

2888206

**The Big Issue (South West)
Limited**

Report and Financial Statements

Period Ended

24 March 2008



BDO

BDO Stoy Hayward
Chartered Accountants

The Big Issue (South West) Limited

**Annual report and financial statements
for the period ended 24 March 2008**

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Directors

A J Bird

Registered office

1-5 Wandsworth Road, Vauxhall, London, SW8 2LN.

Company number

2888206

Auditors

BDO Stoy Hayward LLP, 55 Baker Street, London, W1U 7EU.

The Big Issue (South West) Limited

Report of the director for the period ended 24 March 2008

The director presents his report together with the audited financial statements for the period ended 24 March 2008.

Results

The profit and loss account is set out on page 5 and shows the loss for the period.

Principal activities, trading review and future developments

The company's principal activity continued to be that of distribution of magazines to aid the homeless.

Director

The director of the company during the period was:

A J Bird

Director's responsibilities

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the director to prepare financial statements for each financial period which 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 those financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Big Issue (South West) Limited

**Report of the director
for the period ended 24 March 2008 (Continued)**

Auditors

The current director has taken all the steps that he ought to have taken to make himself aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The director is not aware of any relevant audit information of which the auditors are unaware.

BDO Stoy Hayward LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

This report of the director's has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the Board

A J Bird

Director

Date **30 APR 2009**

The Big Issue (South West) Limited

Report of the independent auditors

To the shareholders of The Big Issue (South West) Limited

We have audited the financial statements of The Big Issue (South West) Limited for the period ended 24 March 2008 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of director and auditors

The director's responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of director's responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Act 1985 and whether the information given in the director's report is consistent with those financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and other transactions is not disclosed.

We read the director's report and consider the implications for our report if we become aware of any apparent misstatements within it.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

The Big Issue (South West) Limited

Report of the independent auditors (*Continued*)

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 24 March 2008 and of its loss for the period then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the director's report is consistent with the financial statements.

Ms. Stacy Hayward

BDO STOY HAYWARD LLP
Chartered Accountants
and Registered Auditors
London

30 April 2009

The Big Issue (South West) Limited

Profit and loss account for the period ended 24 March 2008

	Note	51 weeks ended 24 March 2008 £	Year ended 31 March 2007 £
Turnover		675,191	620,689
Cost of sales		(214,319)	(194,060)
Gross profit		460,872	426,629
Administrative expenses		(495,638)	(451,959)
Operating loss	3	(34,766)	(25,330)
Other interest receivable and similar income	4	1,601	268
Loss on ordinary activities before taxation		(33,165)	(25,062)
Tax on loss on ordinary activities	5	-	-
Loss for the period	10	(33,165)	(25,062)

All amounts relate to continuing activities.

All recognised gains and losses are included in the profit and loss account.

There were no movements on reserves apart from the profit for the period.

The notes on pages 7 to 12 form part of these financial statements.

The Big Issue (South West) Limited

Balance sheet at 24 March 2008

	Note	24 March 2008 £	24 March 2008 £	31 March 2007 £	31 March 2007 £
Fixed assets					
Tangible assets	6		4,582		2,877
Current assets					
Debtors	7	180,843		201,692	
Cash at bank and in hand		134,606		52,252	
		<u>315,450</u>		<u>253,944</u>	
Creditors: amounts falling due within one year	8	<u>439,394</u>		<u>343,018</u>	
Net current liabilities			<u>(123,944)</u>		<u>(89,074)</u>
Total assets less current liabilities			<u>(119,362)</u>		<u>(86,197)</u>
Capital and reserves					
Called up share capital	9		5		5
Profit and loss account	10		<u>(119,367)</u>		<u>(86,202)</u>
Shareholders' deficit			<u>(119,362)</u>		<u>(86,197)</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board of Directors and authorised for issue on **30 APR 2009**

A J Bird
Director



The notes on pages 7 to 12 form part of these financial statements.

The Big Issue (South West) Limited

Notes forming part of the financial statements
for the period ended 24 March 2008

1 Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated). The following principal accounting policies have been applied:

Turnover

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

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Office equipment	-	25% per annum reducing balance
Fixtures, fittings and equipment	-	25% per annum reducing balance

Leased assets

All leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

Donations

Donations received are recognised in the profit and loss account when they are received.

2 Turnover

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

3 Operating profit/(loss)

	51 weeks ended 24 March 2008 £	Year ended 31 March 2007 £
This has been arrived at after charging:		
Depreciation of tangible assets	1,528	959
Operating lease payments	65,029	46,316
Auditors remuneration - audit	5,000	-
- other	1,543	-
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4 Taxation

The company has estimated losses of £131,591 (2007 - £113,140) available for carry forward against future trading profits.

The Big Issue (South West) Limited

Notes forming part of the financial statements
for the period ended 24 March 2008 *(Continued)*

5 Taxation

	51 weeks ended 24 March 2008 £	Year ended 31 March 2007 £
Current tax		
UK corporation tax on profits of the year	-	-
	<u> </u>	<u> </u>
Total current tax	-	-
	<u> </u>	<u> </u>

The tax assessed for the year differs from the standard rate of corporation tax in the UK. The differences are explained below:

	51 weeks ended 24 March 2008 £	Year ended 31 March 2007 £
Loss on ordinary activities before tax	(33,165)	-
	<u> </u>	<u> </u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2007 - 20%)	(6,633)	-
Effects of:		
Capital allowances for period in excess of depreciation	407	-
Losses	6,226	-
	<u> </u>	<u> </u>
	-	-
	<u> </u>	<u> </u>

The Big Issue (South West) Limited

Notes forming part of the financial statements
for the period ended 24 March 2008 (*Continued*)

6 Tangible fixed assets

	Fixtures, fittings and office equipment £
<i>Cost</i>	
At 1 April 2007	38,041
Additions	3,231
	<hr/>
At 24 March 2008	41,272
	<hr/>
<i>Depreciation</i>	
At 1 April 2007	35,164
Provided for the period	1,526
	<hr/>
At 24 March 2008	36,690
	<hr/>
<i>Net book value</i>	
At 24 March 2008	4,582
	<hr/>
At 31 March 2007	2,877
	<hr/>

7 Debtors

	24 March 2008 £	31 March 2007 £
Trade debtors	17,646	192,369
Other debtors	13,951	9,323
Amounts due from group companies	149,246	-
	<hr/>	<hr/>
	180,843	201,692
	<hr/>	<hr/>

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

The Big Issue (South West) Limited

Notes forming part of the financial statements
for the period ended 24 March 2008 (Continued)

8 Creditors: amounts falling due within one year

	24 March 2008 £	31 March 2007 £
Trade creditors	16,667	328,208
Taxation and social security	-	(109)
Other creditors	106,619	14,919
Amounts due to group companies	316,108	-
Corporation tax	320	-
	<u>439,714</u>	<u>343,018</u>

9 Share capital

	24 March 2008 £	31 March 2007 £
<i>Authorised</i>		
5 ordinary shares of £1 each	<u>5</u>	<u>5</u>
<i>Allotted, called up and fully paid</i>		
5 ordinary shares of £1 each	<u>5</u>	<u>5</u>

10 Reserves

	Profit and loss account £
Balance at 1 April 2007	(86,202)
Loss for the period	<u>(33,165)</u>
Balance at 24 March 2008	<u>(119,367)</u>

The Big Issue (South West) Limited

Notes forming part of the financial statements
for the period ended 24 March 2008 (Continued)

11 Reconciliation of movements in shareholders' funds

	51 weeks ended 24 March 2008 £	Year ended 31 March 2007 £
Profit/(loss) for the period	(33,165)	(25,062)
Addition to shareholders' funds/(deficit)	(33,165)	(25,062)
Opening shareholders' deficit	(86,202)	(61,140)
Closing shareholders' funds/(deficit)	(119,367)	(86,202)

12 Commitments under operating leases

As at 24 March 2008, the company had annual commitments under non-cancellable operating leases as set out below:

	24 March 2008 Land and buildings £	31 March 2007 Land and buildings £
Operating leases which expire:		
Within one year	18,838	17,924
In two to five years	68,014	4,838
Over five years	-	18,500
	86,852	41,262

13 Related party transactions

During the year the company was charged management fees of £86,440 (2007 - £54,574) by The Big Issue Company Limited, a shareholder. At 24 March 2008 the company owed £379,904 (2007 - £233,819) to The Big Issue Company Limited.

The Big Issue (South West) Limited

**Notes forming part of the financial statements
for the period ended 24 March 2008 (*Continued*)**

14 Control

The company's ultimate holding company is The Big Issue Company Limited, a company registered in England and Wales. Copies of the financial statements are available for Companies House.

15 Cash flow statement

The company has used the exemption under FRS 1 (revised 1996) "Cash Flow Statements", not to prepare a cash flow statement as the directors believe the company is "small" under the Companies Act 1985.