

The Big Issue Company Limited

Report and Financial Statements

52 Week Period Ended

29 March 2020

Company Number 02612480



The Big Issue Company Limited

Company Information

Directors	S F Shafiq P Bird J L Evans P A Scales S F Todd
Registered number	02612480
Registered office	113-115 Fonthill Road London England N4 3HH
Independent Auditor	BDO LLP 55 Baker Street London W1U 7EU

The Big Issue Company Limited

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The Big Issue Company Limited

Directors' Report for the 52 Week Period Ended 29 March 2020

The directors present their report and the financial statements for the 52 week period ended 29 March 2020 for The Big Issue Company Limited (the "Company").

Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity

The Big Issue is a self-help business, whose principal activity is the production of publications that give people affected by homelessness the chance of making an income.

The Company's principal activity is the production and distribution of a publication for sale by the homeless.

Results

The profit for the 52 week period, after taxation, amounted to £29,705 (2019 - loss £114,208).

No dividend was paid during the year and the directors do not recommend payment of a dividend (2019 - £Nil). In the year ending March 2019 we incurred £123k of one-time costs as the business restructured itself to become more competitive. In the year ending March 2020 there were no similar one off costs and additional funding of £53K was received through our donations appeal.

Directors

The directors who served during the period were:

S Canham (resigned 28 May 2019)
S F Shafiq
P Bird
J L Evans
P A Scales
S F Todd

The Big Issue Company Limited

Directors' Report (continued) for the 52 Week Period Ended 29 March 2020

Qualifying third party indemnity provisions

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The company also purchased and maintained throughout the financial year directors' and officers' liability insurance in respect of itself and its directors.

Going concern

The directors of the company are currently assessing the impact of COVID-19. The situation is evolving rapid and it is not possible at this stage to determine with any certainty the impact on the company, its customers and suppliers. The directors are continually reviewing their plans and forecasts and believe that the going concern basis is appropriate. Based on the stress testing and forward looking forecasts performed, management do not consider that there is a material uncertainty with regards to going concern at the date of approval.

In the last quarter of the financial year ended 31 March 2020, the outbreak of COVID-19 has had a negative impact on the global economy. As this situation is both unprecedented and evolving, it raises some uncertainties for the Company. The Directors are actively monitoring this and its potential effect on the company. The Directors have reviewed the current and projected financial position of the company making worse case assumptions about the future performance in the light of COVID-19 including stress testing forecasts. The key areas reviewed were forecast income and cash flows for the period of at least 12 months from approving these accounts and based on these the Directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future. Accordingly, the financial statements are presented on a going concern basis.

Disclosure of information to Auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The Auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

 SHEZ SHAFIQ

.....
Director

Date: 16 MARCH 2021

The Big Issue Company Limited

Independent Auditor's Report to the Members of The Big Issue Company Limited

Opinion

We have audited the financial statements of The Big Issue Company Limited ("the company") for the period ended 29 March 2020 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 company's affairs as at 29 March 2020 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

The Big Issue Company Limited

Independent Auditor's Report to the Members of The Big Issue Company Limited (continued)

Other information

The directors are responsible for the other information. 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the director's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion,

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

The Big Issue Company Limited

Independent Auditor's Report to the Members of The Big Issue Company Limited (continued)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors 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 directors 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 directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

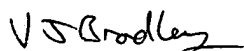
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members 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 Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Vanessa-Jayne Bradley (senior statutory auditor)

For and on behalf of BDO LLP, statutory auditor

London

United Kingdom

Date: 16 March 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

The Big Issue Company Limited

Statement of Comprehensive Income for the 52 Week Period Ended 29 March 2020

	Note	52 week period ended 29 March 2020 £	53 week period ended 31 March 2019 £
Turnover	4	4,719,200	4,854,878
Cost of sales		(1,638,650)	(1,688,133)
Gross profit		3,080,550	3,166,745
Administrative expenses		(3,021,823)	(3,289,253)
Operating profit/(loss)	5	58,727	(122,508)
Interest receivable and similar income		3,213	4,773
Profit/(loss) before tax		61,940	(117,735)
Tax on profit/(loss)	9	(32,235)	3,527
Profit/(loss) for the financial 52 week period		29,705	(114,208)

There was no other comprehensive income for 2020 (2019 - £Nil).

The notes on pages 9 to 22 form part of these financial statements.

The Big Issue Company Limited


Registered number:02612480

Statement of Financial Position as at 29 March 2020

		29 March 2020 £	31 March 2019 £
	Note		
Fixed assets			
Intangible assets	10	11,515	15,109
Tangible assets	11	246,264	291,395
Investments	12	26	26
		<u>257,805</u>	<u>306,530</u>
Current assets			
Stocks	14	6,384	9,937
Debtors	15	754,972	542,136
Cash and cash equivalents		1,152,771	1,206,731
		<u>1,914,127</u>	<u>1,758,804</u>
Creditors: amounts falling due within one year	16	(1,149,013)	(1,088,669)
Net current assets		<u>765,114</u>	<u>670,135</u>
Total assets less current liabilities		<u>1,022,919</u>	<u>976,665</u>
Deferred tax	17	(16,549)	-
		<u>(16,549)</u>	<u>-</u>
Net assets		<u><u>1,006,370</u></u>	<u><u>976,665</u></u>
Capital and reserves			
Share capital	18	3	3
Profit and loss account	19	1,006,367	976,662
		<u><u>1,006,370</u></u>	<u><u>976,665</u></u>

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

 **SHEEZ SHAFIQ**
.....
Director

Date: 16 MARCH 2021

The notes on pages 9 to 22 form part of these financial statements.

The Big Issue Company Limited

Statement of Changes in Equity for the 52 Week Period Ended 29 March 2020

	Share capital £	Profit and loss account £	Total equity £
At 1 April 2019	3	976,662	976,665
Comprehensive income for the period			
Profit for the 52 week period	-	29,705	29,705
At 29 March 2020	3	1,006,367	1,006,370

Statement of Changes in Equity for the 53 Week Period Ended 31 March 2019

	Share capital £	Profit and loss account £	Total equity £
At 26 March 2018	3	1,090,870	1,090,873
Comprehensive loss for the period			
Loss for the period	-	(114,208)	(114,208)
At 31 March 2019	3	976,662	976,665

The notes on pages 9 to 22 form part of these financial statements.

The Big Issue Company Limited

Notes to the Financial Statements for the 52 Week Period Ended 29 March 2020

1. General information

The Big Issue Company Limited (the 'Company') is a private company, limited by shares incorporated in England & Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activities are set out in the directors' report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland ('FRS 102'), and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102:

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of The Big Issue Group Limited as at 31 March 2020 and these financial statements may be obtained from the company's registered office at 113-115 Fonthill Road, London, N4 3HH.

2.3 Investment in subsidiaries

Investment in subsidiaries are held at cost less impairment.

2.4 Going concern

The Directors have prepared projected cash flows for the next 12 months using scenario testing to model the potential affects of COVID-19. When looking at this, in depth, the Directors have considered the current cash reserves in conjunction with all future income and expenditure and evaluated this against the worse case scenario of COVID-19 impacts and on this basis consider that the group will meet all liabilities as they fall due.

The Big Issue Company Limited

Notes to the Financial Statements for the 52 Week Period Ended 29 March 2020

2. Accounting policies (continued)

2.5 Turnover

Turnover represents amounts receivable in the ordinary course of business in respect of advertising turnover, the sale of publications and other complementary activities, excluding value added tax.

Turnover is recognised in line with the time period in which the publication or service is delivered.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	- 10% per annum
Fixtures, fittings and computer equipment	- 33% per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive income.

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of shares issued together with the fair value of any additional consideration paid.

2.8 Stocks

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

2.9 Intangible assets

Website development costs are capitalised and amortised from completion over a 5 year period where the company expects to generate economic benefits from the development.

The Big Issue Company Limited

Notes to the Financial Statements for the 52 Week Period Ended 29 March 2020

2. Accounting policies (continued)

2.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.12 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount which is at an approximation of the amount that the company would receive for the asset if it were to be sold the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an 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.

2.13 Creditors

Short term creditors are measured at the transaction price.

2.14 Operating leases

Rentals paid under operating leases are charged to the statement of comprehensive income on a straight line basis over the lease term.

2.15 Interest income

Interest income is recognised in the statement of comprehensive income using the effective interest method.

The Big Issue Company Limited

Notes to the Financial Statements for the 52 Week Period Ended 29 March 2020

2. Accounting policies (continued)

2.16 Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make the following judgements:

- Determine whether there are indicators of impairment of the Company's tangible assets. Factors taken into consideration in reaching such decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

4. Turnover

The whole of the turnover is attributable to the principal activity of the Company.

All turnover arose within the United Kingdom.

The Big Issue Company Limited

Notes to the Financial Statements for the 52 Week Period Ended 29 March 2020

5. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	52 week period ended 29 March 2020 £	53 week period ended 31 March 2019 £
Depreciation of tangible fixed assets	61,841	56,152
Other operating lease rentals	113,158	184,495
	<u>113,158</u>	<u>184,495</u>

6. Auditor's remuneration

	52 week period ended 29 March 2020 £	53 week period ended 31 March 2019 £
Fees payable to the Company's Auditor for the audit of the Company's annual accounts	24,303	24,303
Fees payable to the Company's Auditor and its associates in respect of:		
All other services	7,050	5,891
	<u>7,050</u>	<u>5,891</u>

The Big Issue Company Limited

Notes to the Financial Statements for the 52 Week Period Ended 29 March 2020

7. Employees

	52 week period ended 29 March 2020 £	53 week period ended 31 March 2019 £
Wages and salaries	2,105,698	2,417,823
Social security costs	228,338	234,735
Cost of defined contribution scheme	64,522	49,954
	<u>2,398,558</u>	<u>2,702,512</u>

The average monthly number of employees, including the directors, during the period was as follows:

	52 week period ended 29 March 2020 No.	53 week period ended 31 March 2019 No.
Employees	<u>87</u>	<u>87</u>

8. Directors' remuneration

	52 week period ended 29 March 2020 £	53 week period ended 31 March 2019 £
Directors' emoluments	196,343	178,134
Company contributions to defined contribution pension schemes	5,117	2,917
	<u>201,460</u>	<u>181,051</u>

During the period retirement benefits were accruing to 3 directors (2019 - 3) in respect of defined contribution pension schemes.

The Big Issue Company Limited

Notes to the Financial Statements for the 52 Week Period Ended 29 March 2020

9. Taxation

	52 week period ended 29 March 2020 £	53 week period ended 31 March 2019 £
Corporation tax		
Adjustments in respect of previous periods	13,643	(2,421)
	<u>13,643</u>	<u>(2,421)</u>
Total current tax	<u>13,643</u>	<u>(2,421)</u>
Deferred tax		
Origination and reversal of timing differences	18,909	(11,149)
Adjustments in respect of prior periods	(68)	10,043
Effect of tax rate change on opening balance	(249)	-
Total deferred tax	<u>18,592</u>	<u>(1,106)</u>
Taxation on profit/(loss) on ordinary activities	<u>32,235</u>	<u>(3,527)</u>

The Big Issue Company Limited

Notes to the Financial Statements for the 52 Week Period Ended 29 March 2020

9. Taxation (continued)

Factors affecting tax charge for the 52 week period

The tax assessed for the 52 week period is higher than (2019 - higher than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	52 week period ended 29 March 2020 £	53 week period ended 31 March 2019 £
Profit/(loss) on ordinary activities before tax	61,940	(117,735)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	11,769	(22,370)
Effects of:		
Fixed asset differences	2,393	2,501
Expenses not deductible for tax purposes	5,876	4,766
Other permanent differences	-	2,280
Losses carried back	-	363
Adjustment to tax charge in respect of prior periods	13,643	(2,421)
Adjustment to tax charge in respect of prior periods - deferred tax	(68)	10,043
Changes to tax rates	(248)	1,311
Group relief claimed	(1,130)	-
Total tax charge for the 52 week period	32,235	(3,527)

Factors that may affect future tax charges

The U.K. government announced in its budget on 11 March 2020 that the U.K. corporation tax main rate, which was due to decrease from 19.0% to 17.0% from 1 April 2020, will now remain at 19.0%. This will result in the U.K. corporation tax rate applicable to the Company remaining at 19.0% from 1 April 2020.

The Big Issue Company Limited

Notes to the Financial Statements for the 52 Week Period Ended 29 March 2020

10. Intangible assets

	Website development £
Cost	
At 1 April 2019	18,500
At 29 March 2020	18,500
Amortisation	
At 1 April 2019	3,391
Charge for the period	3,594
At 29 March 2020	6,985
Net book value	
At 29 March 2020	11,515
At 31 March 2019	15,109

The Big Issue Company Limited

Notes to the Financial Statements for the 52 Week Period Ended 29 March 2020

11. Tangible fixed assets

	Leasehold improvements £	Fixtures, fitting and computer equipment £	Total £
Cost			
At 1 April 2019	327,001	114,796	441,797
Additions	3,950	12,760	16,710
At 29 March 2020	<u>330,951</u>	<u>127,556</u>	<u>458,507</u>
Depreciation			
At 1 April 2019	84,370	66,032	150,402
Charge for the period	32,922	28,919	61,841
At 29 March 2020	<u>117,292</u>	<u>94,951</u>	<u>212,243</u>
Net book value			
At 29 March 2020	<u>213,659</u>	<u>32,605</u>	<u>246,264</u>
At 31 March 2019	<u>242,631</u>	<u>48,764</u>	<u>291,395</u>

The Big Issue Company Limited

Notes to the Financial Statements for the 52 Week Period Ended 29 March 2020

12. Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 1 April 2019	26
At 29 March 2020	26
Net book value	
At 29 March 2020	26
At 31 March 2019	26

13. Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding	Nature of business
The Big Issue in Scotland Limited	Scotland	Ordinary	100%	Publishing
The Big Issue Cymru (Wales) Limited	England and Wales	Ordinary	100%	Publishing
The Social Brokers Foundation	England and Wales	Ordinary	100%	Dormant

The directors consider the value of the investments to be supported by their underlying assets.

The Big Issue Company Limited

Notes to the Financial Statements for the 52 Week Period Ended 29 March 2020

14. Stocks

	29 March 2020 £	31 March 2019 £
Paper stock	6,384	9,937

Stock recognised in cost of sales during the period as an expense was £216,345 (2018 - £206,844).

There is no material difference between the replacement cost of stocks and the amounts stated above.

15. Debtors

	29 March 2020 £	31 March 2019 £
Trade debtors	257,234	233,118
Amounts owed by group undertakings	274,987	149,671
Other debtors	49,728	54,106
Prepayments and accrued income	173,023	103,198
Deferred taxation	-	2,043
	754,972	542,136

All amounts shown under debtors fall due for payment within one year.

Amounts owed by group undertakings are unsecured, repayable on demand and bear no interest.

16. Creditors: Amounts falling due within one year

	29 March 2020 £	31 March 2019 £
Trade creditors	245,487	160,846
Amounts owed to group undertakings	478,459	474,156
Corporation tax	27,649	14,006
Other taxation and social security	60,053	60,009
Other creditors	111,104	75,698
Accruals and deferred income	226,261	303,954
	1,149,013	1,088,669

Amounts owed by subsidiary undertakings are unsecured, repayable on demand and bear no interest.

The Big Issue Company Limited

Notes to the Financial Statements for the 52 Week Period Ended 29 March 2020

17. Deferred taxation

	2020 £	2019 £
At beginning of year	2,043	937
Charged to profit or loss	(18,592)	1,106
At end of year	<u>(16,549)</u>	<u>2,043</u>

The deferred taxation balance is made up as follows:

	29 March 2020 £	31 March 2019 £
Accelerated capital allowances	(16,549)	(16,364)
Losses and other deductions	-	18,407
	<u>(16,549)</u>	<u>2,043</u>

18. Share capital

	29 March 2020 £	31 March 2019 £
Allotted, called up and fully paid		
1 Ordinary A share of £1.00	1	1
2 Ordinary B shares of £1.00 each	2	2
	<u>3</u>	<u>3</u>

19. Reserves

Share capital

Called up share capital reserve represents the nominal value of the shares issued.

Profit and loss account

Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

The Big Issue Company Limited

Notes to the Financial Statements for the 52 Week Period Ended 29 March 2020

20. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £64,522 (2019 - £49,954). Contributions totalling £Nil were payable to the fund at the reporting date and are included in creditors (2019 - £Nil).

21. Commitments under operating leases

At 29 March 2020 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	29 March 2020 £	31 March 2019 £
Not later than 1 year	215,813	201,888
Later than 1 year and not later than 5 years	280,820	356,100
Later than 5 years	133,540	161,109

22. Related party transactions

The company has taken advantage of the exemption available under paragraph 33.1A of the Financial Reporting Standard 102 not to disclose transactions with other wholly owned members of the group.

The group recharged expenses to a connected entity, The Big Issue Foundation, during the year of £228,755 (2019 - £245,806). Outstanding amount at the year end is £1,084 (2019 - £6,429).

23. Ultimate parent company

The ultimate party undertaking and controlling party is The Big Issue Group Limited, a company incorporated in England, and is the largest group of undertakings to consolidate these financial statements at 31 March 2020. The consolidated financial statements of The Big Issue Group Limited are available from The Big Issue Group, 113-115 Fonthill Road, London, N4 3HH.