

The Big Issue Group Limited

Report and Financial Statements

Year Ended

31 March 2020

Company Number 06771432



The Big Issue Group Limited
(A Company Limited by Guarantee)

Company Information

Directors	A J Bird N Kershaw P Bird K M Riches
Registered number	06771432
Registered office	113-115 Fonthill Road London England N4 3HH
Independent Auditor	BDO LLP 55 Baker Street London W1U 7EU

The Big Issue Group Limited
(A Company Limited by Guarantee)

Contents

	Page
Group Strategic Report	1 - 2
Directors' Report	3 - 5
Independent Auditor's Report	6 - 8
Consolidated Statement of Comprehensive Income	9
Consolidated Statement of Financial Position	10
Company Statement of Financial Position	11
Consolidated Statement of Changes in Equity	12
Company Statement of Changes in Equity	13
Consolidated Statement of Cash Flows	14 - 15
Notes to the Financial Statements	16 - 35

Notes to the Financial Statements	10 - 22
Consolidated Statement of Cash Flows	14 - 15
Company Statement of Changes in Equity	13
Consolidated Statement of Changes in Equity	15
Company Statement of Financial Position	11
Consolidated Statement of Financial Position	10
Consolidated Statement of Comprehensive Income	8
Independent Auditor's Report	2 - 3
Directors' Report	3 - 2
Group Strategic Report	1 - 5
	Page

Contents

(A Company Limited by Guarantee)
The Big Issue Group Limited

The Big Issue Group Limited

(A Company Limited by Guarantee)

Group Strategic Report for the Year Ended 31 March 2020

Business review

The Big Issue Group had a successful year of trading and business diversification, with profits generated for future reinvestment in its mission to "Build a world that works for everyone. Challenging, innovating and creating self-help and sustainable business solutions, that dismantle poverty now and for future generations".

In Big Issue Publishing:

- Just under 4,000 vendors sold the magazine during the financial year, providing a vital source of income to this vulnerable group of people.
- Recognising the need to equip vendors with modern sales solutions, contactless payment devices were piloted nationwide in partnership with iZettle, and vendors provided with the support required to gain access to banking services.
- In total 3.2m magazines were sold by vendors, down (5%) year on year, with Covid starting to impact end of year trading.
- March 2020 saw a swift reaction to the onset of Covid with the launch of The Big Issue Appeal, generating £53k in the last period and setting an income generation template for the financial year ahead.
- During the year - The Big Issue Shop site management, fulfillment and customer service was outsourced to the Shop partner, Tee Tree. This decision led to an improved range of stock, and better marketing, resulting in improved profitability of £13K this year, up from a loss of (£53K) in the previous year.

In Big Issue Invest:

Big Issue Invest Limited and its subsidiaries' principal activity is the provision of investment finance to social enterprises in the United Kingdom.

During the year, Big Issue Invest had four main business areas. Lending, to small charities and community led housing, Fund Management, to invest in growing social enterprises, Corporate Social Venturing, to back start up social enterprises, and Impact Partnerships with Asset Managers.

- Lending invested £6.4m in 60 charities and social enterprises, providing cash flow support and investment to enable these grass roots organisations to deliver their social impact.
- Fund Management committed £4.1 million through new transactions and has disbursed in total £2.5 million through its two active funds. These are the Social Enterprise Investment Fund II LP and Outcomes Investment Fund LP.
- Corporate Social Venturing's Power Up Scotland programme provide total capital of £990,000 and support to 20 social enterprise, and total investments during the year took the fund up to £290,000 disbursed. Corporate Social Venturing Power Up Midlands launched in 2019. This programme disbursed £198,000 out of the £300,000 available for investment.
- BII has developed two impact partnerships with leading asset managers Columbia Threadneedle Investments (CTI) and Aberdeen Standard Investments (ASI) to bring social investment to the mainstream investment market. BII has worked with these partners to develop investment funds and their impact assessment frameworks. BII has an on-going impact advisory role for each fund. Each invests in organisations aligned with the delivery of Sustainable Development Goals and both open up access to social investment to a wider investor base including retail investors, democratising social investment.

Since the end of the financial year, the organisations Big Issue Invest has served have responded with alacrity to the pandemic, providing valuable and essential services to people across the country. Big Issue Invest continued lending and investing during the pandemic and additionally delivered targeted grant programmes to the social enterprises and trading charities we support.

The Big Issue Group Limited

(A Company Limited by Guarantee)

Group Strategic Report (continued) **for the Year Ended 31 March 2020**

The wider Group

- Development of The Big Exchange (TBE) progressed. TBE, which seeks to create, promote and advance an inclusive financial system, will launch its impact investment platform for retail customers in early 2021.
- Through his activities in the House of Lords, Lord Bird continued to champion a preventative approach as the best means of tackling some of societies greatest challenges. He began to explore how this approach might be enshrined in UK law via a protection of future generations approach, much like that introduced in Wales.

2020/21 - year objectives

Planning for the subsequent year was shaped by the immediate impact of Covid. As a first priority, taking into account the significant impact of losing street sales for a sustained period of time, The Big Issue Group will take action to protect its Reserves position to ensure its ongoing viability.

In lieu of street sales, Big Issue Publishing set out the following objectives:

- To raise direct support for its operations through a digital pivot.
- To work with Big Issue Group entities; (Big Issue Invest Trust and, The Big Issue Foundation), to provide additional support to vendors through grants.
- To seek cost efficiencies, as well as access to financial support such as the Furlough Scheme and CBILs.
- To rapidly pivot its trading model, making the magazine available on both print and digital subscription; for the first time securing distribution in supermarkets; and to expand its digital reach, both driving impact and allowing vendors to sell digital subscriptions directly to consumers.
- To further raise awareness of the impact of Covid and immediate job losses on vulnerable groups in society through Lord Bird's Parliamentary office, as well as the launch of a new campaign Ride Out Recession Alliance to tackle evictions and the creation of new employment opportunities.

Principal risks and uncertainties

Principal risks and uncertainties are included in the directors' report on page 4.

Key performance indicators

Key performance indicators are included in the directors' report on page 4.

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



Nigel Kershaw
Director

Date:

30 March 2021

The Big Issue Group Limited

(A Company Limited by Guarantee)

Directors' Report for the Year Ended 31 March 2020

The directors present their report and the financial statements for the year ended 31 March 2020.

Directors' responsibilities

The directors are responsible for preparing the group strategic report, the directors' report and the consolidated 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). 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 the Group and of the profit or loss of the Group for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £30,579 (2019 - £134,744).

No dividend was paid during the year and the directors do not recommend payment of a dividend (2019 - £Nil).

No dividend was paid during the year and the directors do not recommend payment of a dividend (2019 - £Nil).

The profit for the year, after taxation, amounted to £30,519 (2019 - £134,144).

Results and dividends

taking reasonable steps for the prevention and detection of fraud and other irregularities.

Act 2008. They are also responsible for safeguarding the assets of the company and the Group and hence for company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 2008, the company's transactions and disclose with reasonable accuracy at any time the financial position of the Group. The directors are responsible for keeping adequate accounting records that are sufficient to show and explain

Group will continue in business.

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

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

the state of affairs of the company and the Group and of the profit or loss of the Group for that period.

directors must not approve the financial statements unless they are satisfied that they give a true and fair view of Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Under Company law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Company law requires the directors to prepare financial statements for each financial year. Under that law the

financial statements in accordance with applicable law and regulations.

The directors are responsible for preparing the group strategic report, the directors' report and the consolidated

Directors' responsibilities

The directors present their report and the financial statements for the year ended 31 March 2020.

for the Year Ended 31 March 2020
Directors' Report

(A Company Limited by Guarantee)
The Big Issue Group Limited

The Big Issue Group Limited

(A Company Limited by Guarantee)

Directors' Report (continued) **for the Year Ended 31 March 2020**

Key performance indicators

The segmented trading result for the two groups are as follows:

	Turnover 2020 £	Turnover 2019 £	Profit before tax 2020 £	(Loss)/profit before tax 2019 £
Publishing business	5,300,766	5,441,073	77,726	(121,138)
The Invest Group	2,984,769	2,844,849	9,167	183,218

The other main key performance indicator used by the group is its net cash position. At 31 March 2020, the group held net cash of £4,243,722 (2019 - £6,687,731).

Directors

The directors who served during the year were:

A J Bird
N Kershaw
P Bird
K M Riches

Principal risks and uncertainties

Liquidity risk: The group actively manages cash balances to ensure there are sufficient available funds for operations and new projects.

Credit risk: Credit risk arises from cash and cash equivalents and deposits with banks, as well as credit exposures to partners and consumer customers. The group's primary exposure is to outstanding receivables due from its various customers. The group has implemented policies that require appropriate credit checks to be conducted on potential partners before contracts are signed. The group also ensures that legal arrangements are put in place to mitigate credit risk and monitors outgoing credit balances to ensure financial exposure is limited.

Disclosure of information to auditors

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 and the Group'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 and the Group's auditor is aware of that information.

Subsequent events

There have been no significant events affecting the Group since the year end.

There have been no significant events affecting the Group since the year end

Subsequent events

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

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

Disclosure of information to auditors

limited:

are put in place to mitigate credit risk and monitor outstanding credit balances to ensure financial exposure is controlled on potential business before contracts are signed. The group also ensures that legal arrangements are in place to mitigate credit risk. The group has implemented policies that require appropriate credit checks to be exposures to business and consumer customers. The group's primary exposure is to outstanding receivables credit risk. Credit risk arises from cash and cash equivalents and deposits with banks as well as credit

operations and new projects.

liquidity risk: The group actively manages cash balances to ensure there are sufficient available funds for

Principal risks and uncertainties

K M Bichee

B Bina

M Keshava

A J Bina

The directors who served during the year were:

Directors

group held net cash of £4,543,153 (2018 - £8,887,131)

The other main key performance indicator used by the group is its net cash position. At 31 March 2020 the

The parent group	£884,100	£844,848	£181	£83,118
Supporting business	£300,100	£141,013	£1,130	(£1,138)
	£	£	£	£
	2020	2018	2020	2018
	Turnover	Turnover	Profit (loss)	Profit (loss)

The augmented trading result for the two groups are as follows:

Key performance indicators

for the year ended 31 March 2020

Directors' Report (continued)

(A Company Limited by Guarantee)

The Big Issue Group Limited

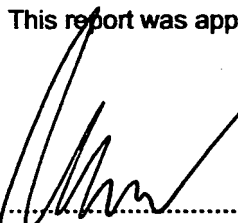
The Big Issue Group Limited
(A Company Limited by Guarantee)

Directors' Report (continued)
for the Year Ended 31 March 2020

Auditor

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

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


.....NIGEL KERSHAW
N Kershaw
Director

Date: 30th March 2021

The Big Issue Group Limited

(A Company Limited by Guarantee)

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

Opinion

We have audited the financial statements of The Big Issue Group Limited ("the parent company") and its subsidiaries ("the group") for the year ended 31 March 2020 which comprise the Consolidated Statement of Comprehensive Income, Consolidated and Company Statements of Financial Position, the Consolidated and Company Statements 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 group's and of the parent company's affairs as at 31 March 2020 and of the group's profit 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 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 group and the parent 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 group or the parent 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 Group Limited

(A Company Limited by Guarantee)

Independent Auditor's Report to the Members of The Big Issue Group 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 strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

The Big Issue Group Limited (A Company Limited by Guarantee)

Independent Auditor's Report to the Members of The Big Issue Group 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 the 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 strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and 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 directors' 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

The Big Issue Group Limited

(A Company Limited by Guarantee)

Independent Auditor's Report to the Members of The Big Issue Group 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 group's and the parent 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 group or the parent 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.

BDO LLP

Vanessa-Jayne Bradley (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

Date: 30 March 2021

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

The Big Issue Group Limited
(A Company Limited by Guarantee)

Consolidated Statement of Comprehensive Income
for the Year Ended 31 March 2020

	Note	2020 £	2019 £
Turnover	4	8,285,535	8,285,922
Cost of sales		(1,691,919)	(1,747,547)
Gross profit		6,593,616	6,538,375
Administrative expenses		(6,241,986)	(6,146,237)
Operating profit	5	351,630	392,138
Interest receivable and similar income	9	10,273	9,079
Interest payable and similar charges	10	(275,010)	(339,137)
Profit before taxation		86,893	62,080
Tax on profit	11	(56,314)	72,664
Profit for the financial year		30,579	134,744

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

The notes on pages 16 to 35 form part of these financial statements.

The notes on pages 18 to 32 form part of these financial statements.

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

		2020	2019
Profit for the financial year		270,212	447,144
Tax on profit	11	(47,314)	15,004
Profit before taxation		222,898	462,148
Interest payable and similar charges	10	(10,010)	(13,931)
Interest receivable and similar income	8	15,013	8,078
Operating profit	2	227,830	456,295
Administrative expenses		(2,147,888)	(1,148,537)
Gross profit		225,682	307,758
Cost of sales		(1,921,518)	(1,147,211)
Turnover	4	2,147,200	1,454,973
	Note	£	£
		2020	2019

for the Year Ended 31 March 2020
Consolidated Statement of Comprehensive Income

(A Company Limited by Guarantee)
The Big Issue Group Limited

The Big Issue Group Limited
(A Company Limited by Guarantee)
Registered number: 06771432

Consolidated Statement of Financial Position
as at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	12	15,380	18,974
Tangible assets	13	267,493	317,826
Investments	14	16,986,170	14,649,573
		<u>17,269,043</u>	<u>14,986,373</u>
Current assets			
Stocks	16	6,384	9,937
Debtors	17	1,206,238	1,311,223
Cash and cash equivalents	18	4,243,722	6,687,731
		<u>5,456,344</u>	<u>8,008,891</u>
Creditors: amounts falling due within one year	19	<u>(1,792,237)</u>	<u>(4,453,649)</u>
Net current assets		<u>3,664,107</u>	<u>3,555,242</u>
Total assets less current liabilities		<u>20,933,150</u>	<u>18,541,615</u>
Creditors: amounts falling due after more than one year	20	<u>(17,810,577)</u>	<u>(15,450,241)</u>
Net assets		<u><u>3,122,573</u></u>	<u><u>3,091,374</u></u>
Capital and reserves			
Merger reserve	23	3	3
Profit and loss account	23	3,119,350	3,088,771
Non-controlling interests		3,220	2,600
		<u>3,122,573</u>	<u>3,091,374</u>

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


Nigel Kershaw
Director

NIGEL KERSHAW

Date:

30th March 2021

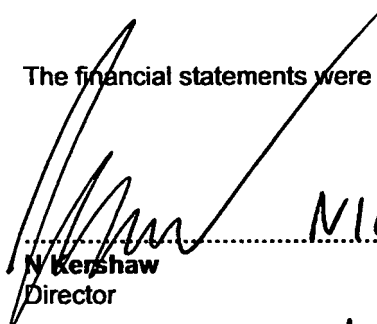
The notes on pages 16 to 35 form part of these financial statements.

The Big Issue Group Limited
(A Company Limited by Guarantee)
Registered number: 06771432

Company Statement of Financial Position
as at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Investments	14	2,205	2,205
Creditors: amounts falling due within one year	19	(2,204)	(2,204)
Total assets less current liabilities		<u>1</u>	<u>1</u>
Net assets		<u>1</u>	<u>1</u>
Capital and reserves			
Profit and loss account	23	1	1
		<u>1</u>	<u>1</u>

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

 **NIGEL KERSHAW**
N Kershaw
Director

Date: 30th March 2021

The notes on pages 16 to 35 form part of these financial statements.

The Big Issue Group Limited
(A Company Limited by Guarantee)

Consolidated Statement of Changes in Equity
for the Year Ended 31 March 2020

	Merger reserve	Profit and loss account	Non- controlling interests	Total equity
	£	£	£	£
At 1 April 2019	3	3,088,771	2,600	3,091,374
Comprehensive income for the year				
Profit for the year	-	30,579	-	30,579
Shares issued during the year	-	-	620	620
At 31 March 2020	3	3,119,350	3,220	3,122,573

Consolidated Statement of Changes in Equity
for the Year Ended 31 March 2019

	Merger reserve	Profit and loss account	Non- controlling interests	Total equity
	£	£	£	£
At 1 April 2018	3	2,954,027	-	2,954,030
Comprehensive income for the year				
Profit for the year	-	134,744	-	134,744
Shares issued during the year	-	-	2,600	2,600
At 31 March 2019	3	3,088,771	2,600	3,091,374

The notes on pages 16 to 35 form part of these financial statements.

The notes on pages 16 to 32 form part of these financial statements.

At 31 March 2019	£	177,880.2	000.2	476,190.2
Shares issued during the year	-	-	000.2	000.2
Profit for the year	-	447,421	-	447,421
Comprehensive income for the year	-	447,421	-	447,421
At 1 April 2018	£	730,429.2	-	030,429.2
	£	£	£	£
	Share premium reserve	Profit and loss account	Non-controlling interests	Equity total

for the Year Ended 31 March 2019
Consolidated Statement of Changes in Equity

At 31 March 2020	£	022,914.2	022.2	272,257.2
Shares issued during the year	-	-	020	020
Profit for the year	-	973.02	-	973.02
Comprehensive income for the year	-	973.02	-	973.02
At 1 April 2019	£	177,880.2	000.2	476,190.2
	£	£	£	£
	Share premium reserve	Profit and loss account	Non-controlling interests	Equity total

for the Year Ended 31 March 2020
Consolidated Statement of Changes in Equity

(A Company Limited by Guarantee)
The Big Issue Group Limited

The Big Issue Group Limited
(A Company Limited by Guarantee)

Company Statement of Changes in Equity
for the Year Ended 31 March 2020

	Profit and loss account	Total equity
	£	£
At 1 April 2019	1	1
Result for the year	-	-
	<hr/>	<hr/>
At 31 March 2020	1	1
	<hr/> <hr/>	<hr/> <hr/>

Company Statement of Changes in Equity
for the Year Ended 31 March 2019

	Profit and loss account	Total equity
	£	£
At 1 April 2018	1	1
Result for the year	-	-
	<hr/>	<hr/>
At 31 March 2019	1	1
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 16 to 35 form part of these financial statements.

The notes on pages 16 to 32 form part of these financial statements

At 31 March 2018	1	1
Result for the year	-	-
At 1 April 2018	1	1
	3	3
	Profit and loss account	Total equity

Company Statement of Changes in Equity
for the Year Ended 31 March 2018

At 31 March 2020	1	1
Result for the year	-	-
At 1 April 2020	1	1
	3	3
	Profit and loss account	Total equity

Company Statement of Changes in Equity
for the Year Ended 31 March 2020

(A Company Limited by Guarantee)
The Big Issue Group Limited

The Big Issue Group Limited
(A Company Limited by Guarantee)

Consolidated Statement of Cash Flows
for the Year Ended 31 March 2020

	2020 £	2019 £
Cash flows from operating activities		
Profit for the financial year	30,579	134,744
Adjustments for:		
Amortisation of intangible assets	3,594	5,526
Depreciation of tangible assets	69,723	64,732
Reversal of impairment charge on fixed asset investments	(13,000)	(5,193)
Income from other investments	(914,273)	(943,004)
Interest credited to the income statement	275,010	339,137
Interest charged to the income statement	(10,273)	(9,079)
Taxation charge	56,314	(72,664)
Decrease in stocks	3,553	1,300
Increase in debtors	(72,483)	(208,660)
(Decrease)/increase in creditors	(605,730)	498,832
Corporation tax received	134,578	9,592
Net cash used in operating activities	(1,042,408)	(184,737)
Cash flows from investing activities		
Purchase of intangible fixed assets	-	(24,500)
Purchase of tangible fixed assets	(19,390)	(59,051)
Interest received	10,273	9,079
Income from investments	914,273	943,004
Net loan investments granted	(4,805,012)	(4,824,718)
Loan investments repaid	2,481,416	4,061,546
Net cash (used in)/generated from investing activities	(1,418,440)	105,360
Cash flows from financing activities		
New secured loans	59,724	1,855,429
Other new loans	231,505	250,170
Interest paid	(275,010)	(339,137)
Shares issued to non controlling interests	620	2,600
Net cash generated from financing activities	16,839	1,769,062
Net (decrease)/increase in cash and cash equivalents	(2,444,009)	1,689,685
Cash and cash equivalents at beginning of year	6,687,731	4,998,046
Cash and cash equivalents at the end of year	4,243,722	6,687,731
Cash and cash equivalents at the end of year comprise:		

Cash and cash equivalents at the end of year comprises:

Cash and cash equivalents at the end of year	4'542'135	8'881'131
Cash and cash equivalents at beginning of year	2'881'131	4'888'048
Net (decrease)/increase in cash and cash equivalents	(1'344'006)	1'888'088
Net cash generated from financing activities	18'838	1'188'085
Shares issued to non controlling interests	850	5'800
Interest paid	(351'010)	(338'131)
Other new loans	331'802	520'110
New secured loans	28'134	1'822'458
Cash flows from financing activities		
Net cash (used in)/generated from investing activities	(1'418'410)	102'380
Loan investments repaid	5'481'418	4'081'248
Net loan investments granted	(4'802'015)	(4'854'118)
Income from investments	814'313	843'004
Interest received	10'313	8'018
Purchase of tangible fixed assets	(18'380)	(28'021)
Purchase of intangible fixed assets	-	(54'200)
Cash flows from investing activities		
Net cash used in operating activities	(1'045'408)	(184'131)
Corporation tax received	134'218	8'285
(Decrease)/increase in creditors	(802'130)	488'835
Increase in debtors	(15'483)	(508'880)
Decrease in stocks	3'223	1'300
Taxation credits	28'314	(15'884)
Interest charged to the income statement	(10'313)	(8'018)
Interest credited to the income statement	312'010	338'131
Income from other investments	(814'313)	(843'004)
Reversal of impairment charge on fixed asset investments	(13'000)	(2'183)
Depreciation of tangible assets	88'133	84'135
Amortisation of intangible assets	3'284	2'258
Adjustments for:		
Profit for the financial year	30'218	134'144
Cash flows from operating activities		
	£	£
	3050	5048

For the Year Ended 31 March 2020
Consolidated Statement of Cash Flows

(A Company Limited by Guarantee)
The Big Issue Group Limited

The Big Issue Group Limited
(A Company Limited by Guarantee)

Consolidated Statement of Cash Flows (continued)
for the Year Ended 31 March 2020

	2020 £	2019 £
Cash at bank and in hand	4,243,722	6,687,731
	<u>4,243,722</u>	<u>6,687,731</u>

The notes on pages 16 to 35 form part of these financial statements.

The notes on pages 13 to 32 form part of these financial statements

	2020	2019
Consolidated cash and cash equivalents	4,343,155	2,287,131
Consolidated cash and cash equivalents	4,343,155	2,287,131
	£	£
	2020	2019

For the Year Ended 31 March 2020
Consolidated Statement of Cash Flows (continued)

(A Company limited by guarantee)
The Big Issue Group Limited

The Big Issue Group Limited

(A Company Limited by Guarantee)

Notes to the Financial Statements for the Year Ended 31 March 2020

1. General information

The Big Issue Group Limited (the 'Company') is a private limited company incorporated in England & Wales under the Companies Act 2006. The Company is limited by guarantee, having no share capital. Each member of the Company has undertaken to contribute an amount not exceeding £1 towards any deficit in the event of the Company being placed in liquidation. The directors have no beneficial interest in the Company or its activities. 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 strategic 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 Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

The Company is the sole guarantor member of Big Issue Invest Trust ("BIIT"), a UK charity. As the sole guarantor member, the Company controls the Board of BIIT. However, as BIIT is a registered charity, the interest is not held so as to obtain benefits from the activities of BIIT. As a result, in accordance with FRS 102, BIIT does not constitute a subsidiary of the group.

The Group has elected to apply a true and fair override of the method of consolidation of the limited partnerships (described further below) as the acquisition or merger method of accounting does not represent the nature of the interest in these subsidiary undertakings, which have therefore been accounted for under the equity method. This departure is necessary to give a true and fair view of the financial statements of Big Issue Invest Limited. If an acquisition accounting approach to consolidation had been applied the total assets and liabilities of the underlying entities which Big Issue Invest Limited controls would have been consolidated in total and a non-controlling interest deducted, which would result in no material difference to the underlying net asset position.

The Big Issue Group Limited

(A Company Limited by Guarantee)

Notes to the Financial Statements for the Year Ended 31 March 2020

2. Accounting policies (continued)

2.2 Basis of consolidation (continued)

Limited Partnerships

The Group manages three social investment fund limited partnerships, details of which are given in note 13 of the financial statements.

The Group consolidates its attributable proportion of the assets and income of the Social Enterprise Investment Funds, as well as the Big Issue Invest Outcomes Investment Fund which it manages as General Partners. This is on the basis that the General Partners control the Social Enterprise Investments funds and Big Issue Invest Outcomes Investment Fund.

Those partnerships are subsidiary undertakings and under the terms of the Companies Act 2006 should be consolidated in full. However, the members consider the accounts would not give a true and fair view if the assets and income as a whole were to be consolidated since the group's interest in these assets is merely that of investment managers.

Income from other investments

Income from other investments relates to the priority profit share due to the subsidiary undertakings which is recognised on an accruals basis.

2.3 Going concern

The financial statements have been prepared on a going concern basis which the directors consider appropriate for the following reasons:

The directors have prepared projected cash flow information for the period ending 12 months from the date of their approval of these financial statements. On the basis of this cash flow information, the directors consider that the group will continue to meet its liabilities as they fall due.

2.4 Turnover

Turnover represents amounts receivable in the ordinary course of business in respect of advertising revenue, the sale of magazines, investment and grant income and other complementary activities and is stated net of Value Added Tax. Revenue from advertising income and the sale of magazines is recognised at the point when goods have been delivered. Revenue from grants is recognised in line with the policy below.

2.5 Government and revenue grants

Capital grants received to make loans to social enterprises are credited to deferred grants upon receipt and released to the income statement when ownership of the grant by the group is certain. Revenue grants are credited to the income statement on an accruals basis.

2.6 Donations

Donations received are recognised in the income statement when they are received.

2.7 Intangible assets

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

The Big Issue Group Limited (A Company Limited by Guarantee)

Notes to the Financial Statements
for the Year Ended 31 March 2020

2. Accounting policies (continued)

2.2 Basis of consolidation (continued)

Limited Partnerships

The Group manages three social investment fund limited partnerships, details of which are given in note 13 of the financial statements.

The Group consolidates its attributable proportion of the assets and income of the Social Enterprise Investment Funds, as well as the Big Issue Invest Outcomes Investment Fund which it manages as General Partners. This is on the basis that the General Partners control the Social Enterprise Investments funds and Big Issue Invest Outcomes Investment Fund.

These partnerships are subsidiary undertakings and under the terms of the Companies Act 2006 should be consolidated in full. However, the members consider the accounts would not give a true and fair view if the assets and income as a whole were to be consolidated since the group's interest in these assets is merely that of investment managers.

Income from other investments

Income from other investments relates to the priority profit share due to the subsidiary undertakings which is recognised on an accruals basis.

2.3 Going concern

The financial statements have been prepared on a going concern basis which the directors consider appropriate for the following reasons:

The directors have prepared projected cash flow information for the period ending 12 months from the date of their approval of these financial statements. On the basis of this cash flow information, the directors consider that the group will continue to meet its liabilities as they fall due.

2.4 Turnover

Turnover represents amounts receivable in the ordinary course of business in respect of advertising revenue, the sale of magazines, investment and grant income and other complementary activities and is stated net of Value Added Tax. Revenue from advertising income and the sale of magazines is recognised at the point when goods have been delivered. Revenue from grants is recognised in line with the policy below.

2.5 Government and revenue grants

Capital grants received to make loans to social enterprises are credited to deferred grants upon receipt and released to the income statement when ownership of the grant by the group is certain. Revenue grants are credited to the income statement on an accruals basis.

2.6 Donations

Donations received are recognised in the income statement when they are received.

2.7 Intangible assets

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

The Big Issue Group Limited

(A Company Limited by Guarantee)

Notes to the Financial Statements for the Year Ended 31 March 2020

2. Accounting policies (continued)

2.8 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.

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% straight line
Furniture, fittings and equipment	- 20% - 33% straight line

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 profit or loss.

2.9 Operating leases

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2.10 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.11 Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.12 Stocks

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

The Big Issue Group Limited

(A Company Limited by Guarantee)

Notes to the Financial Statements for the Year Ended 31 March 2020

2. Accounting policies (continued)

2.13 Debtors and loan stock

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.

2.14 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.

2.15 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

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. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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 income statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

The Group receives loans on which no interest is charged. The Group also receives grants for investment purposes which are repayable subject to capital and interest returns being received by the group. These are considered to be concessionary loans, and so have been measured, initially and subsequently, at the undiscounted amount of cash received.

2.16 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs.

loans are measured initially at fair value, net of transaction costs.

Short term creditors are measured at the transaction price. Other financial liabilities, including bank

5.1.6 Creditors

superfundarily at the undiscounted amount of cash received

group. These are considered to be concessional loans, and so have been measured, initially and investment purposes which are repayable subject to capital and interest returns being received by the The Group receives loans on which no interest is charged. The Group also receives grants for contract

for measuring any impairment loss is the current effective interest rate determined under the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate between an asset's carrying amount and the present value of estimated cash flows discounted at the For financial assets measured at amortised cost, the impairment loss is measured as the difference

impairment loss is recognised in the income statement

reporting period for objective evidence of impairment. If objective evidence of impairment is found, an financial assets that are measured at cost and amortised cost are assessed at the end of each

case of a small company, or a public benefit entity concessional loan

instrument and superfundarily at amortised cost, unless it qualifies as a loan from a director in the at the present value of future cash flows discounted at a market rate of interest for a similar debt on-bidit short-term loan that is not at market rate, the financial asset or liability is measured, initially transaction, like the payment of a trade debt, deferred payment normal business terms or in case of an or received. However, if the arrangements of a short-term instrument constitute a financing and superfundarily at the undiscounted amount of the cash or other consideration expected to be paid are payable or receivable within one year, typically trade debtors and creditors, are measured, initially flows and superfundarily at amortised cost using the effective interest method. Debt instruments that and other accounts receivable and payable, are initially measured at present value of the future cash Debt instruments (other than those wholly repayable or receivable within one year), including loans

third parties, loans to related parties and investments in ordinary shares.

financial assets and liabilities like trade and other debtors and creditors, loans from banks and other The Group only enters into basic financial instrument transactions that result in the recognition of

5.1.7 Financial instruments

on notice of not more than 54 hours.

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty

5.1.8 Cash and cash equivalents

cost using the effective interest method, less any impairment.

measured initially at fair value, net of transaction costs, and are measured superfundarily at amortised Short term debtors are measured at transaction price, less any impairment. Loans receivable are

5.1.9 Debtors and loan stock

5 Accounting policies (continued)

for the Year Ended 31 March 2020
Notes to the Financial Statements

(A Company Limited by Guarantee)
The Big Issue Group Limited

The Big Issue Group Limited

(A Company Limited by Guarantee)

Notes to the Financial Statements for the Year Ended 31 March 2020

2. Accounting policies (continued)

2.17 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.18 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

2.19 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.20 Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 and the Group operate and generate 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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.

paid tax rates and laws that have been enacted or anticipatedly enacted by the reporting date, and such reversal is not considered appropriate in the foreseeable future.

principles and how amounts and the Group can control the reversal of the timing differences where they relate to timing differences in respect of interests in subsidiaries' associates'.

allowances have been met and

- And deferred tax payables are reversed if and when all conditions for reversing associated tax recovered against the reversal of deferred tax liabilities or other future taxpayable amounts;
- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered by the reporting date, except that

Deferred tax payables are recognised in respect of all timing differences that have originated but not Group obsolete and obsolete income

enacted or anticipatedly enacted by the reporting date in the countries where the company and the current income tax payable is calculated on the basis of tax rates and laws that have been comprehensive income or directly in equity, respectively.

5.30 Taxation

Interest income is recognised in profit or loss using the effective interest method.

5.31 Interest income

held separately from the Group in independently administered funds

are shown in accounts as a liability in the statement of financial position. The assets of the plan are The contributions are recognised as an expense in profit or loss when they fall due. Amounts not being contributions have been paid the Group has no further payment obligations.

benefit plan under which the Group have fixed contributions into a separate entity. Once the The Group operates a defined contribution plan for its employees. A defined contribution plan is a Defined contribution pension plan.

5.32 Pensions

initially recognised as a reduction in the book value of the associated capital instrument.

5.33 Finance costs

method so that the amount charged is at a constant rate on the carrying amount. Lease costs are Finance costs are charged to profit or loss over the term of the debt using the effective interest

5. Accounting policies (continued)

for the Year Ended 31 March 2020
Notes to the Financial Statements

(A Company Limited by Guarantee)
The Big Lease Group Limited

The Big Issue Group Limited

(A Company Limited by Guarantee)

Notes to the Financial Statements for the Year Ended 31 March 2020

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 group's tangible assets. Factors taken into consideration in reaching such a 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.

Other key sources of estimation uncertainty

Tangible fixed assets (see note 13)

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Investments (see note 11) and loan interest receivable (see note 17)

Significant judgements and estimates have been used in the calculation of provisions which are deducted from financial investments. These provisions are calculated by applying impairments to financial investments after assessing their likelihood of default. In respect of financial investments, the total provision applied to the financial investments this financial year is £37,000 (2019: £50,000).

4. Turnover

An analysis of turnover by class of business is as follows:

	2020 £	2019 £
Magazine sales	4,236,595	4,419,515
Advertising	791,043	804,499
Investment	754,902	762,740
Other income	1,554,722	1,325,164
Management fees	34,000	31,000
Income from other investments	914,273	943,004
	<u>8,285,535</u>	<u>8,285,922</u>

All turnover arose within the United Kingdom.

All turnover arises within the United Kingdom.

	8'382'232	8'382'255
Income from other investments	844,418	843,004
Management fees	34,000	34,000
Other income	1,224,155	1,352,184
Investment	508,427	471,237
Advertising	440,187	408,408
Magazine sales	222,832	212,814
	3	3
	5050	3018

An analysis of turnover by class of business is as follows:

2. Turnover

Provision applied to the financial investments this financial year is £32,000 (2018: £20,000). Investments after assessing their likelihood of default in respect of financial investments, the total from financial investments. These provisions are calculated by applying impairments to financial significant judgements and estimates have been used in the calculation of provisions which are deducted from investments (see note 11) and loan interest receivable (see note 11).

Consider issues such as future market conditions, the remaining life of the asset and projected disposal product life cycles and maintenance programmes are taken into account. Residual value assessments depending on a number of factors in re-assessing asset lives, factors such as technological innovation appropriate. The actual lives of the assets and residual values are assessed annually and may vary. Tangible fixed assets are depreciated over their useful lives taking into account residual values where Tangible fixed assets (see note 13).

Other key sources of estimation uncertainty

expected future performance of that unit.

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

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

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

for the Year Ended 31 March 2020
Notes to the Financial Statements

(A Company Limited by Guarantee)
The Big Issue Group Limited

The Big Issue Group Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
for the Year Ended 31 March 2020

5. Operating profit

The operating profit is stated after charging:

	2020 £	2019 £
Amortisation of intangible fixed assets (see note 12)	3,594	5,526
Depreciation of tangible fixed assets (see note 13)	53,002	64,732
Other operating lease rentals	137,505	208,111
	<u>194,101</u>	<u>278,369</u>

6. Auditor's remuneration

	2020 £	2019 £
Fees payable to the Group's Auditor and its associates for the audit of the Group's annual accounts	3,605	3,605
Fees payable to the Group's Auditor and its associates for the audit of the Company's subsidiaries annual accounts	44,751	44,751
Fees payable to the Group's Auditor and its associates in respect of:		
All other services	44,275	44,275
	<u>92,631</u>	<u>92,631</u>

7. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2020 £	Group 2019 £
Wages and salaries	3,559,810	3,779,365
Social security costs	341,822	360,953
Cost of defined contribution scheme	101,098	87,567
	<u>4,002,730</u>	<u>4,227,885</u>

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

2020 No.	2019 No.
114	106
<u>114</u>	<u>106</u>

414	402
10	10
3030	3030

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

	4,003,130	4,551,882
Cost of defined contribution scheme	101,008	81,281
Social security costs	341,833	380,083
Wages and salaries	3,288,810	3,118,382
	£	£
	3030	3030
Group	Group	Group

Staff costs, including directors' remuneration, were as follows

1. Employees

All other services	44,512	44,512
Fees payable to the Group's Auditor and its associates in respect of:		
Company's subsidiaries annual accounts	127,44	127,44
Fees payable to the Group's Auditor and its associates for the audit of the Group's annual accounts	3,802	3,802
Fees payable to the Group's Auditor and its associates for the audit of the		
	£	£
	3030	3030

2. Auditor's remuneration

Other operating lease rentals	137,202	117,808
Depreciation of tangible fixed assets (see note 13)	23,005	23,44
Amortisation of intangible fixed assets (see note 15)	3,281	2,252
	£	£
	3030	3030

The operating profit is stated after charging:

2. Operating profit

for the Year Ended 31 March 2030
Notes to the Financial Statements

(A Company Limited by Guarantee)
The Big Issue Group Limited

The Big Issue Group Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
for the Year Ended 31 March 2020

8. Directors' remuneration

	2020 £	2019 £
Directors' emoluments	237,300	218,953
Company contributions to defined contribution pension schemes	5,834	11,788
	<u>243,134</u>	<u>230,741</u>

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

The highest paid director received remuneration of £104,501 (2019 - £97,963).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £2,555 (2019 - £16,812).

9. Interest receivable and similar income

	2020 £	2019 £
Other interest receivable	<u>10,273</u>	<u>9,079</u>

10. Interest payable and similar charges

	2020 £	2019 £
Interest payable	<u>275,010</u>	<u>339,137</u>

	interest payable	512'040	336'131
		£	£
		5050	5048
10.	interest payable and similar charges		
	Other interest receivable	10'513	8'056
		£	£
		5050	5048
8.	interest receivable and similar income		
	highest paid director amounted to £5'222 (5018 - £18'815).		
	The value of the company's contributions paid to a defined contribution pension scheme in respect of the		
	highest paid director received remuneration of £104'201 (5018 - £27'223).		
	contribution pension schemes.		
	During the year retirement benefits were accruing to 3 directors (5018 - 3) in respect of defined		
		543'134	530'141
	Company contributions to defined contribution pension schemes	2'834	11'188
	Directors' emoluments	521'300	518'953
		£	£
		5050	5048
8.	Directors' remuneration		

for the Year Ended 31 March 2020
Notes to the Financial Statements

(A Company Limited by Guarantee)
The Big Issue Group Limited

The Big Issue Group Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
for the Year Ended 31 March 2020

11. Taxation

	2020	2019
	£	£
Corporation tax		
Current tax on profits for the year	3,547	-
Adjustments in respect of previous periods	(2,110)	(43,415)
Total current tax	1,437	(43,415)
Deferred tax		
Origination and reversal of timing differences	64,753	(42,496)
Changes to tax rates	(13,017)	-
Adjustments in respect of prior periods	3,141	13,247
Total deferred tax	54,877	(29,249)
Taxation on profit/(loss) on ordinary activities	56,314	(72,664)

Taxation on profit/(loss) on ordinary activities

	2020	2019
Total deferred tax	24,821	(58,546)
Adjustments in respect of prior periods	3,144	13,541
Changes to tax rates	(13,011)	-
Origination and reversal of timing differences	64,183	(45,486)
Deferred tax		
Total current tax	1,431	(43,412)
Adjustments in respect of prior periods	(5,110)	(43,412)
Current tax on profit for the year	3,841	-
Corporation tax	5050	5012

11. Taxation

for the Year Ended 31 March 2020
Notes to the Financial Statements

(V Combarly Limited by Gustavus)
The Bid Issue Group Limited

The Big Issue Group Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
for the Year Ended 31 March 2020

11. Taxation (continued)

Factors affecting tax charge for the year

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

	2020 £	2019 £
Profit on ordinary activities before tax	86,893	62,080
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	16,510	11,795
Effects of:		
Fixed asset differences	2,614	2,557
Expenses not deductible for tax purposes	6,550	4,900
Adjustments to tax charge in respect of prior periods	(2,110)	(43,415)
Adjustments to tax charge in respect of prior periods - deferred tax	3,141	13,247
Short term timing difference leading to an increase (decrease) in taxation	-	4,998
Non-taxable income	(155,870)	(71,100)
Adjust opening deferred tax to average rate	(212)	-
Change in tax rate	(12,804)	-
Deferred tax not recognised	198,495	-
Losses carried back	-	2,074
Other permanent differences	-	2,280
Total tax charge for the year	56,314	(72,664)

No deferred tax asset relating to taxable losses was recognised during the year. In the prior year, a deferred tax asset balance relating to taxable losses of £124,602 was recognised.

The main rate of UK corporation tax will decrease from 19% to 17% for 1 April 2020. As these changes had not been substantially enacted at the statement of financial position date, their effects are not included in the financial statements.

included in the financial statements.

had not been substantiated by the statement of financial position date, their effects are not. The main rate of UK corporation tax will decrease from 18% to 17% for 1 April 2020. As these changes

deferred tax asset balance relating to taxable losses of £121,002 was recognised

No deferred tax asset relating to taxable losses was recognised during the year. In the prior year, a

Total tax charge for the year	2019	(2018)
Other permanent differences	-	5,580
Losses carried back	-	470.5
Deferred tax not recognised	264,882	-
Change in tax rate	(408,211)	-
Adjust: opening deferred tax to average rate	(512)	-
Non-taxable income	(102,824)	(100,100)
Short term timing difference leading to an increase (decrease) in taxation	-	889.4
Adjustments to tax charge in respect of prior periods - deferred tax	3,144	742.17
Adjustments to tax charge in respect of prior periods	(10,112)	(214.34)
Expenses not deductible for tax purposes	6,220	4,800
Fixed asset differences	4,014	722.5
Effects of:		
the UK of 18% (2018 - 18%)	18,210	17,102
Profit on ordinary activities multiplied by standard rate of corporation tax in		
Profit on ordinary activities before tax	88,882	88,080
	3	3
	2020	2019

the UK of 18% (2018 - 18%) The differences are explained below:

The tax assessed for the year is higher than (2018 - lower than) the standard rate of corporation tax in

Factors affecting tax charge for the year

11. Taxation (continued)

for the Year Ended 31 March 2020
Notes to the Financial Statements

(A Company Limited by Guarantee)
The Big Issue Group Limited

The Big Issue Group Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
for the Year Ended 31 March 2020

12. Intangible assets

Group

	Website development £
Cost	
At 1 April 2019	24,500
At 31 March 2020	<u>24,500</u>
Amortisation	
At 1 April 2019	5,526
Charge for the year on owned assets	3,594
At 31 March 2020	<u>9,120</u>
Net book value	
At 31 March 2020	<u><u>15,380</u></u>
At 31 March 2019	<u><u>18,974</u></u>

The Company had no intangible fixed assets.

The Big Issue Group Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
for the Year Ended 31 March 2020

12. Intangible assets		Group
	Cost	
	At 1 April 2019	24,500
	At 31 March 2020	24,500
	Amortisation	
	At 1 April 2019	3,256
	Charge for the year on closed assets	8,120
	At 31 March 2020	11,376
	Net book value	
	At 31 March 2020	13,124
	At 31 March 2019	21,244

The Company had no intangible fixed assets.

Website
development
c

The Big Issue Group Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
for the Year Ended 31 March 2020

13. Tangible fixed assets

Group

	Leasehold improvements £	Furniture, fittings and equipment £	Total £
Cost or valuation			
At 1 April 2019	336,490	165,615	502,105
Additions	3,950	15,440	19,390
At 31 March 2020	<u>340,440</u>	<u>181,055</u>	<u>521,495</u>
Depreciation			
At 1 April 2019	84,577	99,702	184,279
Charge for the year on owned assets	33,871	35,852	69,723
At 31 March 2020	<u>118,448</u>	<u>135,554</u>	<u>254,002</u>
Net book value			
At 31 March 2020	<u>221,992</u>	<u>45,501</u>	<u>267,493</u>
At 31 March 2019	<u>251,913</u>	<u>65,913</u>	<u>317,826</u>

The Company had no tangible fixed assets.

VI 31 March 2018	521'813	62'013	559'826
VI 31 March 2020	531'005	42'204	569'483
Net profit as/into			

At 31 March 2020	148,448	132,825	381,273
Change for the year on direct transfers	39,811	22,825	62,636
At 1 April 2019	84,211	28,105	184,516
Debit/credit			

At 31 March 2020	340'440	181'022	521'462
Acquisition	3'220	12'440	16'360
At 1 April 2019	336'420	168'612	505'102

Improvements	Costs	Edging and Finishing	Total
3	3	3	3

13. **Principle (ix) as rejected**

for the Year Ended 31 March 2020
Notes to the Financial Statements

(A Company Limited by Guarantee)
The Bid Lease Group Limited

The Big Issue Group Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
for the Year Ended 31 March 2020

14. Fixed asset investments

Group

	Loans to subsidiaries £
Cost or valuation	
At 1 April 2019	14,699,573
Additions	4,805,012
Disposals	(1,977,813)
Amounts written off	(503,602)
At 31 March 2020	<u>17,023,170</u>
Impairment	
At 1 April 2019	50,000
Charge for the period	(13,000)
At 31 March 2020	<u>37,000</u>
Net book value	
At 31 March 2020	<u><u>16,986,170</u></u>
At 31 March 2019	<u><u>14,649,573</u></u>

The provision is a specific provision calculated on a loan by loan basis.

The Big Issue Group Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
for the Year Ended 31 March 2020

14. Fixed asset investments (continued)

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2019	2,205
At 31 March 2020	<u>2,205</u>
Net book value	
At 31 March 2020	<u>2,205</u>
At 31 March 2019	<u>2,205</u>

The Big Issue Group Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
for the Year Ended 31 March 2020

15. Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Principal activity	Class of shares	Holding
The Big Issue Company Limited	Publishing	Ordinary	100%
The Big Issue Cymru Limited	Dormant	Ordinary	100%
The Big Issue in Scotland Limited	Publishing	Ordinary	100%
Big Issue Invest Limited	Financing of social enterprises	Ordinary	100%
The Big Issue Exchange Limited	Social Trading Platform	Ordinary	38.26%
Big Issue Invest Fund Management Ltd	Fund management	Ordinary	100%
Big Issue Social Investment Limited	Fund management	Ordinary	100%
Big Issue Invest Corporate Social Venturing Limited	Financing of social enterprises	Ordinary	100%
Social Brokers Foundation	Dormant	Ordinary	100%
The Bag Issue Limited	Dormant	Ordinary	100%
Prevention Convention Limited	Dormant	Ordinary	100%
Big Issue Invest Social Enterprise Investment Fund I LP	Fund	N/A	- %
Big Issue Invest Social Enterprise Investment Fund II LP	Fund	N/A	- %
Big Issue Invest Outcomes Investment Fund LP	Fund	N/A	- %
Big Issue Access Limited	Financing of social impact organisations	Ordinary	100%
Big Issue Invest Scotland Limited	Financing of social enterprises	Ordinary	100%

The directors believe that the carrying value of the investments is supported by their underlying net assets.

All entities have been incorporated in England and Wales and have the same registered office address as the company (see company information page), unless otherwise stated.

The Big Issue Cymru Limited registered office address is First Floor, Hastings House, Fitzalan Place, Cardiff, CF24 0BL.

The Big Issue in Scotland Limited has been incorporated in Scotland and the registered office address is 43 Bath Street, Glasgow, G2 1HW.

Big Issue Invest Scotland Limited has been incorporated in Scotland and the registered office address is 31 Queensferry Street, Edinburgh, Scotland, EH2 4QS.

31 Queensberry Street, Edinburgh, Scotland EH3 4QG.

Big Issue Invest Scotland Limited has been incorporated in Scotland and the registered office address is

43 Belford Street, Glasgow, G3 7HW.

The Big Issue in Scotland Limited has been incorporated in Scotland and the registered office address is

Canal Quay, Cardiff, CF34 0BF.

The Big Issue Cymru Limited registered office address is First Floor, Hastings House, Fitzalan Place,

as the company (see company information page), unless otherwise stated.

All entities have been incorporated in England and Wales and have the same registered office address

as above.

The directors believe that the carrying value of the investments is supported by their underlying net

	enterprises		
Big Issue Invest Scotland Limited	Financing of social impact organisations	Ordinary	100%
Big Issue Access Limited	Financing of social	Ordinary	100%
Big Issue Invest Outcomes Investment Fund LP	Fund	N/A	- %
LP			
Big Issue Invest Social Enterprise Investment Fund II	Fund	N/A	- %
LP			
Big Issue Invest Social Enterprise Investment Fund I	Fund	N/A	- %
Preservation Convention Limited	Donor	Ordinary	100%
The Big Issue Limited	Donor	Ordinary	100%
Social Brokers Foundation	Donor	Ordinary	100%
	enterprises		
Big Issue Invest Corporate Social Venturing Limited	Financing of social	Ordinary	100%
Big Issue Social Investment Limited	Fund management	Ordinary	100%
Big Issue Invest Fund Management Ltd	Fund management	Ordinary	100%
The Big Issue Exchange Limited	Social Trading Platform	Ordinary	38.56%
	enterprises		
Big Issue Invest Limited	Financing of social	Ordinary	100%
The Big Issue in Scotland Limited	Publishing	Ordinary	100%
The Big Issue Cymru Limited	Donor	Ordinary	100%
The Big Issue Company Limited	Publishing	Ordinary	100%
Name	Principal activity	shares	Holding
		Class of	

The following were subsidiary undertakings of the company.

12. Subsidiary undertakings

for the Year Ended 31 March 2020
Notes to the Financial Statements

(A Company limited by guarantee)
The Big Issue Group Limited

The Big Issue Group Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
for the Year Ended 31 March 2020

16. Stocks

	Group 2020 £	Group 2019 £
Paper stock	6,384	9,937

The difference between purchase price or production cost of stocks and their replacement cost is not material.

17. Debtors

	Group 2020 £	Group 2019 £
Trade debtors	287,607	408,014
Other debtors	162,866	99,779
Prepayments and accrued income	363,333	240,675
Tax recoverable	141,336	263,926
Deferred taxation	86,461	141,338
Loan interest receivable	164,635	157,491
	1,206,238	1,311,223

18. Cash and cash equivalents

	Group 2020 £	Group 2019 £
Cash at bank and in hand	4,243,722	6,687,731

Of the cash at bank and in hand for the group at year-end, £1,972,895 (2019 - £4,378,828) is committed for use in lending to social impact organisations.

for use in lending to social impact organisations.

Of the cash at bank and in hand for the group at year-end, £1,075,282 (2018: £1,318,858) is committed

	2020	2018
	Group	Group
18. Cash and cash equivalents	1,542,153	1,376,858
	£	£
	Group	Group
	1,508,538	1,311,552
Loan interest receivable	184,032	184,141
Deferred taxation	88,481	338,141
Tax recoverable	141,238	258,232
Prepayments and accrued income	383,333	278,042
Other debtors	103,888	17,888
Trade debtors	108,182	470,804
	£	£
	Group	Group
17. Debtors	1,008,262	1,268,858
	£	£
	Group	Group
16. Stocks	1,384	1,384
	£	£
	Group	Group
	1,384	1,384

for the year ended 31 March 2020
Notes to the Financial Statements

(A Company limited by guarantee)
The Big Issue Group Limited

The Big Issue Group Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
for the Year Ended 31 March 2020

19. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Bank loans	-	1,708,771	-	-
Other loans	37,813	153,198	-	-
Trade creditors	342,045	266,538	-	-
Amounts owed to group undertakings	-	-	1,999	1,999
Amounts owed to other participating interests	140,409	263,926	-	-
Corporation tax	27,465	14,040	-	-
Other taxation and social security	66,010	85,737	-	-
Other creditors	188,453	756,838	205	205
Accruals and deferred income	990,042	1,204,601	-	-
	1,792,237	4,453,649	2,204	2,204

20. Creditors: Amounts falling due after more than one year

	Group 2020 £	Group 2019 £
Bank loans	9,736,628	7,725,911
Other loans	978,301	631,411
Other creditors	2,851,872	3,094,094
Accruals and deferred income	4,243,776	3,998,825
	17,810,577	15,450,241

Loans are secured via a debenture comprising fixed and floating charges over all the Company's assets.

As at 31 March 2020 the company had 4 loans outstanding (2019 - 5). Bank loans of £1,273,735 (2019 - £725,000) reach final maturity in 2023 and attract an interest rate of between 4% + base rate. Other loans of £8,484,193 (2019 - £8,730,000) reach final maturity between 2023 and 2026 and attract an interest rate of between 0% and 6.25%. Bank loan instalment repayments of £962,500 (2019 - £1,175,000) were made during the year. The company has taken advantage of the public benefit exemption and has not applied a commercial rate of interest, required under FRS 102 to these loans.

applied a commercial rate of interest, required under FRS 105 to these loans made during the year. The company has taken advantage of the public benefit exemption and has not rate of between 0% and 2.22%. Bank loan instalment repayments of £225,200 (2018 - £1,132,000) were of £8,484,183 (2018 - £8,130,000) each final instalment between 2023 and 2026 and attract an interest of £332,000 each final instalment in 2023 and attract an interest rate of between 4% + base rate. Other loans as at 31 March 2020 the company had 4 loans outstanding (2018 - 2). Bank loans of £1,313,122 (2018 -

loans are secured via a debenture comprising fixed and floating charges over all the Company's assets.

	11'810'211	12'420'341
Accruals and deferred income	4'343'112	3'228'832
Other creditors	3'821'813	3'020'004
Other loans	218'301	831'411
Bank loans	2'132'238	1'827'111
	£	£
	2020	2018
	Group	Group

30. Creditors: Amounts falling due after more than one year

	1'125'521	4'423'242	5'304	5'304
Accruals and deferred income	220'045	1'304'801	-	-
Other creditors	188'423	122'838	302	302
Other taxation and social security	22'010	137'321	-	-
Corporation tax	37'422	14'010	-	-
Amounts owed to other participating interests	140'402	323'232	-	-
Amounts owed to group undertakings	-	-	1'222	1'222
Trade creditors	345'042	322'232	-	-
Other loans	37'813	423'162	-	-
Bank loans	-	1'108'111	-	-
	£	£	£	£
	2020	2018	2020	2018
	Group	Group	Company	Company

18. Creditors: Amounts falling due within one year

for the Year Ended 31 March 2020
Notes to the Financial Statements

(A Company Limited by Guarantee)
The Big Issue Group Limited

The Big Issue Group Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
for the Year Ended 31 March 2020

21. Financial instruments

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Financial assets				
Financial assets that are debt instruments measured at amortised cost	<u>22,058,139</u>	<u>22,073,677</u>	<u>-</u>	<u>-</u>
Financial liabilities				
Financial liabilities measured at amortised cost	<u>(15,095,251)</u>	<u>(15,278,516)</u>	<u>(2,204)</u>	<u>(2,204)</u>

Financial assets measured at amortised cost comprise cash and cash equivalents, trade and other debtors, accrued income and loan stock.

Financial liabilities measured at amortised cost, comprise bank loans, trade creditors, amounts owed to group undertakings, other creditors and accrued expenses.

22. Deferred taxation

Group

	2020 £	2019 £
At beginning of year	141,338	112,089
Charged to profit or loss	(54,877)	29,249
At end of year	<u><u>86,461</u></u>	<u><u>141,338</u></u>
	Group 2020 £	Group 2019 £
Accelerated capital allowances	86,461	(18,009)
Tax losses carried forward and other deductions	-	159,347
	<u><u>86,461</u></u>	<u><u>141,338</u></u>

At end of year 1A

Charged to bring or pass
A: pedijunib of Aesal

Garob:

35. Deformed taxation

Each municipality: capital credits and secured expenses
Financial liabilities measured at smoothed cost, compute pay issue, large credits' amounts owed to
deplete' secured income and loss stock
Financial assets: measured at, smoothed cost, compute cash and cash equivalents, large and other

1421032524	142538210	(5504)	(5504)
------------	-----------	--------	--------

Financial capabilities

SS 026130 SS 013911

Financial assets that are good instruments to be measured at surplussed cost

E	5050	5018	5050	5018
Glomb	Glomb	Glomb	Glomb	Glomb

54. Financial instruments

Notes to the Financial Statements

(A Company Limited by Guarantee)
The Big Issue Group Limited

The Big Issue Group Limited

(A Company Limited by Guarantee)

Notes to the Financial Statements for the Year Ended 31 March 2020

23. Reserves

Merger Reserve

A merger reserve account is an account that is credited instead of a company's share premium account in circumstances where merger relief under section 612 of the Companies Act 2006 is obtained.

Profit and loss account

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

24. Company status

The Company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation. As at 31 March 2020, the company had 2 members, A J Bird and N Kershaw (2019 - 2 members, A J Bird and N Kershaw).

Each "A" member shall enjoy full voting rights entitling each "A" member to one vote. Each "B" member shall be non-voting except for resolutions stated in the Articles of Association.

25. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £101,098 (2019 - £87,567). Contributions totalling £1,005 (2019 - £115) were payable to the fund at the reporting date and are included in creditors.

26. Commitments under operating leases

At 31 March 2020 the group had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2020 £	Group 2019 £
Not later than 1 year	231,313	232,638
Later than 1 year and not later than 5 years	280,820	416,509
Later than 5 years	133,540	199,240

The Company had no commitments under non-cancellable operating leases as at the reporting date.

The Company had no commitments under non-cancellable operating leases as at the reporting date

Later than 2 years	133'240	188'540
Later than 1 year and not later than 2 years	380'830	418'200
Not later than 1 year	534'343	535'038
	£	£
	5050	5048
	Group	Group

as follows:

At 31 March 2050 the Group had future minimum lease payments under non-cancellable operating leases

30. Commitments under operating leases

included in creditors:

Contributions totalling £1'002 (5048 - £112) were payable to the fund at the reporting date and are represents contributions payable by the Group to the fund and amounted to £101'088 (5048 - £81'281) separately from those of the Group in an independently administered fund. The pension cost charge. The Group operates a defined contributions pension scheme. The assets of the scheme are held

32. Pension commitments

shall be non-voting except for resolutions stated in the Articles of Association.

Each "A" member shall enjoy full voting rights entitling each "A" member to one vote. Each "B" member

Ketehaw (5048 - 3 members: A 1 Bird and N Ketehaw)

company in the event of liquidation. As at 31 March 2050 the company had 3 members: A 1 Bird and N. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the. The Company is a private company limited by guarantee and consequently does not have share capital.

34. Company assets

acquisitions.

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

Profit and loss account

circumstances where merger relief under section 673 of the Companies Act 2006 is obtained.

A merger reserve account is an account that is credited instead of a company's share premium account in

Merger Reserve

35. Reserves

for the Year Ended 31 March 2050
Notes to the Financial Statements

(A Company Limited by Guarantee)
The Big Issue Group Limited

The Big Issue Group Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
for the Year Ended 31 March 2020

27. 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.

During the year, the group received management fees of £24,000 (2019 - £21,000) on behalf of its corporate member company Big Issue Invest Trust (previously known as The Social Enterprise Loan Fund). At the year end Big Issue Invest Limited is owed £28,589 (2019 - £8,589) from Big Issue Invest Trust and Big Issue Invest Limited owes £Nil (2019 - £Nil) to Big Issue Invest Trust.

The group recharged expenses to a connected entity, The Big Issue Foundation, during the year of £245,176 (2019 - £245,806), The amount outstanding at the year end is £1,085 (2019 - £6,429).

During the year, the group received an annual priority profit share in respect of Big Issue Invest Social Enterprise Investment Fund I LP, Big Issue Invest Social Enterprise Investment Fund II LP and Big Issue Invest Outcomes LP under the terms of the relevant limited partnership agreements. £77,787 (2019 - £101,012) was received from Big Issue Invest Social Enterprise Investment Fund I LP, £585.872 (2019 - £591,992) was received from Big Issue Invest Social Enterprise Investment Fund II LP and £250,515 (2019 - £250,000) was received from Big Issue Invest Outcomes LP. All three entities are related parties of the group by virtue of the group's control of these entities.

Key management personnel include all directors who together have authority and responsibility for planning, directing and controlling the activities of the group. The total compensation paid to key management personnel for services provided to the group was £237,300 (2019 - £259,107).

28. Controlling party

A J Bird is the ultimate controlling party by virtue of being the sole "A" member.

A 1 Bid is the ultimate controlling body by virtue of being the sole "A" member.

38. Controlling body

management personnel for services provided to the Group was £331,300 (2018 - £328,401) during the period and controlling the activities of the Group. The total compensation paid to key management personnel includes all directors who, together, have authority and responsibility for

of the Group by virtue of the Group's control of these entities.

(2018 - £320,000) was received from Bid Issue Invest Outcomes LP. All these entities are listed below. £281,683) was received from Bid Issue Invest Social Enterprise Investment Fund II LP and £38,316 (£104,043) was received from Bid Issue Invest Social Enterprise Investment Fund I LP. £282,825 (2018 - Invest Outcomes LP under the terms of the relevant limited partnership agreements. £11,181 (2018 - Enterprise Investment Fund I LP, Bid Issue Invest Social Enterprise Investment Fund II LP and Bid Issue Fund the Year, the Group received an annual bonus split share in respect of Bid Issue Invest Social

£342,138 (2018 - £342,408). It is summarised below at the Year end is £1,086 (2018 - £2,458). The Group received advances to a connected entity. The Bid Issue Foundation granted the Year of

fund and Bid Issue Invest Limited (2018 - £141) to Bid Issue Invest Limited.

fund) by the Year end Bid Issue Invest is £38,288 (2018 - £8,288) from Bid Issue Invest corporate member company Bid Issue Invest Limited (hereinafter known as the Social Enterprise Fund) during the Year, the Group received management fees of £34,000 (2018 - £31,000) on behalf of its

Relevant entities and not to a related transaction with other wholly owned members of the Group. The Company has been advised of the exemption criteria under paragraph 33.14 of the Financial

39. Related party transactions

for the Year ended 31 March 2020
Notes to the Financial Statements

(A Compulsory Limited by Guarantee)
The Bid Issue Group Limited