modernisation as part of its 75th Anniversary Celebration. We have also carried out lifecycle works which have reduced its overall energy consumption by around 4.5% per year for 3 years. Within 2023/2024, the Southbank Centre completed the following:

- Boiler Replacement RFH
- Office building AHU replacement to VAM units
- Office building LED Upgrade in the corridors
- BMS Time Schedule Modifications
- 5no. Lift Modernisation

It is expected that 1,036,995 kWh of energy is going to be saved over the next 5 years through these energy efficiency measures.

Type of Emissions	Units	2023/24	2022/23	YOY % Change
<b>Direct (Scope 1)</b>	<b>(kwh)</b>	<b>8,594,269</b>	<b>10,439,362</b>	<b>-17.7%</b>
	<b>(tCO<sub>2</sub>e)</b>	<b>1,573.1</b>	<b>1,906.7</b>	<b>-17.5%</b>
<b>Indirect (Scope 2)</b>	<b>(kwh)</b>	<b>6,558,536</b>	<b>6,839,590</b>	<b>-4.1%</b>
	<b>(tCO<sub>2</sub>e)</b>	<b>1,358</b>	<b>1,323</b>	<b>2.7%</b>
<b>Indirect Other (Scope 3)</b>	<b>(kwh)</b>	<b>0.0</b>	<b>0.0</b>	<b>NA</b>
	<b>(tCO<sub>2</sub>e)</b>	<b>0.0</b>	<b>0.0</b>	<b>NA</b>
<b>Total Energy Use (kWh)</b>		<b>15,152,805</b>	<b>17,278,952</b>	<b>-12.3%</b>
<b>Total Gross Emissions (tCO<sub>2</sub>e)</b>		<b>2,931</b>	<b>3,229</b>	<b>-9.2%</b>
<b>Renewable Electricity (tCO<sub>2</sub>e)</b>		<b>1,358</b>	<b>1,323</b>	<b>2.7%</b>
<b>Total Net Emissions (tCO<sub>2</sub>e)</b>		<b>1,573</b>	<b>1,907</b>	<b>-17.5%</b>
<b>Tonnes of Gross CO<sub>2</sub>e per m£</b>		<b>54.6</b>	<b>60.8</b>	<b>-10.1%</b>

*\*In SECR reporting there are two reporting approaches: 'location-based' and 'market-based'. Location based reporting is the mandatory method and uses grid average figures (a mix of renewable and non-renewable fuels). A market-based reporting approach can also be used when companies have entered into contractual agreements for renewable electricity (e.g. REGO's). Reporting on renewable energy and associated emissions is not a mandatory requirement under the SECR legislation but it is possible for organisations to use dual reporting if they wish to reflect their consumption of renewable energy. In this SECR a dual reporting approach has been used to take account for both location based and market based reporting.*

- We have an actively operating Sustainability Champions group, which recently celebrated its first anniversary since its formation
- We set a biodiversity net gain target of 10% for our site, to be achieved by 2030
- We are entering design phase with our ecology consultants for native planting projects on our site
- We have early engagement with a team of consultants, working to incorporate rainwater harvesting on our site
- We've trialled reusable cups in January 2024, intending to roll out site-wide with the Royal Festival Hall refurbishment

## **FINANCIAL REVIEW**

The year to 31 March 2024 continued the expansion of activity following the Covid pandemic with overall site visitors increasing by 10% and tickets issued by 26%.

This year was the first of a three year funding agreement of Arts Council England (ACE) that saw an overall reduction in core grant funding of £1.9m. In addition, the Centre faced increased utility costs and the impact of the inflationary environment on our cost base and demand. In order to meet these challenges and at the same time increase artistic activity, our plans required an increase in our commercial activity, together with effective cost and budgetary control to ensure financial sustainability. We successfully implemented these plans to achieve an operational break even, in line with our expectations and we were also able to benefit from interest rate rises to increase our General Reserves by £0.8m.

Inflation remains a key concern. Due to the fact our ACE grant is fixed until 2026, we are required to create new income streams or achieve significant operational savings and efficiencies each year to maintain activity and the ambition of the artistic programme. The impact on our commercial partners and cost of living pressures are still unclear.

We remain aware of our responsibility to maintain and develop the Southbank Centre estate to ensure the iconic buildings remain fit for purpose in the 21st Century whilst preserving their rich architectural heritage. The year saw the start of a significant £13m capital improvement project to our foyer spaces in the Royal Festival Hall from funds designated from the Cultural Recovery Fund Repayable Finance scheme. Significant additional funds in excess of our operating budgets will be required in the future to maintain and develop the estate, including crucial upgrades in technology in our artistic spaces and adaptations to achieve our net-zero ambitions, ensuring our site is fit for purpose for the future.

### **Income**

Total income has increased to £53.9m (2023 - £53.2m).

Donation and Legacy income received totalled £20.8m (2023 - £23.4m). Unrestricted donation and sponsorship income was maintained at £1.5m (2023 - £1.5m) with the overall reduction of £2.6m due to a £2m reduction in our Arts Council core grant and a £0.6m reduction in our restricted donations due to the phasing of grants from Apple to support Reframe and Bloomberg to support digital innovation at Southbank Centre.

Charitable activity income totalled £10.6m (2023 - £11.1m). This reflects an increase in activity across the site but, due to a different mix of activity, a reduction in ticket income and an increase in artistic rental income.

Other trading was particularly successful during the year increasing by £2.6m to £20.9m, due to the strong performance of concessions across our estate, reflecting the increase in visitor numbers, as well as space rentals. We continued our relationship with BAFTA for three major award ceremonies: Film, TV and Games. The London Film Festival returned to the RFH for the third year with the RFH being the venue for the Opening and Closing galas. The RFH hosted the world premiere of Wonka and the last episodes of the Crown.

Investment income of £1.6m (2023 - £0.5m) was received from cash deposits. Any surplus cash is invested in cash deposits with our existing banking institutions.

### **Expenditure**

Total Expenditure increased to £56.5m (2023 - £53.8m).

Overall charitable activity expenditure increased by £1.8m to £47.6m (2023 - £44.9m) due to increased activity and the impact of inflation.

Through careful cost management, excluding the £1.1m cost of the defined benefit pension prior service cost that is balanced by an actuarial gain, we were able to reduce spend in overall support costs from £13.7m to £13.1m and maintained spend on raising funds at £1.3m. The impact of utility price rises was felt within our venue running cost but other costs were maintained in line with our budget.

Within these figures, payroll costs increased by 10% to £18.7m, excluding the past service cost, (2023 - £17.2m) due to increased staff numbers to support the increased activity and annual pay increases taking into account the level of inflation. We are a London Living Wage employer and in January 2024 we implemented the 2023 increase of 10%. Our commitment to LLW extends to those working for our facilities, security and catering partners at Southbank Centre.

### **Balance Sheet**

The key balance sheet movements are the reduction in the net book value in fixed assets, the repayment of the Lloyds loan and the termination of the interest rate swap (derivative financial instrument).

The net book value of fixed assets fell due to the overall depreciation charge, a significant element of which is from land and buildings revalued in 2014. During the year we commenced a £13m refurbishment project to our foyer spaces in the Royal Festival Hall of which £0.9m is included in assets under construction. This programme will continue during 2024/25 to include renewed facilities on Level 5, an improved Members level and refurbished WC's throughout the RFH.

The key movement in Creditors under one year is from the repayment of the Lloyds Loan in July 2023 and the mandatory termination of the interest rate swap in December 2023.

The Pension Scheme is in surplus based on the valuation carried out under Section 28 of FRS 102 of £2.3m (2023 - £6.7m) but as the surplus is not recoverable by Southbank Centre until the pension scheme has been wound up no asset has been recognised on the balance sheet. The reduction in the surplus during the year was caused by the agreement of the scheme to pay the scheme administration costs previously paid for by the company and also an augmentation of benefits agreed between the Trustee and the Employer following the decision to base future pension increases on CPI rather than RPI, the beneficial effect of which had been included in the prior year valuation.

The Triennial valuation on the current technical provisions basis specific to the scheme shows a surplus of £1m though there remains a deficit of £4m on a buy out basis.

### **Reserves**

Our total reserve levels have decreased by £1.5m in the year and total £227m.

The overall free reserve requirements have been reviewed during the year and we seek to maintain a minimum level of £5.55m as a General Reserve for exceptional operational risks not covered by the budget contingency, and to provide us the ability to make the operational adjustments and investments required by new operating environments. The current level of £6.4m is £0.85m in excess of this level and this will be utilised during 2024/25 to support activity.

The capital reserve reflects our investment in fixed assets to date and funds reserved for future capital investment. Our capital investment budgets have therefore been increased to enable us to maintain the buildings and the funding from the Cultural Recovery Fund Repayable Finance has been designated for future capital investment, providing £11m of funding to the current refurbishment project (due for completion in 2024/25).

We have maintained our Strategic Investment Fund with the intention of allocating £2m per annum to innovative artistic and strategic projects. Plans for 2024/25 include investment into the artistic programme, in particular to fund and commission new work to perform at Southbank Centre and to generate future income streams and a major new orchestral project. Funds have also been allocated to increase the support to our Technical Academy scheme to provide opportunities for training in theatrical and event production (in conjunction with other cultural organisations) and for investment in sustainability initiatives. We plan to spend £2m per annum from this fund with it being replenished each year from operational surplus.

A fund to support the 75th Anniversary of the Royal Festival Hall and Festival of Britain has been able to be created during the year.

The projects fund represents restricted funds received for specific projects in future years.

### **Reserves Policy**

The charity's reserves fall into two main categories: restricted funds which may legally be used only for the purposes specified by the donor, and unrestricted funds which are free for use for any of the purposes of the Charity as set out in the governing document.

Total funds held at 31 March 2024 are £227.2m (2023 - £228.7m) made up of Unrestricted funds of £225.4m (2023 - £226.7m) and Restricted funds of £1.7m (2023 - £2.1m).

### **Unrestricted reserves**

Within unrestricted reserves there are both General and Designated reserves. Designated reserves are funds that the Governors have set aside to reflect particular intentions for the use of those funds. Unrestricted funds not designated in this way are in the General Reserve. The General Reserve is available for any charitable purpose and is not earmarked for reinvestment in any specific area. At 31 March 2024 the Group held General Reserves of £6.4m and Designated funds of £218.9m

### **Planned level of unrestricted reserves**

The Charity budgets to deliver its charitable objectives while ensuring financial stability through aiming to keep adequate, but not excessive, levels of unrestricted reserves. It makes this assessment by looking at future cash requirements and setting annual budgets which ensure adequate cash liquidity taking into account the availability of headroom on financial facilities, expected cash inflows and suitable levels of contingency based on an assessment of operational risk.

The Board has reviewed its Reserves Policy in the light of the post pandemic trading, current financial challenges and risks and considers reserves of approximately £5.55m, which is equivalent to 8 weeks of turnover excluding confirmed Arts Council England grant income, will provide sufficient financial resilience for the organisation at this time. On 31 March 2024 the balance of General Reserves is £6.4m (2023: £5.6m). The amount in excess of the policy is being retained to support activities during 2024/25.

### **Designated Reserves**

As of 31 March 2024 Southbank Centre held three designated reserves:

(i) Capital and Revaluation Reserve (£213.5m)

The purpose of this reserve is to reflect funds expended on capital assets net of accumulated depreciation, including the balance of surplus or deficit from the revaluation of Land and Buildings, (£200.8m) and funds designated for future capital projects (£12.6m). Funds expended on fixed assets could only be realised on sale of those assets and are subject to the restrictions noted in note 25.

(ii) Strategic Investment Fund (£4.6m)

The Strategic Investment Fund has been created to provide investment to support and promote artistic ambition, innovation, inclusion, sustainability and financial resilience. These funds have been allocated to projects in the year to 31 March 2024.

(iii) 2026 Festival Reserve (£0.9m)

The purpose of this reserve is to fund activities to support and celebrate the 75th anniversary of the Royal Festival Hall and the Festival of Britain in 2026.

## **Restricted Reserves**

As of 31 March 2024 Southbank Centre held £1.8m of restricted income received in advance of expenditure for operating projects in a Projects Fund.

## **Going Concern**

The Governors are required to consider whether the Southbank Centre has sufficient current and forecast cash resources to cover the working capital requirements of the company for at least 12 months from the date of signing this report and financial statements.

The key financial risk to Southbank Centre is considered to be the impact of inflation on the organisation through any reduction in demand due to the increases in cost of living on our visitors or our artistic and commercial partners and the impact on the cost base, in particular the level and variability of energy costs and in employee costs. The Charity has therefore modelled various scenarios in order to assess the impact of variability in demand or increases in its cost base.

Given the level of reserves and cash holdings the Board considers that there are sufficient resources available to the Charity to sustain the operation in all likely scenarios and the Charity will be able meet all the requirements of our loans and obligations under our Arts Council England NPO Funding Agreement. We continue to monitor and take necessary actions to ensure that we maintain an appropriate reserve and cash levels in order to operate.

Having taken these factors into account the Board of Governors has a reasonable expectation that Southbank Centre has adequate resources to continue operating for the foreseeable future being at least twelve months from the date of approval of these financial statements and, for this reason, have prepared the financial statements on a going concern basis.

## **Funding Agreement**

Southbank Centre is one of Arts Council England's National Portfolio Organisations and is funded via a funding agreement. Southbank Centre has been confirmed as a National Portfolio Organisation for the three year period commencing 1 April 2023. A one-year extension to this was announced in March 2023 and covers 2026-2027.

Southbank Centre is subject to the normal monitoring processes and annual reviews for National Portfolio Organisations.

The Funding Agreement with Arts Council England requires Southbank Centre to provide regular financial and non-financial data to Arts Council England for monitoring Southbank Centre's artistic activities, commercial progress and financial position. Arts Council England also receives copies of all advance publicity material for events at Southbank Centre and is invited to attend Southbank Centre's board meetings.

An application for funding for one year to 31 March 2027 will be made during 2024/25.

## **Risk Management**

The Governors regularly examine the major strategic, business and operational risks which the charity faces, identifying the potential impact if an individual risk materialises, and what mitigating action is to be taken in order to reduce each risk to a level which the Governors consider to be acceptable. Twice annually, Governors review the Risk Register prepared by management to ensure that it is comprehensive and to assess actions to mitigate those risks.

The following are the major risks identified that are specific to Southbank Centre:

### *Reputation*

Southbank Centre presents a world class range of activity across the site. Damage to the Southbank Centre's reputation either through reduction in artistic quality or the ability to continue to provide a venue of excellence has the potential to impact the ability to attract artists and audiences to the site and a consequential impact on the ability to meet charitable objectives, obtain funding and generate audience and commercial income.

This risk is managed by having a process in place to review and approve both Southbank managed and third party events held on site and working closely with our resident orchestras. Our property and commercial strategies are reviewed quarterly by the Property, Commercial and Sustainability committee of the Board.

All strategies and business plans are discussed with Arts Council England at regular monitoring meetings.

### *Equality, Diversity and Inclusion*

The Southbank Centre's ability to achieve its strategic ambitions is dependent on being a diverse, inclusive, welcoming and vibrant organisation and ensuring the artistic programme presents a diverse range of artists to an audience that is representative of London. In order to manage this risk the Southbank Centre has developed a range of key performance indicators to measure the diversity of our artistic programme and is implementing a wide ranging Equality, Diversity and Inclusion strategy. Both are regularly reviewed at Board level.

### *Financial Resilience*

The Southbank Centre obtains revenue from audiences, artistic hires and commercial activity as well as from Arts Council England. These income streams are subject to variation due to the wider economic environment and Government policy.

The ability to develop our site and buildings to ensure Southbank Centre continues to be a venue of excellence and innovation attracting artists, audiences and commercial partners is critical to ensure our financial resilience and sustainability. This remains dependent on our ability to secure specific funding. This is a key short term objective of the charity and is monitored regularly by the Board and Property, Commercial and Sustainability Committee.

The potential impact on demand from the significant recent increases in the cost of living present significant challenges for the charity due to the level of fixed revenue (including ACE funding and commercial lease income) and the potential impact on audience levels and other trading income.

Financial risk is mitigated through a reserves policy which is reviewed and approved by the Board as well as an annual budget setting process. Forecasts are prepared regularly to inform mitigating actions. The financial assumptions used for future years are regularly assessed and plans updated to take into account changed expectations.

### *Safeguarding*

The Southbank Centre welcomes all to its venues, site and online platforms and provides services in schools and to other partners in London and the UK. A key risk is the safeguarding of children and vulnerable adults. Safeguarding risks are managed through a Safeguarding Committee that meets regularly. Specific training is provided to all members of the Committee DBS checks and safeguarding training is provided to all staff who come into regular contact with children and vulnerable adults. Processes and procedures are reviewed by an external specialist. A Board member is a Safeguarding Governor and an annual safeguarding report is made to the Board.

### *Health and Safety*

The Southbank Centre operates on a 11 acre site with over 3m visitors to the site and 4,500 artistic and commercial events per annum. The safety of all our visitors, staff and artists can be compromised through a terrorist incident, fire, failure of equipment, tenant activities and public order incidents and could have legal, reputational and financial ramifications.

These risks are managed by having comprehensive Health and Safety and Counter Terrorism processes including training, investigation and regular reporting to the Finance Audit and Risk committee near misses and incidents, and audits of our Counter Terrorism procedures.

### *Data*

Southbank Centre operates in a digital environment and accordingly faces increased risks concerning cyber-security and the correct handling of information. Southbank Centre maintains a robust data management policy including annual departmental data retention reviews and training for all staff. Data management is monitored through regular meetings of key internal stakeholders. To mitigate the impact of a cyber attack Southbank Centre holds a level of cyber insurance

### **Public benefit**

The Governors confirm that they have referred to the information contained in the Charity Commission's general guidance on public benefit, including the guidance on public benefit and fee charging, when reviewing Southbank Centre's aims and objectives and planning future activities. Southbank Centre relies mainly on Arts Council England revenue grant, income generated from commercial activities, fundraising and box office income to cover its operating costs. When determining ticket prices, careful consideration is given to ensuring accessibility of Southbank Centre's artistic activity to those on low income. Southbank Centre provides a wide range of artistic activity, with over 50% of the artistic programme being free to ensure everyone has the opportunity to experience events, as well as enjoying Southbank Centre's 11 acre site along the South Bank. Further details are given above under Achievements and Performance.

### **Policies**

The Governors recognise that Southbank Centre's success and position in the arts depends on the quality and motivation of its employees and Southbank Centre is committed to policies which support and improve attraction, development, performance and retention of staff at different points in their employee journey.

We are members of the London Living Wage Foundation and staff are paid the London Living Wage as a minimum and automatically receive an increase in line with this each year. The most recent London Living Wage uplift was implemented from 1 January 2024. Our commitment to LLW extends to those working for our facilities, security and catering partners at Southbank Centre.

To inform the Annual Pay Award negotiations and build pay equity and transparency, we continue to benchmark salaries with other cultural organisations whenever roles are vacant and have recently launched an annual sector-specific independent salary benchmarking project to support more relevant benchmarking across salaries and benefits for similar sized organisations.

Culture building remains a priority for Governors. In November 2023, the organisation launched a set of refreshed Values, Creating Welcoming Spaces, Making Wonderful Experiences Together and Sparking New Thinking. A set of Behaviours are now under curation with input from all staff, along with a review of our Purpose.

Engagement of staff is enhanced by impactful communications which are particularly important to promote the understanding by, and involvement of all employees in Southbank Centre's aims and performance of all its activities. This is achieved through our 6-weekly All Staff Meetings, weekly internal communications downloads and monthly People Manager newsletters, which give regular updates on Southbank Centre's performance and major developments and which celebrate Southbank Centre's successes and reflect our Culture.

All of Southbank Centre's Policies and Producers are housed on an Intranet site, which has undergone a process of improvement and re-design to ensure policies, guidelines, forms and digital content are accessible and available.

Southbank Centre participates in a quarterly Joint Negotiating and Consultative Committee with its two trade unions, Unite (Amicus section) and PCS. Improved union relations have been invested in, with additional monthly meetings to ensure transparency and taking a joint consultative and partnership approach.

Southbank Centre is striving to promote equity, diversity and inclusion in all areas of employment including recruitment and selection, development, and progression. The Southbank Centre is engaged with a number of diversity initiatives and partnerships in order to achieve these aims.

In line with our commitment to being an organisation where everyone is welcome and able to thrive, we have reported our Gender Pay Gap and our Ethnicity Pay Gap. We offer a four-part digital Anti-racism course for all staff and EDI workshops for new joiners. Southbank Centre has been selected to join a cohort of 60 organisations to join The Mayor of London's Design Lab programme alongside other organisations in the Creative sector. This is a 10 month initiative focusing on embedding anti-racism practice and tackling under-representation in the London workforce. We also hosted a sector Networks Network Event with 80 organisations represented to amplify best practice across the sector along with relaunching our internal Bring out Potential programme.

Internally, we have continued to develop a Learning Lunch series on a broad range of topics such as Accent Bias, Trans Awareness and Financial Awareness, as well as inviting our Employee Assistance Programme providers and Pension Provider in to promote these benefits to staff. We launched People Manager training reaching 69% of our People Managers giving access to 7 hours of face-to-face training with a 4.6/5 rating.

We provide permanent minimum hours contracts rather than zero hours contracts. We offer enhanced benefits including an equitable pension scheme, enhanced sick pay, enhanced maternity, paternity and shared parental leave policies. We also have a transgender equality policy, adoption policy, IVF policy and menopause policy, and we are providing sanitary products in the staff toilet facilities. We have a female CEO and majority female Executive Leadership Team. We are also committed to ensuring our recruitment process is inclusive and accessible; providing targeted recruitment campaigns to reach the broadest range of candidates and communities, offering reasonable adjustments such as having standardised competency-based questions and scoring, alongside ensuring blind screening is in place to reduce bias.

In December 2023, the Governors reviewed the Safeguarding Children and Safeguarding Adults at Risk as well as attending Safeguarding Training in November 2023. Comprehensive training has also been delivered internally to teams across the Southbank Centre in 2023/24.

### **Pay policy for key management personnel**

The People People and Nominations Committee membership is made up of a minimum of three Governors of Southbank Centre who meet at least three times a year to consider the following matters:

- To recommend to the Board the remuneration and particular employment terms of the Chief Executive.
- To review the Chief Executive's proposals for the contractual arrangements and remuneration of the Executive Leadership team.
- Annually, to consider the Southbank Centre reward strategy of all staff to ensure the approach is fair, robust, equitable and defensible and takes into account best practice in other relevant arts organisations.

The People and Nominations Committee assesses the annual performance of the Chief Executive and agreed members of the Executive Leadership team against organisational and individual objectives. The remuneration and employment terms of the Chief Executive and the Executive Leadership Team is reviewed in the context of the overall remuneration and employment terms and practices for all Southbank Centre employees and key subcontractors and in the context of payroll trends within the cultural sector and beyond.

Further details on the charity's Governors, senior staff and professional advisors are set out on pages 2-3 of these financial statements.

## Legal Framework

Southbank Centre is a registered charitable trust with a single corporate trustee, Southbank Centre Limited, a company limited by guarantee. Southbank Centre was formed by a deed of trust on 31 March 1988. It's main objects are:

1. The promotion of the arts for the general benefit of the public and in particular the maintenance and development of the Southbank estate as a centre for the arts for the benefit of the people in Great Britain in general and London in particular.
2. The development and improvement of the knowledge, understanding and practice of the arts at the Southbank estate or any part of it.
3. The provision and support of such cultural activities related to the arts as the trustees consider desirable at the Southbank estate or any part of it.

There have not been any changes to its objects during the year.

As trustee of Southbank Centre, Southbank Centre Limited has power to revoke or vary any or all of the provisions of the deed of trust, subject to the consent of the Department for Culture, Media and Sport (after consultation with Arts Council England), with the exception of the charitable objects of the trust and the clause requiring ministerial consent, provided that the alterations would not have the effect of causing the trust to cease to be exclusively charitable under the laws of England and Wales.

Southbank Centre Limited has three wholly owned subsidiaries which it holds on behalf of Southbank Centre. The South Bank Foundation Limited is a dormant registered charity and company limited by guarantee. The Charity Commission issued a uniting direction for registration purposes for Southbank Centre (charity 298909) and South Bank Foundation Limited (charity 1054105) in October 2004.

Southbank Centre Enterprises Limited manages certain commercial activities on the Southbank estate. The results of Southbank Centre Enterprises Limited are consolidated on a line-by-line basis with those of Southbank Centre. See note 24 for details of Southbank Centre Enterprises Limited's results.

Southbank Centre Pension Fund Corporate Trustee Limited acts as the Corporate Trustee of the Southbank Centre Retirement Plan and is otherwise dormant.

## Governance

The Board of Governors, who are directors of Southbank Centre Limited (the sole corporate trustee), are not remunerated for their services and have delegated management of Southbank Centre's operational affairs to a Chief Executive and an Executive Leadership Team who attend Board meetings but are not entitled to vote.

The Board has adopted a performance evaluation framework that ensures that the effectiveness of the Board, the Committees and the Chair is actively reviewed and monitored each year. As part of this process Governors and the Executive Leadership Team are asked to reflect on the skills required and size of the Board, taking into account future requirements.

New Governors are appointed under selection criteria that ensure the Board maintains a broad range of skills and relevant experience. A Governor is appointed after agreeing to become a Member of the Board, after the Secretary to the Board has received written approval from the Secretary of State for Culture, Media and Sport for their admission as a Member, and after their name has been entered in the Register of Members. Governors appointed after 1 January 2018 usually serve for a period of three years from the Annual General Meeting following the date of their appointment, and may be reappointed for two further periods of three years, subject to a maximum tenure of 9 years as a Governor. Four

Governors were appointed prior to 1 January 2018 and are available for reappointment for an additional three year period, which if approved will result in these Governors serving for a maximum of 12 years.

An induction programme is offered to all new Governors in order to ensure that they are briefed on the charity's objectives, strategy and activities, as well as their responsibilities and legal duties.

The Governors meet six times a year on a regular basis, but may meet more frequently if required.

The Board of Governors retain decision-making over certain matters, including the approval of strategic plans and major projects, remuneration matters of the Chief Executive and variations to governing documents. The Board currently has five sub-committees to assist its governance of Southbank Centre: Finance, Audit and Risk; People and Nominations; Development; Property, Commercial and Sustainability and Brand, Audience, Reach and Impact Committee.

The Board supports the principles of good governance as set out in the Charity Governance Code for larger charities and also the continuous improvement model which the Code promotes.

As part of its forward succession planning the Board takes into account the importance and value of having a diverse Board coupled with the skills needed to support the Executive Leadership Team in delivering the strategic business plan. An open and transparent method of recruitment is in place to fill vacancies on the Board and regular diversity monitoring is carried out..

As at 31 March 2024, the profile of the Board was: 9 (60%) male, 6 (40%) female; 8 (53%) Global Majority; 0 (0%) LGBT; 0(0%) disability; 0 (0%) under 35; 1 (7%) over 65.

## **Internal Financial Control**

The Board of Governors has overall responsibility for Southbank Centre's system of internal financial control. The Governors are supported in their monitoring role by the Board's Finance Audit and Risk Committee, whose members are all non-executive. The Committee reviews the effectiveness of Southbank Centre's internal financial control environment and receives reports from the external and internal auditors on a regular basis. Both auditors have the right to call a meeting of the Committee and both have direct access to its Chair.

The Governors have delegated implementation of the system of internal financial control at Southbank Centre to senior staff. The system is based on a framework of regular management information, financial regulations, administrative procedures for segregation of duties, and a system of delegation and accountability, including:

- Comprehensive annual budgets
- Monthly results reported against budget, and with year-end forecasts prepared on a regular basis
- Targets set to measure financial and other performance
- Clearly defined capital expenditure control guidelines.

Internal audit work is completed in line with an analysis of the risks to which Southbank Centre is exposed. Internal audit plans are endorsed by the Finance Audit and Risk Committee, which receives regular reports on internal audit activity.

The Governors believe that Southbank Centre's system of internal financial control provides reasonable, but not absolute, assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors and irregularities are either prevented or would be detected within a timely period. The Finance Audit and Risk Committee has monitored the operation and effectiveness of the system of internal financial control during the financial year ended 31 March 2023 through regular reports from senior staff, reports from the internal auditor and comments made in the annual management letter from the external auditors.

## **Disclosure of information to auditors**

The annual audit of Southbank Centre is carried out by Crowe U.K. LLP, who express an audit opinion on the Southbank Centre's financial statements prior to them being laid before Parliament.

In so far as the Governors are aware:

- There is no relevant audit information of which the Charity's auditor is unaware.
- They have taken all steps necessary to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.
- The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **Fundraising statement**

Our aim is always to ensure we raise funds from the public in a respectful and compelling way that is consistent with our values.

Our fundraising is carried out by our in-house fundraising teams and there are no arrangements for others to act on our behalf as professional fundraisers or commercial participators.

Southbank Centre is a member of the Fundraising Regulator and supports its purpose and activities. We have procedures in place to ensure our staff and volunteers comply with the Fundraising Regulator's Code of Fundraising Practice and all relevant legislation; we are not aware of any failure by our staff or volunteers to meet these standards. We are committed to acting promptly if we receive any information indicating we have not met these standards.

Southbank Centre did not receive any complaints about fundraising activities carried out.

Southbank Centre recognises the need to protect vulnerable people and ensures that no donation is sought or gained from someone who may not have the capacity to make an informed or considered decision. Southbank Centre does not engage in unsolicited approaches to the public, whether by use of external agencies or otherwise for the purposes of raising funds. Donation boxes are present.

## **Political and Charitable Donations**

Neither the Charity or any of its subsidiaries made any political or charitable donations in year.

## Insurances

During the year Southbank Centre maintained liability insurance cover for the Governors of the Board, for the Trustees of the South Bank Centre Retirement Plan, for the Executive Directors and for the in-house solicitor against the consequences of neglect or fault on their part in performance of their respective duties and functions. Southbank Centre also held insurance cover for the operation of its commercial vehicles, business travel and, when required, for works of art on loan from third parties. Limited Public Liability and Employers Liability insurance is held together with Business Interruption insurance in respect of commercial activities only. Southbank Centre also carries cybersecurity insurance. Apart from these insurances, Southbank Centre is self-insured by HM Treasury (as confirmed by an agreement with the Department for Culture, Media and Sport).

By Order of the Board

  
Misan Harriman (Dec 10, 2024 14:03 GMT)

Misan Harriman  
Chair  
10 December 2024  
Southbank Centre Limited  
As Trustee for Southbank Centre

## STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The trustee (Southbank Centre Limited) is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the group and the charity and of the incoming resources and application of resources of the group and of the charity for that period. In preparing these financial statements, the trustee is required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the applicable Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the charity will continue in business.

The trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the group and the charity and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. The Trustee is also responsible for safeguarding the assets of the group and the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustee is responsible for the maintenance and integrity of the group and the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

## **INDEPENDENT AUDITORS' REPORT**

### **Opinion**

We have audited the financial statements of Southbank Centre ('the charity') and its subsidiary ('the group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet and Charity Balance Sheet, Consolidated Cash Flow Statement and notes to the financial statements, including a summary of the significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 March 2024 and of the group's 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 Charities Act 2011.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 trustee's 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 charity's or the group'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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the parent charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees 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 group's and the parent charity'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 charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud. The laws and regulations we considered in this context for the UK operations included General Data Protection Regulation (GDPR), Health and Safety legislation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities,

including fraud, to be within the timing of recognition income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, legal counsel and the Finance, Audit and Risk Committee about their own identification and assessment of the risks of irregularities, testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Crowe UK LLP*

**Crowe U.K. LLP**  
Statutory Auditor  
London

Date: 12 December 2024

**SOUTHBANK CENTRE**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
For the Year ended 31 March 2024

	Note	Unrestricted funds £'000	Restricted funds £'000	Total funds	
				2024 £'000	2023 £'000
<b>INCOME FROM:</b>					
Donations and legacies	2	18,301	2,525	20,826	23,442
Charitable Activities	3	10,651	-	10,651	11,150
Other Trading Activities	4	20,862	-	20,862	18,225
Investments	5	1,582	-	1,582	465
<b>TOTAL</b>		<b>51,396</b>	<b>2,525</b>	<b>53,921</b>	<b>53,282</b>
<b>EXPENDITURE ON:</b>					
Raising funds	9	1,396	-	1,396	1,327
Charitable activities	9	45,283	2,316	47,599	44,898
Other costs: Trading activities	9	7,591	-	7,591	7,655
<b>TOTAL</b>		<b>54,270</b>	<b>2,316</b>	<b>56,586</b>	<b>53,880</b>
Net (expenditure)/income before transfers		(2,874)	209	(2,665)	(598)
Transfers	19	547	(547)	-	-
<b>Other recognised (losses)/gains</b>					
Actuarial (loss)/gain on defined benefit pension schemes	23	1,103	-	1,103	-
Gain/(Loss) on derivative financial instrument		48	-	48	1,070
<b>Net Movement in funds</b>		<b>(1,176)</b>	<b>(338)</b>	<b>(1,514)</b>	<b>472</b>
Fund balances brought forward at 1 April 2023		226,609	2,100	228,709	228,237
<b>Total funds carried forward at 31 March 2024</b>		<b>225,433</b>	<b>1,762</b>	<b>227,195</b>	<b>228,709</b>

All of the above results are derived from continuing activities.  
The notes on pages 35 to 60 form part of these financial statements.  
The financial statements have been prepared in accordance with FRS 102.  
Full prior year disclosure of the Consolidated Statement of Financial Activities is shown in Note 27.  
There is no material difference between the net income/(expenditure) before transfers for the financial years stated above and their historical cost equivalent.

SOUTHBANK CENTRE  
BALANCE SHEETS  
As at 31 March 2024

	Notes	Group		Charity	
		2024 £'000	2023 £'000	2024 £'000	2023 £'000
<b>Fixed assets</b>					
Tangible assets	11	221,939	225,492	221,939	225,492
Heritage assets	13	70	70	70	70
Intangible assets	12	326	89	326	89
Investments	14	11,407	18,097	11,407	18,097
<b>Total fixed assets</b>		<b>233,742</b>	<b>243,748</b>	<b>233,742</b>	<b>243,748</b>
<b>Current assets</b>					
Stocks of consumables and goods held for resale		392	303	79	31
Short term investments	14	18,500	-	7,500	-
Debtors - due within one year	15	9,829	6,411	12,869	5,296
Cash at bank and in hand		4,204	22,147	2,658	15,322
<b>Total current assets</b>		<b>32,925</b>	<b>28,861</b>	<b>23,106</b>	<b>20,649</b>
<b>Liabilities</b>					
Creditors: amounts falling due within one year	16	(18,984)	(22,657)	(16,736)	(20,844)
<b>Net current assets</b>		<b>13,941</b>	<b>6,204</b>	<b>6,370</b>	<b>(195)</b>
<b>Total assets</b>		<b>247,683</b>	<b>249,951</b>	<b>240,112</b>	<b>243,553</b>
Creditors: amounts falling due after one year	18	(20,488)	(21,243)	(20,488)	(21,243)
Net assets excluding pension liability		227,195	228,709	219,624	222,310
Defined benefit pension asset / (liability)	23	-	-	-	-
<b>Total net assets</b>		<b>227,195</b>	<b>228,709</b>	<b>219,624</b>	<b>222,310</b>

**THE FUNDS OF THE GROUP**  
As at 31 March 2024

	Notes	Group		Charity	
		2024 £'000	2023 £'000	2024 £'000	2023 £'000
<b>Unrestricted income funds</b>					
General reserves	19	6,436	5,564	(1,135)	(835)
Designated funds	19	218,997	221,045	218,997	221,045
Pension reserve	23	-	-	-	-
		<u>218,997</u>	<u>221,045</u>	<u>218,997</u>	<u>221,045</u>
Total unrestricted income funds	19	<u>225,433</u>	<u>226,609</u>	<u>217,862</u>	<u>220,210</u>
<b>Restricted income funds</b>					
Projects fund	19	1,762	2,100	1,762	2,100
Total restricted income funds	19	<u>1,762</u>	<u>2,100</u>	<u>1,762</u>	<u>2,100</u>
<b>Total group funds</b>	19	<u>227,195</u>	<u>228,709</u>	<u>219,624</u>	<u>222,310</u>

The notes on pages 35 to 60 form part of these financial statements.

The financial statements on pages 30 to 34 were approved by the Board of trustees and signed on its behalf by

  
Misan Harriman (Dec 10, 2024 14:03 GMT)

Misan Harriman  
Chair  
10 December 2024

*Southbank Centre's (excluding Southbank Centre Enterprises Limited) gross income for the year was £45,619k (2023 gross income: £44,406k).*

*Southbank Centre's (excluding Southbank Centre Enterprises Limited) net expenditure for the year was £2,734k (2023 net expenditure: £2,651k).*

SOUTHBANK CENTRE  
CONSOLIDATED STATEMENT OF CASH FLOW  
As at 31 March 2024

	Note	2024 £'000	2023 £'000
Net cash inflow from operating activities		4,973	8,496
<b>Net cash generated from operating activities</b>		<u>4,973</u>	<u>8,496</u>
<b>Cash flow from investing activities</b>			
Purchase of tangible fixed assets	11	(4,855)	(3,080)
Purchase of intangible fixed assets	12	(321)	-
Investments	14	6,689	(2,068)
Sale of tangible fixed assets		1	51
Interest received	5	<u>1,582</u>	<u>465</u>
<b>Cash used in investing activities</b>		3,097	(4,632)
<b>Cash flow from financing activities</b>			
Loan received		-	-
Repayment of loan		(6,211)	(1,482)
Repayment of derivative financial instrument		(362)	
Interest expense		(940)	(1,063)
<b>Cash generated (used in) / from financing activities</b>		(7,513)	(2,545)
<b>Net (decrease) / increase in cash and cash equivalents</b>		<u>557</u>	<u>1,319</u>
Cash and cash equivalents at the beginning of the year		22,148	20,829
Cash and cash equivalents at the end of the year		22,704	22,148
Net (outgoing) / incoming resources before transfers		(2,665)	(598)
Interest received	5	(1,582)	(465)
Interest paid	7	940	1,063
Depreciation and amortisation charge	11, 12	8,492	8,379
Loss/(Gain) on FA disposal		(1)	(50)
Impairment of Intangible Fixed Assets	12	-	-
(Increase)/Decrease in stock		(90)	(10)
Decrease/(increase) in debtors	15	(3,418)	(67)
(Decrease)/ increase in creditors	16, 18	2,195	244
Retirement benefits movements	23	<u>1,103</u>	<u>-</u>
<b>Net cash inflow from operating activities</b>		<u>4,973</u>	<u>8,496</u>

SOUTHBANK CENTRE  
CONSOLIDATED STATEMENT OF CASH FLOW  
As at 31 March 2024

**Analysis of cash and cash equivalents**

	2024 £'000	2023 £'000
Cash in hand	4,204	22,148
Short term deposits	18,500	-
<b>Total cash and cash equivalents</b>	<b>22,704</b>	<b>22,148</b>

## SOUTHBANK CENTRE NOTES TO THE FINANCIAL STATEMENTS

### 1. Statement of Accounting Policies

#### a) *Basis of Preparation*

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in July 2014 (SORP) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'.

#### b) *General Information*

Southbank Centre is a registered charity (Registered Charity No. 298909) and is incorporated and domiciled in the United Kingdom. The address of its registered office is Belvedere Road, London, SE1 8XX.

#### c) *Summary of significant accounting policies*

The principal accounting policies have been applied consistently in dealing with items which are considered material in relation to Southbank Centre's Financial Statements are as follows.

#### d) *Going Concern*

The Governors are required to consider whether the Southbank Centre has sufficient current and forecast cash resources to cover the working capital requirements of the company for at least 12 months from the date of signing this report and financial statements.

The key financial risk to Southbank Centre is considered to be the impact of inflation on the organisation through any reduction in demand due to the increases in cost of living on our visitors or our artistic and commercial partners and the impact on the cost base, in particular the level and variability of energy costs. The Charity has therefore modelled various scenarios in order to assess the impact of variability in demand or increases in its cost base.

Given the level of reserves and cash holdings the Board considers that there are sufficient resources available to the Charity to sustain the operation in all likely scenarios and the Charity will be able to meet all the requirements of our loans and obligations under our ACE NPO Funding Agreement. We continue to monitor and take necessary actions to ensure that we maintain an appropriate reserve and cash levels in order to operate.

Having taken these factors into account the Board of Governors has a reasonable expectation that Southbank Centre has adequate resources to continue operating for the foreseeable future being at least twelve months from the date of approval of these financial statements and, for this reason, have prepared the financial statements on a going concern basis.

## 1 Statement of Accounting Policies (continued)

### e) *Group Financial Statements*

A wholly owned subsidiary, Southbank Centre Enterprises Limited, undertakes certain commercial activities on behalf of Southbank Centre. The results of Southbank Centre Enterprises Limited are consolidated with the financial statements for Southbank Centre (together the 'group'). In accordance with Section 408 of Companies Act 2006, a separate Statement of Financial Activities for Southbank Centre is not shown. See note 24 for details on the results of Southbank Centre Enterprises Limited.

Uniform accounting policies are used across the group, and intra-group transactions are eliminated on consolidation.

### f) *Income Recognition*

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The grant received from Arts Council England is recognised within income in the period to which it relates. Any grants received in advance of entitlement are deferred and included within creditors.

Donations and sponsorship are included as income when they are receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Funding for assets under construction is credited to incoming resources when receivable.

Income from other trading activities comprises income from trading activities, fundraising, and other income. This income is recognised on a receivable basis.

Income classified as 'Artistic activity' which relates to performance and specific deliverables is recognised when the group earns the right to consideration by its performance. Where income is received in advance of entitlement its recognition is deferred and included in creditors. Where entitlement occurs before income is received, the income is accrued. Amounts received in respect of Creative Tax Reliefs are included as income for the relevant activity when receivable.

### g) *Expenditure and resources expended*

As with income, expenditure is recognised as incurred in the financial year of the particular activity to which it relates. Resources expended are included in the Statement of Financial Activities on an accruals basis, and are classified under headings that aggregate all costs related to that category. The costs of those activities which support one or more of the group's activities have been allocated to those activities using an appropriate basis. Cost allocation includes an element of judgement and consideration has been given to the cost benefit of detailed calculations and record keeping.

Costs of Raising Funds are those incurred by the Development department for the purposes of the group.

Retail and trading costs are those incurred in the running of commercial activities on the estate. Governance costs comprise those incurred as a result of constitutional and statutory requirements. A breakdown of these costs is included in Note 10 - Allocation of Support Costs

### h) *Taxation*

The Charity is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

### i) *Foreign Currencies*

The functional and presentational currency is pounds sterling.

Monetary assets and liabilities in foreign currencies are translated at the rates of exchange at the balance sheet date. All differences are recognised in the Statement of Financial Activities.

## 1 Statement of Accounting Policies (continued)

### j) *Employee Benefits*

The Group provides a range of benefits to employees, including holiday pay, annual bonus arrangements and defined benefit and defined contribution pension plans.

#### i) *Short term benefits*

Short term benefits, including holiday pay, termination payments and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

#### ii) *Defined contribution pension plans*

For defined contribution plans the amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Difference between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

#### iii) *Defined benefit pension plans*

Southbank Centre contributed to a pension scheme through the South Bank Centre Retirement Plan (the Pension Plan). The defined benefit scheme closed to future accrual in 2022. The defined contribution funds were transferred to a master trust in 2022 and the section formally closed in 2023. The Pension Plan's assets are held separately from those of Southbank Centre in an independently administered trust fund. Southbank Centre is complying with the reporting requirements of Section 28 of FRS 102 'Employee Benefits', in relation to the Pension Plan's defined benefit section, and the surplus is treated as an unrestricted fund.

A defined benefit plan defines the pension benefit that the employee will receive on retirement usually dependent on several factors including age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan. Pension plan assets are measured at fair value. The defined benefit obligation is calculated using the projected unit credit method. Annually Southbank Centre engage independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future payments ('discount rate').

The fair value of the plan assets is measured in accordance with FRS 102 fair value hierarchy and in accordance with the group's policy for similarly held assets. This includes the use of appropriate valuation techniques. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Statement of Financial Activities. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit pension plan'.

The cost of the defined benefit plan, recognised in Statement of Financial Activities as employee costs, except where included in the cost of an asset, comprises:

- a) the increase in pension benefit liability arising from employee service during the period; and
- b) the cost of plan introductions, benefit changes, curtailments and settlements

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The cost is recognised in the Statement of Financial Activities as finance expense.

### k) *Leases*

- i) Where the group enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the Balance Sheet as a tangible fixed asset and is depreciated over its estimated useful life or the term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included in creditors. Rentals payable are apportioned between the finance element representing a constant proportion of the capital balance outstanding, which is charged to the SOFA, and the capital element which reduces the outstanding obligation for future instalments. All

## 1 Statement of Accounting Policies (continued)

### k) Leases (continued)

other leases are accounted for as operating leases and the rentals are charged to the SOFA on a straight line basis over the life of the lease.

ii) Where income is receivable under retail unit or similar lease agreements, the basic element is recognised on a straight line basis over the period to the next rent review, and any element based on a percentage of turnover of the lessee is recognised in the period to which that turnover relates.

### l) Fixed assets and depreciation

The Royal Festival Hall, Queen Elizabeth Hall and Purcell Room and the Hayward Gallery are stated in the balance sheet at depreciated replacement cost as at 1 April 2014 with additions since that date included at cost. All other land and buildings have been stated at cost.

i) Depreciation is provided on the properties at rates calculated to write off the revalued amounts over the estimated useful lives of the major buildings. New additions have been written off over the useful life of the building to which that addition relates. Site development costs are capitalised and depreciated over 10 years, their expected period of economic benefit. Expenditure on maintenance of the properties is charged to the Statement of Financial Activities in the year in which it is incurred. Depreciation on lease premiums is charged over the length of the lease.

ii) Depreciation is provided on all other tangible fixed assets acquired since 1 April 1986 at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life. The expected useful life is reviewed on an annual basis along with the residual value of assets. The expected useful life for Fixtures and Fittings is 10 years, for Plant and Machinery 4 years and for Motor Vehicles 8 years. Individual items costing under £1,000 are not capitalised unless they form part of a bulk purchase costing over £1,000 in aggregate and can be monitored.

iii) Assets in the course of construction are held at cost and are not depreciated.

iv) The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying values may not be recoverable.

### m) Intangible fixed assets and amortisation

Intangible assets with an economic life of more than more than one year and value greater than £1,000 are capitalised. All intangible assets are measured at cost.

Amortisation is provided on all intangible assets, at rates calculated to write off the value of each asset evenly over its expected useful life with no residual value assumed.

Purchased software licences	the contractual period
Website	4 years

Amortisation is charged on the month when assets are capitalised and ends the month they are disposed.

The carrying values of intangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying values may not be recoverable.

### n) Heritage assets

Southbank Centre maintains the following types of heritage assets:

- The Southbank Centre Collection of artwork and sculptures that have been gifted to Southbank Centre.

- The Southbank Centre Archive which aims to collect, manage and preserve information, documents and artefacts relating to events and exhibitions held in the performing arts and public spaces of Southbank Centre.

- The National Poetry Library, the most comprehensive and accessible collection of modern poetry in Britain.

A heritage asset is recognised when that asset has historic, artistic, scientific, technological, geophysical or environmental qualities, they contributes to knowledge and culture through its retention and use and is accessible to the public for viewing and/or research.

## 1 Statement of Accounting Policies (continued)

### n) *Heritage asset (continued)*

Acquisitions to Southbank Centre's heritage assets are made by donations or purchase. Southbank Centre may occasionally dispose of assets from its collections if the Trustee believes this is in the best interest of Southbank Centre and this is not deemed to compromise the integrity of the collections.

The Trustee believes that given the incomparable nature of Southbank Centre's heritage assets even if valuations could be obtained, the costs would be onerous compared with the additional benefits derived by Southbank Centre and users of the financial statements. As a result, Southbank Centre does not recognise these items on the Balance Sheet, other than recent acquisitions of artwork and sculptures for the Southbank Centre Collection. Recent acquisitions of artworks and sculptures greater than £1,000 are recorded at cost if acquired, or at Southbank Centre's best estimate of fair value if donated to Southbank Centre. Purchases under £1,000 and costs associated with renovating and maintaining Southbank Centre's archive, poetry library and other heritage assets are recognised in the Statement of Financial Activities in the period they are incurred.

### o) Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell and comprise catalogues and other goods held for resale. Cost is determined on a weighted average basis. A provision is made for slow moving, obsolete or defective stock to the extent that the cost price is estimated to exceed the net realisable value. There is no material difference between the value of stock as stated and the replacement cost of this stock.

### p) Impairment of tangible and intangible assets

At each balance sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset may be impaired. If there is such an indication the recoverable amount of the asset is compared to the carrying amount of the asset."

The recoverable amount of the asset is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Financial Activities unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in statement of financial activities.

If an impairment loss is subsequently reversed, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the Statement of Financial Activities.

### q) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

### r) Funds

Unrestricted funds are those funds which can be used for any charitable purpose. Within unrestricted funds are designated funds which are those funds which have been set aside by the Governors for a particular purpose. Restricted funds may only be used in accordance with the specific wishes of donors.

## 1 Statement of Accounting Policies (continued)

### r) Funds (continued)

At year-end the levels of funds are reviewed and transfers are made between funds to reflect where donor requirements on restricted funds utilised for capital purchases have been met, and a change in the level of designated funds is deemed appropriate.

### s) Financial instruments

The Group has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments. The Group has taken reduced disclosure exemptions for Sections 11 and 12 FRS 102.

#### (i) Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, 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.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Financial Activities.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the SOFA.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in the SOFA, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

#### (ii) Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, 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.

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. Accounts 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.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Southbank Centre uses derivative financial instruments to reduce exposure

## 1 Statement of Accounting Policies (continued)

- s) Financial instruments (continued)  
to interest rate movements. Southbank Centre does not hold or issue derivative financial instruments for speculative purposes.

Derivatives including interest rate swaps are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair values. Changes in the fair value are recognised in the Statement of Financial Activities in finance costs or finance income as appropriate, unless they are included in a hedging arrangement. The swaps are derecognised when the liability are extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

### (iii) Offsetting

Financial assets and liabilities are offset and 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.

### iv) Hedging arrangements

The group does not generally apply hedge accounting in respect of forward foreign exchange contracts held to manage the cash flow exposures of forecast transactions denominated in foreign currencies.

The group applies hedge accounting for transactions entered into to manage the cash flow exposures of borrowings. Interest rate swaps are held to manage the interest rate exposures and are designated as cash flow hedges of floating rate borrowings.

Changes in the fair values of derivatives designated as cash flow hedges, and which are effective, are recognised directly in equity. Any ineffectiveness in the hedging relationship (being the excess of the cumulative change in fair value of the hedging instrument since inception of the hedge over the cumulative change in the fair value of the hedged item since inception of the hedge) is recognised in the SOFA.

The gain or loss recognised in other comprehensive income is reclassified to the income statement when the hedge relationship ends. Hedge accounting is discontinued when the hedging instrument expires, no longer meets the hedging criteria, the forecast transaction is no longer highly probable, the hedged debt instrument is derecognised or the hedging instrument is terminated.

- t) Critical accounting judgements and key source of estimation uncertainty  
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical judgements in applying the entity's accounting policies:

### (i) Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 15 for the net carrying amount of the debtors.

## **1 Statement of Accounting Policies (continued)**

### t) Critical accounting judgements and key source of estimation uncertainty (continued)

#### (ii) Defined benefit pension scheme

The company has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends. See note 23 for the disclosures relating to the defined benefit pension scheme.

#### (iii) Deferred and advanced ticket income

Deferred income and income received in advance has been reviewed and where it has been agreed that the income will be deferred to an event after 31 March 2023, this has been treated as Creditors falling due after one year.

## 2 Donations and Legacies

	Unrestricted Funds £'000	Restricted Funds £'000	2024 £'000	2023 £'000
Donations and sponsorships	1,466	1,263	2,729	3,769
Arts council grant	16,835	1,262	18,097	19,673
<b>Total</b>	<b>18,301</b>	<b>2,525</b>	<b>20,826</b>	<b>23,442</b>

## 3 Charitable Activities

	Unrestricted Funds £'000	Restricted Funds £'000	2024 £'000	2023 £'000
<b>Artistic activities</b>				
Ticket Income	6,979	-	6,979	8,107
Artistic rentals	2,631	-	2,631	2,311
Other income	1,041	-	1,041	732
<b>Total</b>	<b>10,651</b>	<b>-</b>	<b>10,651</b>	<b>11,150</b>

## 4 Other Trading Activities

	Unrestricted Funds £'000	Restricted Funds £'000	2024 £'000	2023 £'000
<b>Other Trading Activities</b>				
Retail sales	1,964	-	1,964	1,687
Concessions	11,992	-	11,992	10,834
Hall and space rentals	4,354	-	4,354	3,195
Memberships and subscriptions	781	-	781	882
Other income	1,771	-	1,771	1,627
<b>Total</b>	<b>20,862</b>	<b>-</b>	<b>20,862</b>	<b>18,225</b>

## 5 Investments

	Unrestricted Funds £'000	Restricted Funds £'000	2024 £'000	2023 £'000
Interest receivable	1,582	-	1,582	465
<b>Total</b>	<b>1,582</b>	<b>-</b>	<b>1,582</b>	<b>465</b>

## 6 Net Income / (Expenditure)

	2024 £'000	2023 £'000
Income is stated after crediting:		
Income from Creative Tax reliefs included within income from charitable activities	757	642
Expenditure is stated after charging / (crediting):		
Operating lease charges	90	367
Depreciation and amortisation charge on assets	8,492	8,367
Auditors' remuneration for audit services (Southbank Centre)	74	70
Auditors' remuneration for audit services (Enterprises)	8	8
(Surplus)/ loss on foreign exchange differences	(1)	25
Bad debt expense movement	(26)	45

## 7 Interest Expense

	Unrestricted Funds £'000	Restricted Funds £'000	2024 £'000	2023 £'000
Interest expense	940	-	940	1,063
<b>Total</b>	<b>940</b>	<b>-</b>	<b>940</b>	<b>1,063</b>

## 8 Staff Costs

	2024 £'000	2023 £'000
Employee costs amounted to:		
Wages and salaries	16,328	14,887
Social security costs	1,463	1,452
Pension costs	951	834
Past service cost:		
Defined benefit pension	1,093	-
<b>Total</b>	<u>19,835</u>	<u>17,173</u>

The past service cost in respect of the defined benefit pension scheme is balanced by an actuarial gain of £1.1m (see note 23).

Costs relating to terminations in the year are included in the above and were £76k (2023: £64k) of which Nil (2023: £nil) was accrued at year end.

The Governors (Chairman and Board members) are not remunerated for their services and Governors received £nil (2023: £nil) in reimbursement of travelling and subsistence expenses.

	Average number of employees		Average full time equivalent number of employees	
	2024 No.	2023 No.	2024 No.	2023 No.
Raising Funds	13	14	13	14
Charitable Activities	116	111	106	100
Venue Operation	243	208	155	133
Other	35	28	29	23
Support	77	86	73	79
	<u>484</u>	<u>447</u>	<u>376</u>	<u>349</u>

Visitor Experience staff who staff all of our venues are included within venue operation.

Higher paid employees received remuneration, including redundancy payments but excluding pension costs, within the following bands:

	2024 No.	2023 No.
£60,000 - £69,999	14	10
£70,000 - £79,999	5	3
£80,000 - £89,999	3	3
£90,000 - £99,999	2	3
£100,000 - £109,999	2	1
£110,000 - £119,999	1	1
£120,000 - £129,999	1	1
£130,000 - £139,999	-	1
£140,000 - £149,999	1	-
£150,000 - £159,999	-	-
£160,000 - £169,999	-	1
£180,000 - £189,999	1	1
£200,000 - £209,999	1	-
	<u>31</u>	<u>25</u>

## **8 Staff costs (continued)**

Of these 31 (2023: 25) employees, Southbank Centre paid pension contributions of £177,385 for 25 employees (2023: £270,895; 25 employees), who were members of the defined contribution section of the pension scheme. The group did not pay any contributions into the defined benefit section of the pension scheme (2023: £15,527; 1 employee).

The Executive Leadership Team comprises of 6 full time staff (2023 - 6 staff) whose remuneration in the year was £828k (2023: £753k). In addition to this, Southbank Centre also paid £58k (2023: £45k) in pension contribution and £86k in Employer National Insurance Contributions (2023: £95k) for the 6 members of Executive Leadership Team during the year.

The Chief Executive has opted to continue taking a voluntary reduction in total pre covid remuneration including employer pension contributions, amount to 13%. The Chief Executive's remuneration for the year totalled £204k, with employer pension contributions of £15k (2023: remuneration of £186k and no pension contributions). No Executive Leadership Team member received bonuses.

## 9 Total Resources Expended

	Direct costs of Charitable Activity £'000	Artistic and Exhibition Venue costs £'000	Support costs £'000	Total 2024 £'000	Total 2023 £'000
Costs of raising funds	993	109	294	1,396	1,328
Expenditure on charitable activities	18,092	17,251	12,256	47,599	44,898
Other costs: Trading activities	3,799	2,082	1,710	7,591	7,655
	<b>22,884</b>	<b>19,442</b>	<b>14,260</b>	<b>56,586</b>	<b>53,881</b>

Other includes interest payable of £940k (2023: £1,063k) (note 7).

## 10 Allocation of Support Costs

	Management Support Services £'000	Depreciation & Disposals £'000	2024 £'000	2023 £'000
Costs of raising funds	244	48	292	283
Expenditure on charitable activities	4,647	7,611	12,258	11,706
Other costs: Trading activities	878	833	1,711	1,689
<b>Total Support Costs</b>	<b>5,769</b>	<b>8,492</b>	<b>14,261</b>	<b>13,678</b>

Management and Support Services comprises Finance, Legal, HR and Governance. These are allocated as above based on their proportionate costs to overall Artistic, Exhibition, Creative Learning and Public Participation costs. Depreciation relates to all depreciation over the entire site and are allocated based on floor area.

Costs classified as governance relate to the general running of the charity and included operations of the Board of Governors and addressing constitutional, audit and other statutory matters. Governance costs are included within management and administration support costs and are made up of the following:

	2024 £'000	2023 £'000
Internal audit	34	36
External audit	83	77
Governors' indemnity insurance	11	15
Apportionment of staff costs	292	244
	<b>420</b>	<b>372</b>

## 11 Tangible Assets

Group and charity	Land & Buildings (Artistic) £'000	Land & Buildings (Other) £'000	Assets under Construction £'000	Fixtures & Fittings £'000	Plant & Machinery £'000	Total £'000
<i>Cost</i>						
At 1 April 2023	257,495	26,647	231	8,523	10,053	302,949
Additions	-	-	3,149	563	1,143	4,855
Transfers	-	-	(683)	68	615	-
Disposals	-	-	-	(91)	(102)	(193)
<b>At 31 March 2024</b>	<b>257,495</b>	<b>26,647</b>	<b>2,697</b>	<b>9,063</b>	<b>11,710</b>	<b>307,611</b>
<i>Accumulated Depreciation</i>						
At 1 April 2023	55,468	8,847	-	5,951	7,191	77,457
Charge for the year	6,651	-	-	517	1,240	8,408
On disposals	-	-	-	(91)	(102)	(193)
<b>At 31 March 2024</b>	<b>62,119</b>	<b>8,847</b>	<b>-</b>	<b>6,377</b>	<b>8,329</b>	<b>85,672</b>
<i>Net Book Value</i>						
<b>At 31 March 2024</b>	<b>195,376</b>	<b>17,800</b>	<b>2,697</b>	<b>2,686</b>	<b>3,380</b>	<b>221,939</b>
At 31 March 2023	202,027	17,800	231	2,572	2,862	225,492

## 12 Intangible Assets

Group and charity	Software £'000	Total £'000
<i>Cost</i>		
At 1 April 2023	805	805
Additions	321	321
Transfers	-	-
Disposals	(92)	(92)
<b>At 31 March 2024</b>	<b>1,035</b>	<b>1,035</b>
<i>Accumulated Amortisation</i>		
At 1 April 2023	716	716
Charge for the year	84	84
On disposals	(91)	(91)
<b>At 31 March 2024</b>	<b>709</b>	<b>709</b>
<i>Net Book Value</i>		
<b>At 31 March 2024</b>	<b>326</b>	<b>326</b>
At 31 March 2023	89	89

## 13 Heritage Assets

### *The Southbank Centre Collection*

The Southbank Centre Collection consists of approximately 30 sculptures and 80 drawings or prints that have been gifted to SC. This collection has been built up over the last sixty years and no assets were disposed of over the last five years.

Southbank Centre aims to have the majority of the collection on display to the public around its site.

During the year ended 31 March 2023, SC has purchased two new pieces of artwork that have been added to the Southbank Centre Collection. These have been included at cost of purchase.

	Additions in year £'000	Value at 31 March 2024 £'000	Cost at 31 March 2024 £'000
Carrying amount at 1 April 2023	-	70	70
Additions: artwork	-	-	-
<b>Carrying amount at 31 March 2024</b>	<b>-</b>	<b>70</b>	<b>70</b>

### *The Southbank Centre Archive*

Southbank Centre Archive aims to collect, manage and preserve information, documents and artefacts relating to events and exhibitions held in the performing arts and public spaces of Southbank Centre. The Archive includes print material (programmes, leaflets and festival brochures), photographs, recordings of performances and events, general ephemera (tickets, gifts, promotional items, objects and artefacts), written or recorded memories, letters or postcards describing visits, employment or other experiences of the site. The archive is maintained by Southbank Centre's Archivist.

### *Poetry Library*

The National Poetry Library houses the National poetry collection. The collection, dating from about 1914, consists mostly of poetry from the United Kingdom and Ireland, a large selection from English-speaking countries worldwide, poetry in translation, poetry by and for children, rap and concrete poetry. Audio and video facilities are available in addition to a large variety of magazines, press cuttings and ephemera. Membership is free and the library is open 6 days a week.

The library contains over 100,000 items and is growing all the time. The library aims to hold all poetry titles published in the UK with a representation of works from other countries.

The library is funded by the ongoing support of Arts Council England.

## 14 Investments

	Group		Charity	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Fixed asset investments	11,407	18,097	11,407	18,097
Short term investments	18,500	-	7,500	-
	<b>29,907</b>	<b>18,097</b>	<b>18,907</b>	<b>18,097</b>

All investments relate to term cash deposits. Those that are intended to be held for 12 months or more are treated as fixed asset investments and those under 12 months are treated as short term investments within current assets.

## 15 Debtors: Amounts Due Within One Year

	Group		Charity	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Trade debtors	1,405	1,765	756	677
Amounts owed by group undertakings	-	-	5,212	1,249
Other debtors	864	844	759	774
Prepayments and accrued income	7,560	3,802	6,142	2,596
	<u>9,829</u>	<u>6,411</u>	<u>12,869</u>	<u>5,296</u>

Trade debtors - Group is net of bad debt provision of £117k (2023: £154k), and Trade debtors - Charity is also net of bad debt provisions of £47k (2023: £97k).

## 16 Creditors: Amounts Falling Due Within One Year

	Group		Charity	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Bank loans and overdrafts	921	6,429	921	6,429
Trade creditors	4,066	3,118	4,011	3,035
Amounts owing to group undertakings	-	-	-	-
Advanced ticket sales	3,219	2,797	3,219	2,797
Derivative financial instrument	-	362	-	362
Accruals and deferred income	10,778	9,951	8,585	8,221
	<u>18,984</u>	<u>22,657</u>	<u>16,736</u>	<u>20,844</u>

Deferred income comprises amounts received for which the related service, project or expenditure, occurs in a future financial year.

## 17 Deferred Income

	Group		Charity	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Deferred income brought forward	3,505	2,793	1,987	1,853
Deferred in the year	5,323	3,403	3,444	1,885
Released in the year	(3,452)	(2,691)	(1,935)	(1,751)
Deferred income carried forward	<u>5,376</u>	<u>3,505</u>	<u>3,496</u>	<u>1,987</u>

## 18 Creditors: Amounts Falling Due After One Year

	Group		Charity	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Bank loans	20,488	21,191	20,488	21,191
Accruals and deferred income	-	52	-	52
	<u>20,488</u>	<u>21,243</u>	<u>20,488</u>	<u>21,243</u>

The maturity of loans and obligations (including loans due within one year) is as follows:

	Group		Charity	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Within one year	921	6,429	921	6,429
Within two to five years	11,638	11,694	11,638	11,694
After five years	8,850	9,497	8,850	9,497
	<u>21,409</u>	<u>27,620</u>	<u>21,409</u>	<u>27,620</u>

A term loan of £17.7m was provided by AIB Group (UK) plc in September 2004 to fund estate development and is secured by a fixed charge over the Royal Festival Hall extension building. The loan is partially repayable in quarterly instalments until October 2027 when a balance of £6m will remain outstanding. The balance outstanding, including interest, at 31 March 2024 was £9.8m (2023: £10.7m).

The loan received from the Culture Recovery Fund Repayable Finance of £10.9m is to provide additional liquidity in order to mitigate the effects of COVID-19 lockdown on the organisation. This provides for a fixed interest loan for 20 years at 2% per annum with a four-year capital repayment and interest payment holiday.

Analysis in changes of net debt

	At start of year £'000	Cash-flows £'000	At end of year £'000
Cash and cash equivalents	22,147	557	22,704
Loans falling due within one year	(6,429)	5,508	(921)
Loans falling due after more than one year	(21,192)	703	(20,488)
	<u>(5,474)</u>	<u>6,768</u>	<u>1,295</u>

## 19 Group and Charity Reserves

	Balances as at beginning of the year £'000	Income £'000	Expenditure £'000	Other Gains & Losses £'000	Transfers (out) / in £'000	Balances as at end of the year £'000
<b>Unrestricted Income Funds</b>						
<i>General Reserves</i>						
General Fund	5,564	51,396	(47,014)	1,103	(4,613)	6,436
Total General Reserves	5,564	51,396	(47,014)	1,103	(4,613)	6,436
<i>Designated Funds</i>						
Capital & Revaluation Reserve	211,638	-	(6,358)	48	8,173	213,501
Loan repayment reserve	5,899	-	-	-	(5,899)	-
Strategic Investment Fund	3,508	-	(898)	-	1,986	4,596
2026 Festival Reserve	-	-	-	-	900	900
Total Unrestricted Funds	226,609	51,396	(54,270)	1,151	547	225,433
<b>Restricted Funds</b>						
Projects Funds	2,100	2,525	(2,316)	-	(547)	1,762
Total Restricted Funds	2,100	2,525	(2,316)	-	(547)	1,762
<b>Total Funds (2024)</b>	<b>228,709</b>	<b>53,921</b>	<b>(56,586)</b>	<b>1,151</b>	<b>-</b>	<b>227,195</b>
Total Funds (2023)	228,237	53,282	(53,880)	1,070	-	228,709

The following table discloses the reserves for the prior year as required by the Charities SORP.

	Balances as at beginning of the year £'000	Income £'000	Expenditure £'000	Other Gains & Losses £'000	Transfers (out) / in £'000	Balances as at end of the year £'000
<b>Unrestricted Income Funds</b>						
<i>General Reserves</i>						
General Fund	7,882	50,154	(44,957)	-	(7,515)	5,564
Total General Reserves	7,882	50,154	(44,957)	-	(7,515)	5,564
<i>Designated Funds</i>						
Capital & Revaluation Reserve	-	214,816	-	(6,502)	1,070	2,254
Loan repayment reserve	-	-	-	-	5,899	5,899
Strategic Investment Fund	4,503	-	(287)	-	(708)	3,508
Total Unrestricted Funds	227,201	50,154	(51,746)	1,070	(70)	226,609
<b>Restricted Funds</b>						
Projects Funds	1,036	3,128	(2,134)	-	70	2,100
Total Restricted Funds	-	1,036	3,128	(2,134)	-	70
<b>Total Funds (2023)</b>	<b>228,237</b>	<b>53,282</b>	<b>(53,880)</b>	<b>1,070</b>	<b>-</b>	<b>228,709</b>
Total Funds (2022)	227,004	43,155	(42,448)	526	-	228,237

## 19 Group and Charity Reserves (continued)

Unrestricted funds consist of a General Reserve and Designated Reserves.

*General Reserves* are available for spending on the group's charitable objectives.

*Designated Funds:*

The Capital & Revaluation Reserve reflects funds designated for capital projects, costs relating to capital projects (including interest), maintenance and depreciation on funded assets as well as the balance of surplus or deficit on the revaluation of Land and Buildings (Artistic as per Note 11).

The Loan repayment reserve reflects funds designated for repayment of the loan provided by Lloyds Bank plc. This balance reflects the outstanding loan (£5.5m) and the fair value of the swap agreement (£0.36m) which were paid during the year.

The Strategic Investment Fund has been set up to provide investment in artistic ambition, innovation, inclusion, sustainability and financial resilience over a 1-3 year timeframe.

The 2026 Festival Reserve reflects the balance allocated the Royal Festival Hall's 75<sup>th</sup> Anniversary.

*Restricted funds:* The Projects Fund holds restricted grants received in advance of expenditure for operating projects.

### Transfers in the year

£8.1m was transferred from the General Reserve and Loan repayment reserve to the Capital Reserve (2023: £5.9m to the loan repayment reserve).

£0.5m was transferred from the Restricted Reserve to the Capital Reserve (2023 £0.07m from General Reserve to Restricted Reserve).

£2.0m was transferred from the General Reserve to the Strategic Investment Fund (2022: £1.32m).

£0.9k was transferred from the General Reserve to the 2026 Festival Reserve.

### Charity Reserves

The difference between the Group and Charity reserves is solely due to the Gift Aided donation from Southbank Centre Enterprises Ltd to Southbank Centre. This donation of £7.5m (2023: £6.4m) will be made after year end and credited to the Southbank Centre reserves at the date of receipt.

### Analysis of net assets between funds

	Restricted £'000	Unrestricted £'000	2024 £'000	2023 £'000
Tangible and intangible fixed assets	-	233,742	233,742	243,748
Current assets	1,762	31,163	32,925	28,861
Current liabilities	-	(18,984)	(18,984)	(22,657)
Creditors falling due after one year	-	(20,488)	(20,488)	(21,243)
	<u>1,762</u>	<u>225,433</u>	<u>227,195</u>	<u>228,709</u>

## 20 Capital Commitments

Group and Charity	2024 £'000	2023 £'000
Authorised and contracted	<u>1,611</u>	<u>1,727</u>

Capital commitments in prior year related to property costs.

## 21 Commitments Under Operating Leases

The Group had the following future minimum lease payments under non-cancellable operating leases, as a lessee, for each of the following periods:

	2023 £'000	2023 £'000
<b>Payments due</b>		
Not later than one year	90	367

## 22 Operating Lessor

The Group had the following future minimum lease receivables under non-cancellable operating leases, as a lessor, for each of the following periods:

	2024 £'000	2023 £'000
<b>Receipts due</b>	25,225	28,972
Not later than one year	4,038	4,053
Later than one year and not later than five years	14,649	15,900
Later than five year	6,538	9,019

## 23 Pension Costs

The group provides pension benefits through the Southbank Centre Retirement Plan which operates two different sections. The defined benefit section was closed to new members from 1 April 2001 and the defined contribution section was opened to new members of staff joining on or after that date. Until May 2022 pension contributions were also made to Now pensions.

Neither South Bank Foundation Limited nor Southbank Enterprises Limited have a pension fund.

The defined benefit section was closed to future accrual in May 2022. From May 2022 all defined contribution contributions are made to the Aviva Master Trust. The defined contribution assets of the Southbank Centre Retirement Plan were transferred to that scheme in October 2023 and this section of the scheme was closed during 2023.

The amount recognised in the SOFA is as follows:

	2024 £'000	2023 £'000
Defined benefit scheme		
Current service costs	-	10
Defined contribution scheme	951	824
Total charge in net expenditure	<u>951</u>	<u>834</u>
Defined benefit scheme		
Net interest (income) / expense	(280)	(298)
	<u>671</u>	<u>536</u>

### (a) Defined benefit plan

The defined benefit section is funded by employer and employee contributions with assets held in separate trustee administered funds. A full actuarial valuation of the section was undertaken as at 1 April 2023 by a qualified independent actuary on behalf of the trustees of the plan. The actuary has undertaken additional calculations to produce estimated results for the purposes of Section 28 of FRS 102. The section closed to future accrual as from 1 May 2022 and no contributions are to be made into the scheme in respect of salaries after this date.

The surplus on the pension scheme is not recoverable by the Southbank Centre until the pension scheme has been wound up, which is expected to be a long way into the future. It is, therefore, not deemed to be probable that the surplus will bring future economic benefits to the Southbank Centre as so many variables which go into calculating the surplus could change during this time. As such, an asset has not been recognised for the full balance of the surplus. As the scheme closed to future accrual as from 1 May 2022 the surplus is no longer anticipated to reduce future employer contributions to the scheme, and therefore no asset has been recognised.

The plan provides retirement benefits on the basis of members' final salary. The plan is administered by an independent trustee, who is responsible for ensuring that the plan is sufficiently funded to meet current and future obligations.

An actuarial valuation of the plan, using the projected unit credit method, was carried out at 31 March 2024 by BBS Actuaries, independent consulting actuaries. Adjustments to the valuation at that date have been made based on the following key assumptions:

	2024	2023
Expected rate of salary increase	n/a	2.8%
Expected rate of increase of pensions in payment	1.90%	2.0%
Discount rate	4.70%	4.6%
Rate of inflation (RPI)	3.30%	3.3%
Rate of inflation (CPI)	2.80%	2.8%

## 23 Pension Costs (continued)

The mortality assumptions used were as follows:

	2024 years	2023 years
Longevity at age 65 for current pensioners		
Men	22.2	22.8
Women	24.7	25.1
Longevity at age 65 for future pensioners		
Men	23.5	24.1
Women	26.1	26.5

Reconciliation of plan assets and liabilities:

	Assets £'000	Liabilities £'000	Total £'000
At 1 April 2023	50,552	(43,778)	6,774
Benefits paid	(2,059)	2,059	-
Employer contributions	-	-	-
Member's contributions	-	-	-
Current service cost	-	-	-
Past service cost	-	(1,093)	(1,093)
Plan expenses	(290)		(290)
Interest income/ (expense)	2,272	(1,992)	280
Remeasurement (losses) / gains			
Actuarial gains	(4,235)	839	(3,396)
As at 31 March 2024	<u>46,240</u>	<u>(43,965)</u>	<u>2,275</u>

Total cost recognised as an expense:

	2024 £'000	2023 £'000
Current service costs	-	10
Past service costs	1,093	-
Interest cost	1,992	1,565
Plan expenses	290	-
	<u>3,375</u>	<u>1,575</u>

No amounts (2023: £nil) were included in the cost of assets.

The fair value of the plan assets was:

	2024 £'000	2023 £'000
Equities		
Liability driven equities	23,964	34,126
Diversified growth fund	-	10,467
Corporate Bonds	16,948	-
Cash	244	254
London Eye asset	5,084	5,705
	<u>46,240</u>	<u>50,552</u>

The plan assets do not include any of Southbank Centre's financial instruments nor is any property occupied by any Southbank Centre entity.

## 23 Pension Costs (continued)

The return on the plan assets was:

	2024 £'000	2023 £'000
Interest income	2,272	1,863
Return on plan assets less interest income	<u>(4,235)</u>	<u>(19,366)</u>
	<u>(1,963)</u>	<u>(17,503)</u>

(b) Defined contribution plan

Southbank Centre provides a defined contribution plan for its employees.

The amount recognised as an expense for the defined contribution scheme was:

	2024 £'000	2023 £'000
Current year contributions	<u>951</u>	<u>824</u>
	<u>951</u>	<u>824</u>

Southbank Centre is aware of the Virgin Media v NTL Pension Trustees II Limited Court of Appeal judgement which may give rise to adjustments to the scheme. At present the legal process is incomplete and therefore we are unable to quantify any potential liabilities

## 24 Subsidiaries

Southbank Centre Limited owns 100% of the issued share capital of South Bank Foundation Limited (100 shares of £1 each), Southbank Centre Pension Fund Corporate Trustees Limited (1 share of £1 each) and Southbank Centre Enterprises Limited (100 shares of £1 each), on behalf of Southbank Centre. Southbank Centre is the controlling party (ultimate parent company) and therefore consolidates these subsidiaries into its financial statements. Southbank Centre Limited only acts in the capacity of sole Corporate Trustee of Southbank Centre through the appointment of its directors (the Governors of Southbank Centre) and is otherwise dormant.

*The South Bank Foundation Limited (number: 3174667)*

The South Bank Foundation Limited was formed for the purpose of fundraising for Southbank Centre, particularly its site development. South Bank Foundation Limited was dormant during the year.

*The Southbank Centre Pension Fund Corporate Trustees (number: 12510510)*

The Southbank Centre Pension Fund Corporate Trustees Limited was formed for the purpose of acting as a trustee for the Southbank Centre's pension fund. Southbank Centre Pension Fund Corporate Trustees Limited was dormant during the year.

*Southbank Centre Enterprises Limited (Registration number: 6158790)*

The principal activities of Southbank Centre Enterprises Limited are to manage certain commercial and retail activities on Southbank Centre's estate, including event hires, the bar and catering concessions and Southbank Centre's own shops. A summary of Southbank Centre Enterprises Limited's trading results are shown below:

## 24 Subsidiaries (continued)

	2024 £'000	2023 £'000
Turnover	15,832	13,325
Cost of sales	(6,059)	(4,713)
Administrative expenses	(2,562)	(2,314)
Operating profit	7,211	6,297
Interest receivable	360	101
Net profit	7,571	6,398
Profit and loss brought forward	6,398	4,344
Gift aid paid to Southbank Centre Limited	(6,398)	(4,344)
Retained in the subsidiary	7,571	6,398

As at the balance sheet date the aggregate amount of Southbank Centre Enterprises Limited assets, liabilities, share capital and reserves was:

	2024 £'000	2023 £'000
Current assets	15,031	9,461
Creditors: amount falling due within one year	(7,460)	(3,063)
Net current assets	7,571	6,398
Total net assets	7,571	6,398
Represented by:		
Profit and loss account	7,571	6,398

Southbank Centre's subsidiary, Southbank Centre Enterprises Limited, has restated income and expenditure for the year ended 31 March 2024 for expected tax credits receivable. This has resulted in an increase to income and expenditure of £1.2m respectively. There is a £nil effect on the Southbank Centre consolidated accounts as a result of this restatement.

## 25 Contingent Liabilities

Group and Charity

### *Capital grant funding*

The Royal Festival Hall refurbishment was financed by capital grants from Arts Council England and the Heritage Lottery Fund. A fixed and floating charge was taken out by Arts Council England and Heritage Lottery Fund over the assets of the charity. In the event that Southbank Centre ceases operating £49.2m would be repayable to Arts Council England and Heritage Lottery Fund under this charge.

The Royal Festival Hall extension building was financed by a £4m award from GLA Land and Property, formerly, London Development Agency. In the event that Southbank Centre ceases operating £4m would be repayable.

A grant of £16.7m was provided by the Arts Council for refurbishments to the Festival Wing (Queen Elizabeth Hall, Purcell Room and the Hayward Gallery). A fixed and floating charge was taken out by the Arts Council England over the assets of the charity. In the event that the Southbank Centre ceases operating, this grant would be repayable to the Arts Council.

## **25 Contingent Liabilities (continued)**

A term loan of £17.7m provided by AIB Group (UK) plc is secured by a fixed charge over the Royal Festival Hall extension building. This facility is repayable in quarterly instalments with the final balance repayable in October 2027.

Land and buildings comprise Southbank Centre's three concert halls, the Hayward Gallery, the extension building, Jubilee Gardens and the National Film Theatre, the last of which is occupied by the British Film Institute on an under-lease. The freehold interest in these properties is vested in Arts Council England. A lease of 150 years on these properties was granted to Southbank Centre Limited by Arts Council England commencing on 1 April 1988 and the amount shown for land and buildings represents Southbank Centre's interest. Under the terms of the lease there are constraints on the transfer of the properties and, therefore, the value cannot be realised for the benefit of Southbank Centre in an artistic way. Southbank Centre is responsible for maintaining the properties and keeping them in good repair. The value to Southbank Centre of its interest in the National Film Theatre has been assessed at nil, given the long under-lease to which it is subject. A peppercorn rent is payable on the lease from Arts Council England to Southbank Centre and on the under-lease from Southbank Centre to the British Film Institute.

## **26 Related Parties**

During the year, Southbank Centre Enterprises Ltd entered into a venue hire agreement with Culture3 Limited for an event in the Royal Festival Hall. Southbank Centre Enterprises Ltd is the trading subsidiary of Southbank Centre. Misan Harriman is a Director of Culture3 Limited and Chair of Southbank Centre's Board. The contract was entered into on normal commercial terms and Misan Harriman was not involved in the negotiations. Southbank Centre Enterprises Ltd received £348,000 (excluding VAT) from Culture3 Limited in line with terms of the agreement. There were no amounts owed from Culture3 Limited as at 31 March 2024.

Donations from Trustees were £65,243 (2023: £77,574).

The American Fund for Southbank Centre Inc. ("American Fund") provides a tax efficient method for Southbank Centre to receive donations from US based donors. During the year, Southbank Centre received USD 151,263 (2023: USD nil) from the American Fund. The American Fund had USD 212,952 (2023: USD 147,182) in cash balances available to transfer to Southbank Centre at 31 March 2024.

SBC's Trading subsidiary, Southbank Centre Enterprises Ltd, was recharged staff costs of £1,006,725 (2023: £779,952), being the costs of staff incurred by the charity for activities undertaken by the company. A management fee of £1,492,125 (2023: £1,164,357) was charged to SCEL to cover overheads incurred by SBC. Amounts owing between the 2 entities at year end are shown in notes 16 and 17.

## 27 Full Prior Year Disclosure Of The Consolidated Statement Of Financial Activities

	Note	Unrestricted Funds		Restricted Funds		Total Funds	
		Operations £'000	Designated £'000	Project £'000	Capital £'000	2023 £'000	2022 £'000
<b>INCOME FROM:</b>							
Donations and legacies	2	20,314	-	3,128	-	23,442	22,753
Charitable Activities	3	11,150	-	-	-	11,150	5,747
Other Trading Activities	4	18,225	-	-	-	18,225	14,603
Investments	5	465	-	-	-	465	52
<b>TOTAL</b>		<b>50,154</b>	<b>-</b>	<b>3,128</b>	<b>-</b>	<b>53,282</b>	<b>43,155</b>
<b>EXPENDITURE ON:</b>							
Raising funds	9	1,290	37	-	-	1,327	1,059
Charitable activities	9	36,649	6,115	2,134	-	44,898	37,158
Other	9	7,018	637	-	-	7,655	4,231
<b>TOTAL</b>		<b>44,957</b>	<b>6,789</b>	<b>2,134</b>	<b>-</b>	<b>53,880</b>	<b>42,448</b>
Net (expenditure)/income before transfers		5,197	(6,789)	994	-	(598)	707
Transfers	19	(7,515)	7,445	70	-	-	-
<b>Other recognised (losses)/gains</b>							
Actuarial (loss)/gain on defined benefit pension schemes	23	-	-	-	-	-	(500)
Gain/(Loss) on derivative financial instrument		-	1,070	-	-	1,070	1,026
<b>Net Movement in funds</b>		<b>(2,318)</b>	<b>1,726</b>	<b>1,064</b>	<b>-</b>	<b>472</b>	<b>1,233</b>

All of the above results are derived from continuing activities.  
The Movements on Reserves are also described in note 19.

There is no material difference between the net income/(expenditure) before transfers for the financial years stated above and their historical cost equivalents.

	Unrestricted funds		Restricted funds		Total funds
	Operations £'000	Designated £'000	Projects £'000	Capital £'000	2023 £'000
Net movement in funds	(2,318)	1,726	1,064	-	472
Fund balances brought forward as at 1 April 2022	7,882	219,319	1,036	-	228,237
<b>Total funds at 31 March 2023</b>	<b>5,564</b>	<b>221,045</b>	<b>2,100</b>	<b>-</b>	<b>228,709</b>

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