

**The Big Life Company Limited**  
**(A Company Limited by Guarantee)**

Annual Report and Financial Statements

Year Ended

31 March 2018

Company Number 04227431

**The Big Life Company Limited**  
**(A Company Limited by Guarantee)**

**Company Information**

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<b>Directors</b>	F Selvan P Butler A Beswick E Robinson C Price R Scorer M Alavi A Shah (Appointed 31 August 2017) L Grant (Appointed 31 August 2017) P Hodgett (Resigned 29 December 2017) E Perry (Resigned 31 July 2017)
<b>Company secretary</b>	R McMorrow (Appointed 29 December 2017)
<b>Registered number</b>	04227431
<b>Registered office</b>	1st Floor 463 Stretford Road Manchester Lancashire M16 9AB
<b>Independent auditor</b>	Beever and Struthers St George's House 215-219 Chester Road Manchester M15 4JE
<b>Bankers</b>	Royal Bank of Scotland 38 Mosley Street Manchester M60 2BE

**The Big Life Company Limited**  
**(A Company Limited by Guarantee)**

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# **The Big Life Company Limited**

## **(A Company Limited by Guarantee)**

### **Group Strategic Report** **For the Year Ended 31 March 2018**

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#### **Principal activities and performance**

Set out below is a review of the principal activities and the performance of each member of the group:

The Big Life group's mission is to create opportunities for the people who have the least to change their lives. We start where they are at, and help them get to where they want to be. We have a three year business plan from 2017-20, and March 2018 is the end of the first year of the plan. The Big Life group operates through four Divisions:

- Group Services – provides strategic and corporate services to the group
- Children and Families – delivering childcare, education, and family support
- Health and Wellbeing – delivering services to help people improve their physical and mental health
- Skills and Employment – helping people to overcome barriers to employment and develop skills for independent living

#### **Big Life Company Limited**

The Big Life Company provides strategic leadership and corporate support (Finance, Communication, Procurement, HR, ICT, Training, Governance, H&S, Safeguarding, Business Development, Building and Asset management) to all services and charities in the Big Life group (Self Help Services, Big Life Centre's, Big Issue North Trust and Big Life Schools) for which it receives a management fee through agreed Service Level Agreements. Big Life Company Ltd also delivers activities previously undertaken by the following wholly owned subsidiaries which have remained dormant: (Big Issue North, Big Life Enterprises and Big Life Families).

This year we delivered the following:

- The Manchester Working Well Pilot contract which in this last year of the program the group worked with 601 clients and of those completing 2 years of the program, 16% secured employment, 12% (employment for 6+ months), 11% (employment for 12+month). Of those individuals that secured employment, 40% had not worked for over 6 years or had never worked.
- Under the Skills for Employment contract the group supported total of 252 learners, 49% of whom had qualifications below L2 or no qualifications. In total 33% of learners completed a qualification, 24% started a job 16 hours per week or more and 19% started a full time work placement.
- At our Children's Centres in Manchester and Stockton-on-Tees we worked with 2188 children and 1344 adults and a total of 902 parents engaged with the stay and play sessions. The group also delivered Early Years Outreach service and CAPs parenting service in Manchester. The Big Chance ran across Longsight and Unity Community Primary schools and attracted 99 volunteers, 25 of which went into employment and 5 went into further education.



# **The Big Life Company Limited**

## **(A Company Limited by Guarantee)**

### **Group Strategic Report (continued)** **For the Year Ended 31 March 2018**

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- The group operated three nurseries in Manchester (Slade Lane, Longsight, and Unity) and three in Stockton on Tees (Freddie Nattress, Newtown and Ragworth). A total of 657 children used our nurseries and 92% of children leaving the nurseries were at or above expected levels of development. The nurseries were grateful to 10 volunteers, (2 went onto employment and 7 went onto further training) and 29 students, 11 of whom gained qualifications.
- The Big Issue North had 775 vendors selling the magazine with an average weekly circulation of 11,947. During the year 3 vendors piloted cashless payment machines enabling them to earn an income from people who don't carry cash. During the year The Big Issue North had 13 students/work placements and 4 Volunteers.
- Big Life Homes managed 10 low need supported housing flats in Liverpool (Belmont House and Kremlin Road) accommodating 14 tenants in total.

#### **The Big Issue in the North Trust**

The Big Issue in the North Trust is a charity which supports vendors by providing support and signposting. In the last year it helped 49 vendors into accommodation; 50 into work, volunteering or training

The Trust is also commissioned by Liverpool City council to deliver a user engagement project - Community Voice, and by Plus Dane Housing Association to support user involvement in the Waves of Hope programme. Community Voice had 15 volunteers and conducted 24 monthly meetings, engaging with 49 people, and delivering 5 commissioned reviews.

#### **Big Life Centres**

Big Life Centres is a charity that provides community and self-help services to support people to improve their well-being. The charity manages four community health centres in Manchester and Salford (Zion, Kath Locke, Energise, and Willow Tree) and delivers well-being services in Manchester (You First) and Rochdale (Living Well) and a Drug and Alcohol service (Pathways) in Rochdale. Big Life Centres also delivered the innovative asset-based training programme, 'People Partner Place' in partnership with Manchester University to 118 people.

During the year Big Life Centres achieved the following:

- Providing community and self-help services to improve individual well-being. The charity managed four community health centres in Manchester and Salford (Zion, Kath Locke, Energise, and Willow Tree). Big Life Centres had 205,456 visitors over the last year; At Zion/ & Kath Locke centres, 94% of people surveyed said services met their needs. At Energise/Willowtree all of people surveyed said their lives have improved by use of the Centre.
- Delivering the Rochdale Living Well service which, during the year delivered 4,422 new brief interventions and 4,237 new structured interventions with 81% of people who completed the programme achieved all their goals. In relation to smoking cessation 66% of those who set a goal on smoking successfully quit smoking. In relation to weight loss 63% of those who set a goal to lose weight and successfully, achieved their target. The contract was recommissioned this year and Big Life Centres was successfully reappointed with a new partnership model for the next financial year.
- Delivering the You First pilot project which was a pre diabetes service which was delivered to 120 people at 21 venues across Manchester.
- Delivering the final year of the contract for Pathways, the drug and alcohol service which engaged 551 new people and achieved 600 completions, with a success rate of 85%.

Big Life Centres provided 187 people with volunteering opportunities this year; 9 went onto paid work and 77 undertook further training opportunities.

# **The Big Life Company Limited**

## **(A Company Limited by Guarantee)**

### **Group Strategic Report (continued)**

#### **For the Year Ended 31 March 2018**

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#### **Self Help Services**

Self Help Services Ltd (SHS) is a user led mental health charity that delivered primary mental health and self-help initiatives, including one to one therapy, self-help groups and structured training courses.

SHS is one of the largest independent providers of NHS Primary mental health services in the North of England and 60% of new staff recruited have lived experience of mental distress. Services are commissioned by NHS Manchester, Stockport, Salford, Trafford, Eastern Cheshire, and Heywood/Rochdale/Middleton CCGs to provide one to one clinical support, counselling and e therapy.

The charity also provided other specialist services that includes the Sanctuary Crisis, Peer to Peer support services, structured training and self-help groups. Sanctuary overnight crisis intervention supports people struggling with anxiety, depression, panic and suicidal thoughts and is delivered from three sites in Manchester, Bolton, Wigan and Leigh. The service was complemented by a 24 hour crisis line and delivered 8,602 sessions of support to 2,214 people.

Peer Support services supported 101 new clients, and evidenced that 89% of clients surveyed had learned and used new coping strategies. SHS also delivered 401 drop in group sessions (across Manchester and Trafford), and 95% of those surveyed felt this had improved their confidence and self-esteem. During the year SHS provided 119 volunteering opportunities and worked with over 23,000 clients 95% of those surveyed felt improvements in confidence and self-esteem.

#### **Big Life Schools**

Big Life Schools is a Multi Academy Trust which oversees both Longsight Community Primary and Unity Community Primary schools

**Longsight Community Primary:** During the year the school\_ provided for the first time places in all year groups (Reception, Year 1, 2,3,4,5 and 6) catering for 215 pupils. At the school there were 22 different languages spoken by children and **85%** of children had English as an additional language. Ofsted inspectors awarded the school 'Good' in 2015 and attendance for 2017-18 was 95.7%

**Unity Community Primary:** The school opened had a Reception, Year 1, 2, 3 and 4 class, catering for **141** pupil. There are **32** different languages spoken in the school, **85%** of children have English as an additional language and **39%** are at the early stages of learning English. **43%** of pupils have no previous education or interrupted education. **22%** of pupils qualify for FSM. Unity was inspected by OFSTED this year and achieved a rating of good and attendance for 2017-18 was 95.5%.



# **The Big Life Company Limited**

## **(A Company Limited by Guarantee)**

**Group Strategic Report (continued)**  
**For the Year Ended 31 March 2018**

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### **Principal risks and uncertainties**

A risk management process is in place whereby risks are identified and mapped against their likelihood and impact, with appropriate mitigating actions identified. Each risk is assigned to a member of the Senior Management team. A Risk Register is maintained by the Finance Director and reported to all boards.

The changes in the economic climate and government's economic policy are high on the agenda as they continue to impact on funding. The group has developed a network of contacts with commissioners and policy makers. The group continues to explore different avenues of finance and continues to diversify income streams.

The Big Life Company balance sheet was negatively impacted by the consolidation of the subsidiary companies and this has been addressed through a recovery action plan. Payment by Results employment contracts have been challenging to deliver and have been now been exited along with the underperforming nurseries..

Operationally the services provided by the group are subject to legislative and quality standards, including Ofsted and CHAS (the Health and Safety Quality Standard). We are accredited with Investors in People Gold Standard, and Health and Well Being Award. We operate ISO9001 quality standard and are developing ISO14001 for accreditation next year. Failure to maintain these will impact on the ability to retain and win contracts. Services are continually reviewed and audited, and appropriate action taken to ensure that targets are met and exceeded.

### **Financial key performance indicators**

Targets from the three year Business Plan are set and monitored and their progress included within the Board Reports. They are categorised under four objectives:

#### **Creating Opportunities**

In the last year over 56,315 people used services provided by The Big Life group. It provided more than 545 people with volunteering opportunities.

#### **Doing Good Business**

Group turnover increased this year from £15,697,567 to £16,939,497.

#### **Improving What We Do**

Staff surveys indicated that 93% of staff are committed to the success of the group and 88% would recommend it as an employer. Sickness levels have risen to 4%. 30% of staff live within 2 miles of where they work and 28% are from BME communities.

#### **Influencing**

This year The Big Life group's websites were visited by 314,987 people, with followers on Twitter growing to 23,011 and stories on Facebook reaching over 1,143,995 people.

This report was approved by the board on 28 September 2018 and signed on its behalf.

# **The Big Life Company Limited (A Company Limited by Guarantee)**

## **Directors' Report For the Year Ended 31 March 2018**

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The directors present their report and the financial statements for the year ended 31 March 2018.

### **Principal activities**

The Big Life Group aims to create opportunities for people who have had a raw deal in life to change their lives. The companies within the group this year included: The Big Life Company Limited, Big Life Enterprises Ltd, Big Life Families Ltd, and The Big Issue in the North Ltd. The charities within the group include: Self Help Services, the Big Issue in the North Trust, Big Life Schools (formerly Longsight Community Primary School) and Big Life Centres.

### **Going concern**

The Directors have considered the level of reserves, financial forecasts and management accounts prepared since 31 March 2018 in determining that Big Life is a going concern.

### **Financial Review**

The loss or the year, after taxation was £227,482. Last year the profit after taxation was £3,881,029 which was primarily the result of the receipt of non-recurrent capital grant income in relation to Big Life Schools for £4.3m.

### **Directors**

The directors who served during the year were:

F Selvan  
P Butler  
A Beswick  
E Robinson  
C Price  
R Scorer  
M Alavi  
A Shah (Appointed 31 August 2017)  
L Grant (Appointed 31 August 2017)  
P Hodgett (Resigned 29 December 2017)  
E Perry (Resigned 31 July 2017)

### **Directors' indemnity provision**

The company has provided an indemnity for its director's and the Company secretary, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006. This was in force during the financial year and also at the date of approval of these financial statements.

# **The Big Life Company Limited**

## **(A Company Limited by Guarantee)**

### **Directors' Report (continued)**

#### **For the Year Ended 31 March 2018**

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#### **Environmental matters**

The group seeks to minimise adverse impacts on the environment from its activities, whilst continuing to address health, safety and economic issues. The group has complied with all applicable legislation and regulations. We are currently working toward extending our ISO accreditation to include an Environmental Standard and include measurement of environmental impact in the Social Accounts.

#### **Future developments**

The group continues to campaign on the potential for social businesses to deliver public services to meet the needs of the most vulnerable people in society. It reviewed its business plan and has developed a new plan for the period 2017-20. The targets for the next three years are:

##### **Creating opportunities:**

- Work with more than 100,000 people every year
- Employ more people with life experience of addiction and mental health issues
- Provide more opportunities for volunteers and work experience

##### **Do good business:**

- Increase our turnover to £30m pa
- Have a strong balance sheet with £2.5m current net assets
- A mix of income streams — 76% contracts, 16% trading

##### **Improving what we do:**

- 96% of staff committed to our mission
- Robust data management and IT systems
- Services that embrace technology without leaving people behind

##### **Influence:**

- Fight for the issues that really matter to the people we work with
- Build a network of stakeholders to champion our mission
- Create social accounts.

#### **Employee involvement**

The group maintains an HR intranet site providing employees with information on matters of concern to them as employees. The intranet site includes functionality that enables employees to express views on matters that affect them anonymously and the group also undertakes a biennial staff survey to canvas views on significant matters.

#### **Employment of disabled persons**

The company is committed to a policy of recruitment and promotion on the basis of aptitude and ability without discrimination of any kind. Particular attention is given to the training and promotion of disabled employees to ensure that their career development is not unfairly restricted by their disability, or perceptions of it.

The group's HR procedures make clear that full and fair consideration must be given to applications made by and the promotion of disabled persons. Where an employee becomes disabled whilst employed by the group, the HR procedures also require that reasonable effort is made to ensure they have the opportunity for continued employment within the group. Retraining of employees who become disabled whilst employed by the company is offered where appropriate.

**The Big Life Company Limited**  
**(A Company Limited by Guarantee)**

**Directors' Report (continued)**  
**For the Year Ended 31 March 2018**

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**Disclosure of information to auditor**


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

- so far as the director is aware, there is no relevant audit information of which the Company 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.

**Auditor**

The auditor, Beever and Struthers, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 28 September 2018 and signed on its behalf.

  
F Selvan  
Director



# **The Big Life Company Limited**

## **(A Company Limited by Guarantee)**

### **Directors' Responsibilities Statement For the Year Ended 31 March 2018**

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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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and 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 for the Group's financial statements and then apply them consistently
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.



# **The Big Life Company Limited**

## **(A Company Limited by Guarantee)**

### **Independent Auditor's Report to the Members of The Big Life Company Limited**

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#### **Opinion**

We have audited the financial statements of The Big Life Company Limited "the parent company" and its subsidiaries ("the group") for the year ended 31 March 2018 which comprise the consolidated Statement of Comprehensive Income, the consolidated and parent company Statement of Financial Position, the consolidated and parent company Statement of Changes in Equity, the consolidated Statement of Cash Flows and the 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 FRS 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 2018 and of the group's loss 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 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 to you 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's 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.

#### **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.

# **The Big Life Company Limited**

## **(A Company Limited by Guarantee)**

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

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#### **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 the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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.

#### **Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 8 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 on the Financial Reporting Council's web-site at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**The Big Life Company Limited  
(A Company Limited by Guarantee)**

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

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**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.

*Beever and Struthers*

Maria Hallows (Senior Statutory Auditor)  
For and on behalf of  
BEEVER AND STRUTHERS  
Statutory Auditor  
St George's House  
215/219 Chester Road  
Manchester  
M15 4JE

Date: 28.9.18



**The Big Life Company Limited**  
**(A Company Limited by Guarantee)**

**Consolidated Statement of Comprehensive Income**  
**For the Year Ended 31 March 2018**

	Note	2018 £	2017 £
Turnover	4	16,939,496	15,697,567
Cost of sales		(12,370,912)	(8,929,672)
<b>Gross profit</b>		<b>4,568,584</b>	<b>6,767,895</b>
Administrative expenses		(5,111,521)	(7,151,619)
Loss on disposal of assets		(50,623)	(131,477)
Other operating income	5	379,427	4,402,428
<b>Operating (loss)/profit</b>	6	<b>(214,133)</b>	<b>3,887,227</b>
Interest receivable	10	929	1,181
Interest payable	11	(3,756)	(4,632)
		(216,960)	3,883,776
Tax on profit	12	(10,522)	(2,747)
<b>(Loss)/Profit for the financial year</b>		<b>(227,482)</b>	<b>3,881,029</b>

There was no other comprehensive income for 2018 (2017 - £Nil).

All activities of the group are from continuing operations.

The notes on pages 18 to 41 form part of these financial statements.

**The Big Life Company Limited**  
**(A Company Limited by Guarantee)**  
Registered number: 04227431

**Consolidated Balance Sheet**  
**As at 31 March 2018**

	Note	2018	2018 £	2017 £	2017
<b>Fixed assets</b>					
Tangible assets	13		10,899,784		11,175,062
			<u>10,899,784</u>		<u>11,175,062</u>
<b>Current assets</b>					
Debtors	15	1,627,883		1,457,445	
Cash at bank and in hand	16	3,173,477		3,234,064	
		<u>4,801,360</u>		<u>4,691,509</u>	
Creditors: amounts falling due within one year	17	(3,131,893)		(2,946,870)	
<b>Net current assets</b>			<u>1,669,467</u>		<u>1,744,639</u>
<b>Total assets less current liabilities</b>			<u>12,569,251</u>		<u>12,919,701</u>
Creditors: amounts falling due after more than one year	18		(1,581,481)		(1,704,449)
<b>Provisions for liabilities</b>					
Deferred taxation	21		-		-
<b>Net assets</b>			<u>10,987,770</u>		<u>11,215,252</u>
<b>Members' funds</b>					
Other reserves	22		12,245,688		12,069,824
Profit and loss account	22		(1,257,918)		(854,572)
<b>Equity attributable to owners of the parent company</b>			<u>10,987,770</u>		<u>11,215,252</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 September 2018 by:



**F Selvan**  
Director

The notes on pages 18 to 41 form part of these financial statements.

**The Big Life Company Limited**  
**(A Company Limited by Guarantee)**  
Registered number: 04227431

**Company Balance Sheet**

**As at 31 March 2018**

	Note	2018	2018 £	2017	2017
<b>Fixed assets</b>					
Tangible assets	13		1,927,604		2,072,534
Investments	14		3		3
			<u>1,927,607</u>		<u>2,072,537</u>
<b>Current assets</b>					
Debtors	15	824,538		830,560	
Cash at bank and in hand	16	144,511		627,814	
		<u>969,049</u>		<u>1,458,374</u>	
Creditors: amounts falling due within one year	17	(1,522,833)		(2,080,588)	
<b>Net current (liabilities)/assets</b>			<u>(553,784)</u>		<u>(622,214)</u>
<b>Total assets less current liabilities</b>			<u>1,373,283</u>		<u>1,450,323</u>
Creditors: amounts falling due after more than one year	18	(1,581,481)		(1,704,450)	
<b>Provisions for liabilities</b>					
Deferred taxation	21		-		-
<b>Net (liabilities)/assets</b>			<u>(207,658)</u>		<u>(254,127)</u>
<b>Members' funds</b>					
Profit and loss account	22		(207,658)		(254,127)
			<u>(207,658)</u>		<u>(254,127)</u>

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The profit after tax of the parent Company for the year was £46,469 (2017 loss - £741,212).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 September 2018 by:

  
**F Selvan**  
Director

The notes on pages 18 to 41 form part of these financial statements.

**The Big Life Company Limited**  
**(A Company Limited by Guarantee)**

**Consolidated Statement of Changes in Equity**  
**For the Year Ended 31 March 2018**

	Other reserves	Profit and loss account	Total equity
	£	£	£
At 1 April 2017	12,069,824	(854,572)	11,215,252
<b>Comprehensive income for the year</b>			
Loss for the year	-	(227,482)	(227,482)
	<hr/>	<hr/>	<hr/>
<b>Total comprehensive income for the year</b>	12,069,824	(1,082,054)	10,987,770
Transfer to/from profit and loss account	175,864	(175,864)	-
	<hr/>	<hr/>	<hr/>
<b>At 31 March 2018</b>	<u>12,245,688</u>	<u>(1,257,918)</u>	<u>10,987,770</u>

**Consolidated Statement of Changes in Equity**  
**For the Year Ended 31 March 2017**

	Other reserves	Profit and loss account	Total equity
	£	£	£
At 1 April 2016	4,658,998	2,675,225	7,334,223
<b>Comprehensive income for the year</b>			
Profit for the year	-	3,881,029	3,881,029
	<hr/>	<hr/>	<hr/>
<b>Total comprehensive income for the year</b>	4,658,998	6,556,254	11,215,252
Transfer to/from profit and loss account	7,410,826	(7,410,826)	-
	<hr/>	<hr/>	<hr/>
<b>At 31 March 2017</b>	<u>12,069,824</u>	<u>(854,572)</u>	<u>11,215,252</u>

The notes on pages 18 to 41 form part of these financial statements.



**The Big Life Company Limited**  
**(A Company Limited by Guarantee)**

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

	Profit and loss account	Total equity
	£	£
At 1 April 2017	(254,127)	(254,127)
<b>Total comprehensive income for the year</b>	<b>46,469</b>	<b>46,469</b>
 At 31 March 2018	 <u>(207,658)</u>	 <u>(207,658)</u>

**Company Statement of Changes in Equity**  
**For the Year Ended 31 March 2017**

	Profit and loss account	Total equity
	£	£
At 1 April 2016	487,085	487,085
 <b>Total comprehensive income for the year</b>	 <b>(741,212)</b>	 <b>(741,212)</b>
 At 31 March 2017	 <u>(254,127)</u>	 <u>(254,127)</u>

The notes on pages 18 to 41 form part of these financial statements.

**The Big Life Company Limited**  
**(A Company Limited by Guarantee)**

**Consolidated Statement of Cash Flows**  
**For the Year Ended 31 March 2018**

	2018 £	2017 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	(227,482)	3,881,029
<b>Adjustments for:</b>		
Depreciation of tangible assets	469,911	380,040
Loss on disposal of tangible assets	56,577	131,477
Government grants	(2,418,605)	(4,318,259)
Interest payable	3,756	4,632
Interest receivable	(929)	(1,181)
Taxation expense	-	2,747
Decrease/(increase) in debtors	(170,438)	1,644,201
Increase in creditors	185,023	859,518
Decrease in provisions	-	(1,727,374)
Interest paid	(3,756)	(4,632)
Corporation tax paid	-	(28,742)
<b>Net cash generated from operating activities</b>	<b>(2,105,953)</b>	<b>823, 456</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(251,214)	(4,301,151)
Interest received	929	1,181
Government grants received	2,418,605	4,318,259
<b>Net cash from investing activities</b>	<b>2,168,320</b>	<b>18,289</b>
<b>Cash flows from financing activities</b>		
Repayment of loans	(122,968)	(35,972)
<b>Net cash used in financing activities</b>	<b>(122,968)</b>	<b>(35,972)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(60,590)</b>	<b>805,773</b>
Cash and cash equivalents at beginning of year	3,234,064	2,428,291
<b>Cash and cash equivalents at the end of year</b>	<b>3,173,474</b>	<b>3,234,064</b>
<b>Cash and cash equivalents at the end of the year comprise:</b>		
Cash at bank and in hand	3,173,474	3,234,064

# **The Big Life Company Limited**

## **(A Company Limited by Guarantee)**

### **Notes to the Financial Statements**

#### **For the Year Ended 31 March 2018**

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#### **1. General information**

The Big Life Company Limited is a private company, limited by guarantee, incorporated in England & Wales under the Companies Act 2006. The address of the registered office is given on the Company Information page and the nature of the company's and group's operations and its principal activities is stated in the Strategic Report and the Directors' Report.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

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

The financial statements are prepared in GBP and rounded to the nearest £.

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 judgment 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 Group and its own subsidiaries ("the Group") as they formed 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 Balance Sheet, 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.

##### **2.3 Parent company disclosure exemptions**

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No cash flow statement has been presented for the parent company;
- Disclosures in respect of the parent company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the group as a whole;
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the group as a whole.

# **The Big Life Company Limited**

## **(A Company Limited by Guarantee)**

### **Notes to the Financial Statements**

#### **For the Year Ended 31 March 2018**

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## **2. Accounting policies (continued)**

### **2.4 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue in respect of charitable companies within the Group is recognised as follows:

- Voluntary income is received by way of donations and gifts and is included in full in the Consolidated Statement of Comprehensive Income when receivable.
- Grants, including grants for the purchase of fixed assets, are recognised in full in the Consolidated Statement of Comprehensive Income in the year in which they are receivable.
- Services and recharges income comprises revenue recognised in respect of services supplied during the year.
- Incoming resources from investments is included when receivable.

### **2.5 Interest income**

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

### **2.6 Borrowing costs**

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

### **2.7 Finance costs**

Finance costs are charged to the Consolidated Statement of Comprehensive Income 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.

### **2.8 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.

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



# **The Big Life Company Limited**

## **(A Company Limited by Guarantee)**

### **Notes to the Financial Statements**

#### **For the Year Ended 31 March 2018**

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## **2. Accounting policies (continued)**

### **2.8 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on the following bases:

The estimated useful lives range as follows:

Long-term leasehold property - Over a period of 50-60 years Short-term leasehold property - Over the lease term  
Furniture, fittings and equipment- 25% reducing balance

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Comprehensive Income.

### **2.9 Debtors**

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

### **2.10 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. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

### **2.11 Financial instruments**

The Group only enters into basic financial instruments 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 non-puttable 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 financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

# **The Big Life Company Limited**

## **(A Company Limited by Guarantee)**

### **Notes to the Financial Statements** **For the Year Ended 31 March 2018**

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#### **2. Accounting policies (continued)**

##### **2.11 Financial instruments (continued)**

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

For financial assets measured at 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.

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

##### **2.12 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, and are measured subsequently at amortised cost using the effective interest method.

##### **2.13 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Consolidated Statement of Comprehensive Income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants received within Big Life Schools are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

##### **2.14 Operating leases: the Group as lessee**

Rentals paid under operating leases are charged to the Consolidated Statement of Comprehensive Income on a straight line basis over the lease term.



# **The Big Life Company Limited**

## **(A Company Limited by Guarantee)**

### **Notes to the Financial Statements** **For the Year Ended 31 March 2018**

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#### **2. Accounting policies (continued)**

##### **2.15 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 the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

###### **Defined benefit scheme**

Retirement Benefits to certain employees of the group are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the group in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 24, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the group in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred.

Net interest on the net defined benefit liability/asset is also recognised in the Statement of Comprehensive Income and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other gains and losses.

Further details in respect of pension schemes are included in Note 24.



# **The Big Life Company Limited**

## **(A Company Limited by Guarantee)**

### **Notes to the Financial Statements**

#### **For the Year Ended 31 March 2018**

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## **2. Accounting policies (continued)**

### **2.16 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Consolidated Statement of Comprehensive Income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet. **2.17**

### **Current and deferred taxation**

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet 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 Balance Sheet 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 balance sheet date.

# The Big Life Company Limited (A Company Limited by Guarantee)

## Notes to the Financial Statements For the Year Ended 31 March 2018

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

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

- Determine whether leases entered into by the Group either as a lessor or a lessee are operating or lease or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the Group's tangible and intangible assets, including goodwill. 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, other than investments properties, 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 the 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.

### 4. Analysis of turnover

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

	2018 £	2017 £
Nursery services	2,425,636	4,090,987
Management services	23,756	5,335
Employment services	301,479	942,216
Healthcare services		
Magazine and related sales	922,642	964,257
Charitable activities	7,658,938	7,877,340
Charitable grants	3,414,337	174,659
Education services	2,192,708	1,642,773
	<u>16,939,496</u>	<u>15,697,567</u>

All turnover arose within the United Kingdom.

**The Big Life Company Limited**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2018**

**5. Other operating income**

	2018 £	2017 £
Big Life Schools capital grant income	225,897	4,318,259
Rents receivable	153,530	84,169
	<u>379,427</u>	<u>4,402,428</u>

**6. Operating (loss)/profit**

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

	2018 £	2017 £
Depreciation of tangible fixed assets	469,911	380,040
Release of capital grants	(86,857)	(83,099)
Defined contribution pension cost	421,046	293,782
	<u>404,099</u>	<u>590,723</u>

**7. Auditor's remuneration**

	2018 £	2017 £
<b>Fees payable to the Group's auditor in respect of:</b>		
The audit of the Group's annual accounts	31,844	41,000
Other fees for non-audit services	21,987	25,237
	<u>53,831</u>	<u>66,237</u>

The audit fee for the Company's accounts was £10,738 (2017- £13,500)

# The Big Life Company Limited (A Company Limited by Guarantee)

## Notes to the Financial Statements For the Year Ended 31 March 2018

### 8. Employees

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

	2018 £	2017 £
Wages and salaries	9,891,004	10,462,012
Social security costs	730,725	738,810
Cost of defined contribution scheme	421,046	293,782
	<u>11,042,775</u>	<u>11,494,604</u>

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

	2018 No.	2017 No.
Management and administration	36	40
Family and childcare	104	144
Advisors, Trainees, Employment	17	38
Centres services	76	79
Mental Health Services	130	113
Big Issue and Trust Services	21	27
Education	47	44
	<u>431</u>	<u>485</u>

The average number of employees employed by the parent company in the year, including directors, was 174 (2017 - 40).

The company incurred wages and salary costs of £3,334,707 (2017 - £2,853,116), social security costs of £236,758 (2017 - £194,006) and pension costs of £71,514 (2017 - £50,449).

Key management of the company includes the Directors of the group. See note 9 for details.

**The Big Life Company Limited**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2018**

**9. Directors' remuneration**

	2018 £	2017 £
Directors' emoluments	290,068	373,754
Company contributions to defined contribution pension schemes	10,255	11,939
	<u>300,323</u>	<u>385,693</u>

During the year retirement benefits were accruing to 4 directors (2017 - 5) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £80,004 (2017 - £85,004).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £3,254 (2017 - £3,254).

**10. Interest receivable**

	2018 £	2017 £
Other interest receivable	<u>929</u>	<u>1,181</u>

**11. Interest payable**

	2018 £	2017 £
Bank interest payable	3,756	4,632
	<u>3,756</u>	<u>4,632</u>



# The Big Life Company Limited (A Company Limited by Guarantee)

## Notes to the Financial Statements For the Year Ended 31 March 2018

### 12. Taxation

	2018 £	2017 £
<b>Corporation tax</b>		
Current tax on profits for the year	40,409	3,750
Adjustments in respect of previous periods	-	-
<b>Total current tax</b>	<u>40,409</u>	<u>3,750</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(29,887)	-
Adjustment in respect of prior periods	-	-
Effect of tax rate change on opening balance		
Other adjustment	-	(1,003)
<b>Taxation on profit on ordinary activities</b>	<u>10,522</u>	<u>2,747</u>

#### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2017 - lower than) the standard rate of corporation tax in the UK of 20% (2017 - 20%). The differences are explained below:

	2018 £	2017 £
Profit on ordinary activities before tax	<u>(216,960)</u>	<u>3,883,776</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 20%)	(41,222)	776,755
<b>Effects of:</b>		
Not for tax purposes	76,290	(836,797)
Fixed asset differences	2,599	(45,204)
Group relief surrendered/(claimed)	-	(45,791)
Adjustments to tax charge in respect of prior periods	-	-
Deferred tax	2,742	(3,565)
Other movement	-	157,349
<b>Total Tax charge for the year</b>	<u>40,409</u>	<u>2,747</u>

#### Factors that may affect future tax charges

The group has losses of Nil (2017 - £50,727) to offset against future taxable profits.

**The Big Life Company Limited**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2018**

**13. Tangible fixed assets**

**Group**

	Long-term leasehold property	Short- term leasehold property	Furniture, fittings and equipment	Total
	£	£	£	£
<b>Cost or valuation</b>				
At 1 April 2017	10,930,382	1,323,968	1,187,523	13,441,873
Opening adjustment	(64,731)	51,592	(303,109)	(316,248)
At 1 April 2017 restated	10,865,651	1,375,560	884,414	13,125,625
Additions	192,543	-	58,670	251,213
Disposals	-	(51,591)	(15,456)	(67,047)
At 31 March 2018	<b>11,058,194</b>	<b>1,323,969</b>	<b>927,628</b>	<b>13,309,791</b>
<b>Depreciation</b>				
At 1 April 2017	792,054	687,641	787,116	2,266,811
Opening adjustment	40,822	(24,337)	(332,733)	(316,248)
At 1 April 2017 restated	832,876	663,304	454,383	1,950,563
Charge for the year on owned assets	213,410	59,508	196,992	469,911
Disposals	-	(6,170)	(4,300)	(10,470)
At 31 March 2018	<b>1,046,286</b>	<b>716,642</b>	<b>647,078</b>	<b>2,410,006</b>
<b>Net book value</b>				
At 31 March 2018	<b>10,011,907</b>	<b>607,327</b>	<b>280,550</b>	<b>10,899,785</b>
At 31 March 2017	<b>10,138,328</b>	<b>636,327</b>	<b>400,407</b>	<b>11,175,062</b>

Included within long-term leasehold property is £Nil (2017 - £5,210,042) of assets under construction.

Included within long-term leasehold property is £112,000 (2017 - £112,000) of land.

Last year the balances for Fixed Asset Cost and Accumulated Depreciation were both incorrectly overstated by £316,248 and an adjustment has been made accordingly. The adjustment has no effect on reserves.



**The Big Life Company Limited**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2018**

**13. Tangible fixed assets (continued)**

**Company**

	Long-term leasehold property	Short- term leasehold property	Furniture, fittings and equipment	Total
Cost or valuation	£	£	£	£
At 1 April 2017	1,580,966	1,335,232	140,694	3,056,892
Opening adjustment	-	12	12,942	12,954
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 1 April 2017 Restated	1,580,966	1,335,244	153,634	3,069,846
Additions	-	-	-	-
Disposals	-	(48,148)	(18,900)	(67,048)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2018	<u><b>1,580,966</b></u>	<u><b>1,287,096</b></u>	<u><b>134,734</b></u>	<u><b>3,002,798</b></u>
<b>Depreciation</b>				
At 1 April 2017	221,333	653,957	109,068	984,358
Opening adjustment	-	2,997	9,957	12,954
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 1 April 2017 Restated	221,333	656,954	119,025	997,312
Charge for the year on owned assets	31,620	52,019	4,714	88,352
Disposals	-	(5,596)	(4,874)	(10,470)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2018	<u><b>252,953</b></u>	<u><b>703,376</b></u>	<u><b>118,865</b></u>	<u><b>1,075,194</b></u>
<b>Net book value</b>				
At 31 March 2018	<u><b>1,328,013</b></u>	<u><b>583,720</b></u>	<u><b>15,871</b></u>	<u><b>1,927,604</b></u>
At 31 March 2017	<u><b>1,359,633</b></u>	<u><b>678,290</b></u>	<u><b>34,611</b></u>	<u><b>2,072,534</b></u>

Last year the company balances for Fixed Asset Cost and Accumulated Depreciation were both incorrectly understated by £12,954 and an adjustment has been made accordingly. The adjustment has no effect on reserves

# The Big Life Company Limited (A Company Limited by Guarantee)

## Notes to the Financial Statements For the Year Ended 31 March 2018

### 14. Fixed asset investments

#### Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Big Life Enterprises Ltd (Reg no. 04118653)	Ordinary	100 %	Dormant
Big Life Families Ltd (Reg no. 04713084)	Ordinary	100 %	Dormant
Big Issue North Ltd (Reg no. 03026628)	Company limited by Guarantee	N/A	Dormant
Big Issue North Trust Ltd (Reg no. 03164559 Charity no. 1056041)	Charitable company limited by guarantee	N/A	Raising funds to support Big Issue vendors
Big Life Centres (Reg no. 03311884 Charity no. 1062333)	Charitable company limited by guarantee	N/A	Providing resources and initiatives to promote well-being in disadvantaged communities
Self Help Services Ltd (Reg no. 06036050 Charity no. 1122063)	Charitable company limited by guarantee	N/A	Primary mental health services
Big Life Nurseries Limited (Reg no. 08623716)	Ordinary	100 %	Dormant
Big Life Schools (Reg no. 07945230)	Charitable company limited by guarantee	N/A	Multi Academy Trust

The registered office of all subsidiaries is 1st Floor, 463 Stretford Road, Manchester, M16 9AB.

**The Big Life Company Limited**  
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**For the Year Ended 31 March 2018**

**14. Fixed asset investments (continued)**

**Company**

	<b>Investments in subsidiary companies</b>
<b>Cost or valuation</b>	
At 1 April 2017	3
At 31 March 2018	<u>3</u>
<b>Net book value</b>	
At 31 March 2018	<u><u>3</u></u>
At 31 March 2017	<u><u>3</u></u>

**15. Debtors**

	<b>Group 2018 £</b>	<b>Group 2017 £</b>	<b>Company 2018 £</b>	<b>Company 2017</b>
Trade debtors	1,150,943	997,222	655,864	615,020
Other debtors	131,873	97,780	37,390	92,347
Prepayments and accrued income	345,067	181,815	131,284	123,193
VAT	-	180,628	-	-
	<u>1,627,883</u>	<u>1,457,445</u>	<u>824,538</u>	<u>830,560</u>

The impairment loss recognised in the group Statement of Comprehensive Income for the year in respect of bad and doubtful trade debtors was £12,597 (2017 - £Nil.) The impairment loss recognised in the company Statement of Comprehensive Income for the year in respect of bad and doubtful debtors was £12,597 (2017 - £953,123).

**The Big Life Company Limited**  
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**Notes to the Financial Statements**  
**For the Year Ended 31 March 2018**

**16. Cash and cash equivalents**

	<b>Group 2018 £</b>	<b>Group 2017 £</b>	<b>Company 2018 £</b>	<b>Company 2017 £</b>
Cash at bank and in hand	3,173,477	3,234,064	144,511	627,814

**17. Creditors: Amounts falling due within one year**

	<b>Group 2018 £</b>	<b>Group 2017 £</b>	<b>Company 2018 £</b>	<b>Company 2017 £</b>
Bank loans (secured)	37,464	36,619	37,464	36,619
Trade creditors	721,016	347,509	208,421	174,604
Amounts owed to group undertakings	-	-	600,304	990,105
Corporation tax	40,953	3,750	40,953	3,750
Other taxation and social security	394,349	432,834	279,507	276,985
Other creditors	124,419	277,812	112,896	124,185
Accruals and deferred income	1,723,223	1,763,638	152,819	389,632
Deferred grant	90,469	84,708	90,469	84,708
	<b>3,131,893</b>	<b>2,946,870</b>	<b>1,522,833</b>	<b>2,080,588</b>

Capital grants represent funding received to purchase the group's properties and to finance property improvements and computer equipment. The grants are being released to the profit and loss account in line with the depreciation charged on the relevant assets.

**18. Creditors: Amounts falling due after more than one year**

	<b>Group 2018 £</b>	<b>Group 2017 £</b>	<b>Company 2018 £</b>	<b>Company 2017 £</b>
Bank loans (secured)	107,163	144,883	107,163	144,883
Deferred grant	1,474,318	1,559,566	1,474,318	1,559,567
	<b>1,581,481</b>	<b>1,704,449</b>	<b>1,581,481</b>	<b>1,704,450</b>



**The Big Life Company Limited**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2018**

**19. Loans**

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
<b>Amounts falling due:</b>				
In less than one year	37,464	36,619	37,464	36,619
Between one and two years	38,411	73,238	38,411	73,238
Between two and five years	68,752	71,645	68,752	71,645
	<u>144,627</u>	<u>181,502</u>	<u>144,627</u>	<u>181,502</u>

The bank loan of £144,627 (2017 - £181,502) is repayable by instalment over a period of 20 years from the loan drawdown. The interest rate on the loan is 1.5% over the bank base rate.

The bank loan is secured via a first legal charge over the land at Stretford Road, Old Trafford, Manchester and its associated assets. The bank also holds a debenture over the assets of The Big Life Company Limited.

**20. Financial instruments**

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
<b>Financial assets</b>				
Financial assets that are debt instruments measured at amortised cost	<u>4,575,302</u>	<u>4,344,950</u>	<u>871,599</u>	<u>1,340,380</u>
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost	<u>(1,530,789)</u>	<u>(982,821)</u>	<u>(1,230,929)</u>	<u>(1,511,614)</u>

Financial assets that are debt instruments measured at amortised cost comprise cash balances, trade and other debtors, accrued income and amounts owed by group undertakings.

Financial liabilities measured at amortised cost comprise loan balances, trade and other creditors, accruals and amounts owed to group undertakings.

**The Big Life Company Limited**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2018**

**21. Deferred taxation**

**Group**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
At beginning of year	-	1,003
Charged to profit or loss	<b>29,887</b>	(1,003)
<b>At end of year</b>	<b><u>29,887</u></b>	<u>          </u>

**Company**

	<b>2018</b>	<b>2017</b>
At beginning of year	-	2,047
Charged to profit or loss	<b>29,887</b>	(2,047)
<b>At end of year</b>	<u>          </u>	<u>-</u>

The deferred taxation balance is made up as follows:

	<b><u>29,887</u></b>	<u>          </u>
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Accelerated capital allowances	<b>9,414</b>	-
Short term timing differences	<b><u>20,473</u></b>	<u>-</u>
	<b><u>29,887</u></b>	<u>-</u>

# **The Big Life Company Limited**

## **(A Company Limited by Guarantee)**

### **Notes to the Financial Statements**

#### **For the Year Ended 31 March 2018**

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#### **22. Members' funds**

##### **Other reserves**

Other reserves represent £12,245,688 (2017 - £12,069,824) of funds recorded in The Big Issue In The North Trust, Self Help Services, Big Life Schools and Big Life Centres, which includes £9,125,962 of restricted funds to be used for specific purposes as laid down by the donor. In addition to this, further reserves of £3,119,726 are held by these companies within the group and can only be used to further the charitable objectives of those charities.

##### **Profit and loss account**

Retained earnings represents cumulative profits or losses, net of any dividends paid and other adjustments.

#### **23. 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 £10 towards the assets of the company in the event of liquidation.

# **The Big Life Company Limited**

## **(A Company Limited by Guarantee)**

### **Notes to the Financial Statements** **For the Year Ended 31 March 2018**

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#### **24. Pension commitments**

The group operates five pension schemes.

##### **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 payments obligations,

The contributions are recognised as an expense in the Statement of Comprehensive Income 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.

##### **National Health Service Pension Fund**

Past and present employees are covered by the provisions of an NHS Pension Scheme. Details of the benefits payable and rules of the Scheme can be found on the NHS Pensions website at [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions). It is an unfunded defined benefit scheme that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. It is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

##### **a) Accounting valuation**

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of scheme liability as at 31 March 2017, is based on valuation data as 31 March 2016, updated to 31 March 2017 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used. The valuation methodology prescribed in IAS 19 is considered to be broadly aligned with that of FRS 102 under UK GAAP which are the accounting standards applicable to The Big Life Company Limited.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Pension Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.



# **The Big Life Company Limited**

## **(A Company Limited by Guarantee)**

### **Notes to the Financial Statements** **For the Year Ended 31 March 2018**

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#### **24. Pension commitments (continued)**

##### *b) Full actuarial (funding) valuation*

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account their recent demographic experience), and to recommend contribution rates payable by employees and employers. The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012. The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

The next actuarial valuation is to be carried out as at 31 March 2018. This will set the employer contribution rate payable from April 2019 and will consider the cost of the Scheme relative to the employer cost cap. There are provisions in the Public Service Pension Act 2013 to adjust member benefits or contribution rates if the cost of the Scheme changes by more than 2% of pay. Subject to this 'employer cost cap' assessment, any required revisions to member benefits or contribution rates will be determined by the Secretary of State for Health after consultation with the relevant stakeholders.

##### **The Greater Manchester Pension Fund**

This is a defined benefit pension scheme for a small number of eligible employees within Big Life Schools and The Big Life Company Limited, and the related costs are assessed in accordance with the advice of professionally qualified actuaries. For the year ended 31 March 2018, the defined benefit schemes revealed a net liability of £32,000 (2017 - £32,000) which is considered immaterial and is not provided for. As permitted by FRS102, the schemes have been accounted for as defined contribution schemes.

##### **The Teesside Pension Fund**

This was a defined benefit pension scheme for a small number of eligible employees within The Big Life Company Limited whose employment ceased at the year end. The related costs are assessed in accordance with the advice of professionally qualified actuaries.

##### **Teachers' Pension Superannuation Scheme**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis — these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

# **The Big Life Company Limited**

## **(A Company Limited by Guarantee)**

### **Notes to the Financial Statements** **For the Year Ended 31 March 2018**

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#### **24. Pension commitments (continued)**

##### ***Valuation of the Teachers' Pension Scheme***

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%))
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

# The Big Life Company Limited (A Company Limited by Guarantee)

## Notes to the Financial Statements For the Year Ended 31 March 2018

### 25. Commitments under operating leases

At 31 March 2018 the Group had total future minimum lease payments under non-cancellable operating leases as follows:

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Not later than 1 year	84,797	151,762	35,722	115,830
Later than 1 year and not later than 5 years	137,947	409,407	65,193	376,978
Later than 5 years	59,069	600,669	59,069	598,768
	<u>281,813</u>	<u>1,161,838</u>	<u>159,984</u>	<u>1,091,576</u>

The Company had no commitments under the non-cancellable operating leases as at the prior year balance sheet date.

### 26. Related party transactions

The group has taken advantage of the exemption conferred by Section 33.1A of FRS 102 not to disclose transactions and balances with wholly owned subsidiaries.

The following amounts were owed (to)/by entities under common management at the year end:

	Company 2018 £	Company 2017 £
Big Life Centres	64,503	(211,036)
The Big Issue North Ltd	-	(340,435)
The Big Issue North Trust Ltd	18,861	-
Self Help Services Ltd	(241,843)	(435,514)
Big Life Schools	12,674	629

During the year the following amounts were charged to entities under common management:

The amounts charged to entities under common management relate to management fees and the recharge of support costs.

**The Big Life Company Limited**  
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**Notes to the Financial Statements**  
**For the Year Ended 31 March 2018**

**27. Related Party transactions (continued)**

During the year the following amounts were charged to entities under common management:

	<b>Company 2018</b>	<b>Company 2017</b>
	<b>£</b>	<b>£</b>
Big Life Centres	<b>434,447</b>	556,078
The Big Issue North Trust Ltd	<b>49,058</b>	26,319
Big Life Schools	<b>88,020</b>	70,537
Self Help Services Ltd	<b>519,068</b>	528,450

During the year the following amounts were charged by entities under common management:

	<b>Company 2018</b>	<b>Company 2017</b>
	<b>£</b>	<b>£</b>
Big Life Centres	<b>96,279</b>	30,445
The Big Issue North Trust Ltd	-	-
Big Life Schools	-	-
Self Help Services Ltd	<b>2,988,968</b>	166,205

**28. Controlling party**

In the view of the directors the group has no controlling party.