

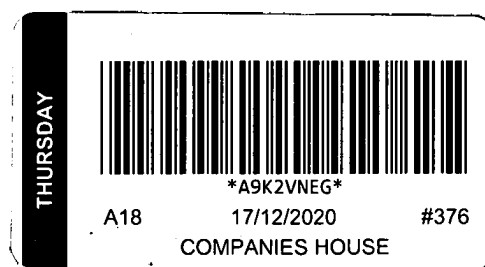
**The Big Life Company Limited  
(A Company Limited by Guarantee)**

Annual Report and Financial Statements

Year Ended

31 March 2020

Company Number 04227431



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

**Company Information**

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**Directors** M Alavi (Resigned 31 March 2020)  
F Selvan  
P Butler  
A Beswick (Resigned 27 July 2020)  
E Robinson  
C Price  
R Scorer  
A Shah  
L Grant  
P Alty (Appointed 14 March 2019)  
E Gale (Appointed 11 May 2020)

**Company secretary** R McMorrow

**Registered number** 04227431

**Registered office** 1st Floor  
463 Stretford Road  
Manchester  
Lancashire  
M16 9AB

**Bankers:** Santander  
Bridle Road  
Bootle  
Merseyside  
L30 4GB

**External Auditor:** Beaver and Struthers  
St George's House  
215-219 Chester Road  
Manchester  
M15 4JE

**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 2020

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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 is in the business of changing lives. Its mission is to fight inequality by working with people and places to create opportunities and inspire change. We deliver health and wellbeing, skills and employment, children and family services and by starting where people are at, we help them get to where they want to be. During the year we formulated a new five year business plan from 2020-25, and April 2020 is the start of the plan.

All Big Life work is done in the 'Big Life Way' which enables us to support people with all areas of their life, starting with whatever is most important to them. This is an approach that is underpinned by five principles

- We work with people on all areas of their lives and build on their skills and potential in everyone and value their life experience.
- We strive to provide a first class service which develops a person's resilience and is led by them and responds to their priorities.
- We never give in and celebrate a person's achievement as we understand that everyone has the capacity for change.
- We tread new ground and learn from feedback and innovate to respond to new challenges.
- We work in partnership with people and places to achieve more together than we can achieve alone.

## 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 that were previously undertaken by the following wholly owned subsidiaries Big Issue North, Big Life Enterprises and Big Life Families. These three wholly owned subsidiaries have now been formally dissolved.

During the year Big Life Company delivered the following services:

**Children's Centre:** Longsight and Ardwick children's centres, received in excess of 11,000 visitors this year. We supported families by delivering Early Years Outreach service and CAPs parenting service in Manchester with the aim of improving family stability and relationships.

**Nurseries:** The group operated three nurseries in Manchester (Slade Lane, Longsight, and Unity) and worked with 950 children. Across the children and families division the services used 23 volunteers.

# **The Big Life Company Limited**

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

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

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**Big Issue North:** The group had 747 vendors selling the magazine with an average weekly circulation of 11,386. During the year The Big Issue North had 8 students/work placements and 4 Volunteers. In response to the Covid crisis cashless payment machines were provided to enable vendors to continue selling and magazines were sold through supermarkets for the first time.

During the year The New Issue was launched which is a quarterly magazine that is sold directly to subscribing individuals and businesses. All profits from sales of the new publication go back into support the people who sell Big Issue North on the streets, creating more opportunities for people not currently earning an income, and facing homelessness or vulnerable living situations.

**Big Life Homes:** The group managed 24 low need supported housing flats in Liverpool (Belmont House, Kremlin Road and Moscow Drive) and continued to work with social investors to secure a future expansion of the service.

**Learn Well:** The group developed its online wellbeing platform and extended the services on offer to include bereavement and resilience courses to support people during the Covid crisis. This year 2,042 on-line courses were completed and 44 expert sessions delivered.

### **Big Issue North Trust Limited**

Big Issue North Trust Ltd is a charity which helps vendors who are selling the Big Issue North magazine through support and signposting. During the year the charity carried out 1,580 crisis interventions with vendors, assisted 121 clients into accommodation, provided 156 vendors with employment support and supported 36 vendors to access training and 13 in further education. The charity provided 1,267 interventions around Health and Money issues. A total of 15 vendors went into employment and 4 in to volunteering.

During the year the Trust successfully relocated the Manchester hub to its new base at Raven House.

The charity is commissioned by Liverpool City Council to deliver a user engagement project 'Community Voice'. The project had 11 volunteers, engaged with a total of 45 external forums, networks or service people and delivered 1 commissioned review. This year Community Voice saw a significant increase in the number of women engaging in the service following the introduction of a women only meetings. Funding to sustain the women's drop in continues to be struggle however, the project is continuing to influence the homelessness sector around increasing services for woman

The charity was also commissioned by Plus Dane Housing Association (through the Big Lottery Fund) to deliver the Waves of Hope service user engagement programme. The project came to an end on 31 December 2019 and core funding ceased. During 2019-20 the project had 30 volunteers and conducted 25 monthly meetings and a lived experience team of 12 continued to provide advice on Waves of Hope projects and other developments in the Liverpool area.

### **Big Life Centres**

Big Life Centres provides community and self-help services to support people to improve their well-being. The charity managed three community health centres in Manchester and Salford (Zion, Kath Locke and Energise). The charity also delivered wellbeing services in Manchester (You First) and Rochdale (Living Well) and Achieve Drug and Alcohol service in Bolton, Salford and Trafford.

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

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

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During the year Big Life Centres achieved the following:

- Big Life Centres at Zion and Kath Locke had 142,149 visitors over the last year. The outbreak of the Covid virus impacted on visitor numbers in quarter 4 as centres and projects were reconfigured to deliver services remotely.
- Big Life Centres delivered the Rochdale Living Well service and during the year supported 7,680 clients in relation to smoking cessation 57% of those who set a goal on smoking successfully quit smoking (4 week stop). In relation to weight loss 73% of those who set a goal to lose weight and successfully, achieved their target.
- The Achieve Drug and Alcohol Recovery Service operated across Bolton, Salford, and Trafford and supported 3,121 individuals. The service aims to bring people into structured treatment and re-engage with those who struggle to comply with treatment or have dropped out of treatment. The service objective is to decrease the numbers of high risk individuals losing contact with structured treatment, reduce unsuccessful completions of treatment, and engage with new clients.
- The Be Well wellbeing service worked partner organisations including VCSE providers, housing providers and GP federations to support 3,047 people.
- Wellbeing Matters aims to build capacity through volunteering and voluntary action in Salford and support people to connect to local community assets that support wellbeing and independence and reduce the need for intervention by health and care services. Throughout the year Wellbeing Matters provided social prescribing support and worked with 1,848 people and established 2,037 connections in the community.
- Big Life Centres provided 187 people with volunteering opportunities during the year (2018/19: 174).

## **Self Help Services**

Self Help Services Ltd (SHS) is a user-led mental health charity delivering 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

SHS delivers one to one cognitive behavioural therapy, counselling and e-therapy services and a range of workshops and peer support groups for NHS Manchester, Stockport, Salford, Trafford, Eastern Cheshire, and Heywood, Middleton and Rochdale CCGs. In addition, SHS is lead partner for the innovative Living Life Well project in Tameside and Glossop. This project is one of four pilot projects across the UK aimed at developing an integrated approach to working with people who have complex and enduring mental health needs.

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

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

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During the year SHS provided 115 volunteering opportunities and worked with over 27,000 clients and 14,000 people attending drop in groups throughout the year. The IAPT (Improving Access to Psychological Therapies) services delivered interventions to 26,354 clients (2019: 24,838) of which e-therapy accounted for 2,096 (2019: 1,722).

SHS works with some of the most diverse communities in Greater Manchester. To ensure that our services are accessible to all communities, we aim to reflect this diversity in our staff teams and service delivery and offer services in ways that are accessible to local communities. For example, In Manchester our team of therapists have a number of bilingual staff and this enables us to offer therapy in 8 languages in addition to English and in Rochdale we offered group therapy delivered in Urdu.

As noted in last year's report, the Sanctuary service was decommissioned in August 2020. The Sanctuary provided an overnight crisis intervention service to support people struggling with mental health crisis at times when other support services were not available and in the 5 months up to its closure, the Sanctuary provided support for 128 people. The Covid pandemic has sharply highlighted the on-going need for this type of support. In Tameside and Glossop, we have worked with commissioners to provide a helpline for people struggling with a range of issues related to the Coronavirus pandemic

## 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 213 pupils. At the school there were 22 different languages spoken by children and 91% of children had English as an additional language. Attendance for 2019-20 was 95% (Sept to March) (2018-19: 96.2%).

**Unity Community Primary:** During 2019-20 the school catered for 272 pupils (2018-19: 204 pupils). There were over 30 different languages spoken in the school and 96% of children are from ethnic minority groups. 83% of children have English as an additional language and 17% are at the early stages of learning English. 19% of pupils have no previous education or interrupted education and 35% of pupils qualified for Free School Meals. Up until school during lockdown the average attendance was 94% (2018-19: 95.5%) below the national average of 96.1%

## Principal risks and uncertainties

A risk management process is in place whereby risks are identified and profiled against likelihood and consequence with actions identified. Each risk is assigned to a member of the Senior Management team.

Coronavirus has impacted at a time when public services are already stretched after ten years of austerity and when inequalities have hit an all-time high. The poor are poorer and health and wealth inequality is growing. We anticipate that the Coronavirus pandemic will lead to a recession and there are stark predictions about the impacts on employment. Already we have seen the impacts on wellbeing with higher rates of anxiety and domestic abuse.

The long term government response to the pandemic is uncertain but there are early hints of additional publicly funded investment in infrastructure (housing and transport) to stimulate the economy as social distancing controls are relaxed. In the short term the government has increased fiscal debt to meet the immediate demands of the pandemic, but at some stage a rebalancing of its finances will be required

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

Group Strategic Report (continued)

For the Year Ended 31 March 2020

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when the immediate crisis is over. We believe that we are unlikely to see a lessening of the public sector austerity.

Changes in the economic climate and government policy are high on the agenda as they impact on our funding/income. The group has developed a network of contacts within government to ensure influence at national level and built communication links with other influential groups. The group continues to explore different avenues of finance and diversifying income streams.

At an operational level services provided by the group are subject to legislative and quality standards, including CHAS (the Health and Safety Quality Standard), ISO 9001 and 14001. The Group also achieved Best Companies 2 star accreditation (which evidenced outstanding levels of staff engagement and placed the group 58th in the Best Companies to work for (North West) listing 2019-20).

Failure to maintain these standards impacts on the group's ability to retain and win contracts, therefore services are constantly reviewed and audited, and appropriate action taken to ensure targets are met and exceeded.

#### **Financial key performance indicators**

2019-20 was the final year of the existing 3 year Business Plan and targets from this Plan were set and monitored within regular Board Reports. They are categorised under four objectives:

#### **Creating Opportunities**

In the last year the Group worked with over 153,000 people and provided over 442 volunteering opportunities and work placements.

#### **Doing Good Business**

Group turnover increased this year from £17,947,290 to £19,525,352.

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


After undertaking Best Companies survey for the first time we were pleased to be awarded a two star accreditation. Staff surveys indicated that 98% of staff are committed to the success of the group and 95% would recommend it as an employer. Sickness levels have risen slightly to 4.4%. 29% of staff live within 2 miles of where they work and 30% are from BME communities.

#### **Influencing**

This year The Big Life group's websites were visited by 325,179 people (2019:295,415) with followers on Twitter of 19,320 (2019:17,641) and stories on Facebook reaching over 718,718 people (2019:988,901).

This report was approved by the board on 20 October 2020 and signed on its behalf by:

F Selvan  
Director

  
21/10/20



# **The Big Life Company Limited**

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

### **Directors' Report** **For the Year Ended 31 March 2020**

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

#### **Principal activities**

The Big Life Group is a group of companies which aims to fight inequality by working with people and places to create opportunities and inspire change. The companies within the group this year included: The Big Life Company Limited, Big Life Families Ltd, and Big Issue North Ltd (the latter two entities were dormant and dissolved in 2019-20). The charities within the group include: Self Help Services Ltd, Big Issue North Trust Ltd, Big Life Schools (formerly Longsight Community Primary Ltd) and Big Life Centres. The group has made changes toward simplifying its legal structure and in 2017 the social enterprises were all brought into the Big Life Company. The operating model was also changed so that staff worked through four Divisions:

- Children and Families Division — delivering childcare, education and family support services, giving children the best start in life.
- Health and Wellbeing Division — delivering services which help people improve their physical and mental health
- Skills and Employment Division — helping people overcome barriers to employment and build skills to live independently
- Group Services Division — providing corporate services to the group

#### **Going concern**

The Directors have considered the level of reserves, financial forecasts and management accounts prepared since 31 March 2020 in determining that Big Life is a going concern.

COVID-19 is not expected to have a significant impact on the entity. Directors have determined that there is no material uncertainty that casts doubt on the entity's ability to continue as a going concern.

#### **Results and dividends**

The group profit for the year, before taxation, amounted to £54,981 (2019 - £75,160).

#### **Directors**

The directors who served during the year were:

F Selvan  
P Butler  
A Beswick (Resigned 27 July 2020)  
E Robinson  
C Price  
R Scorer  
M Alavi (Resigned 31 March 2020)  
A Shah  
L Grant  
P Alty  
E Gale (Appointed 11 May 2020)

#### **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 2020**

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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 have secured ISO 14001, an Environmental Standard, and now include measurement of environmental impact in the Social Accounts. We are currently working on our environmental strategy which sets out steps to tackle our environmental impact, this will be reviewed in line with Greater Manchester's climate plan which was launched in 2019.

## **Future developments**

The Big Life group is in the business of changing lives and we fight inequality by working with people and places to create opportunities and inspire change. All our services work with people to support areas of their life and help remove obstacles which are barriers to individuals in changing their life for the better. We help people see the skills and support they already have so that they can build on it and reach their full potential.

Our work is done in the Big Life Way and is underpinned by five principles:

- We work with people on all areas of their lives and build on their skills and potential in everyone and value their life experience.
- We strive to provide a first class service which develops a person's resilience and is led by them and responds to their priorities.
- We never give in and celebrate a person's achievement as we understand that everyone has the capacity for change.
- We tread new ground and learn from feedback and innovate to respond to new challenges.
- We work in partnership with people and places to achieve more together than we can achieve alone.

The Group's Business Plan 2020-25 has identified three key work priorities over the next five years which include

(1) To work with more people and places to create opportunities and inspire change:

- To work with more people to support them in all areas of their life.
- To will have volunteer opportunities in every service
- To increase the opportunities for people to engage with our services through the use of technology, such as online chats, video conferencing and virtual reality.
- To develop place-based plans for every area we work in, and develop partnerships and integrated

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

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

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(2) We will be a 'good' business with our social mission at the heart of all that we do:

- To grow in our existing geographies to diversity our offer, and move into new areas where there is an opportunity to develop significant roots to anchor ourselves in a community.
- To increase feedback to continually improve the quality of what we do
- To invest in our assets and technology and ensure we maximise efficiency and the quality of our data to drive service improvement.
- To reduce our carbon footprint and implement agile working.
- To ensure we have an appropriate legal structure that works for us and the people we work with.

(3) We will have an organisation that enables us to work in the Big Life Way:

- To have management structures, IT systems and change process that facilitate staff and services working together.
- To deliver our workforce strategy, ensuring we have diverse, trained and happy staff, as evidenced by achievement of Best Companies 3-Star accreditation.
- To have trained Multi-Modality Practitioners in every service and ensure all staff will be trained in strengths based approaches.
- To develop tools for people to have control of their own stories and data.
- To ensure Service user engagement shapes our services
- To ensure all our services are informed by research and evaluation, and to measure the impact of our work.

### Employee involvement

The group maintains an HR intranet site providing employees with information on matters of concern to them as employees, including the financial and economic factors affecting the performance of the company. 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.

The Big Life group is committed to fairness and has HR policies and procedures to ensure that it attracts and retains a quality workforce. The group monitors the pay ratio which measures the ratio between the highest paid member of staff and the average paid staff. The group's current pay ratio is 3.36 to 1 which can be compared favourably to the public sector pay ratio (12 to 1) and the FTSE 100 ratio (145 to 1).

The group carried out an ethnicity pay gap survey for the second time this year which illustrated that BAME staff are paid 11.6% less than staff who are White British. This is a reduction on the figure of 10.6% for 2018/19. During 2019/20 we worked to increase diversity at manager level by developing the Graduate trainees and BAME career development programmes.

During the year employees were extensively involved in shaping the new 5 Year 2020-25 Business Plan.

The Big Life group also achieved Best Company Accreditation (Two Star) showing that it is among the best places to work in the country and demonstrating an 'outstanding' commitment to workplace engagement. The accreditation was the result of a rigorous externally monitored survey that evidenced the extent to which staff feel valued by their employer. Not only did Big Life's responses gain Two Star Accreditation, it secured a place in The Sunday Times 100 Best Not for Profit Organisations to Work For 2020 (Big Life ranked 28).

# **The Big Life Company Limited**

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

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

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### **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. 10% of staff in The Big Life group report having a disability. The group has an Equality and Diversity lead who champions diversity, and works to continually improve the Big Life group staff experience for staff with any protected characteristic. Training for managers to support staff with disabilities or long term conditions is continuously reviewed to ensure managers are confident using the internal and external resources available which support staff wellbeing. 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.

### **Directors' Responsibilities Statement**

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 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 the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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)**

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

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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:

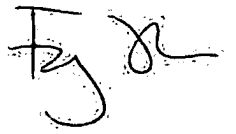
- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company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

**Auditor**

The auditor, Beaver 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 20<sup>th</sup> October 2020 and signed on its behalf by:

F Selvan  
Director



29/10/20

# 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 2020 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 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 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 9 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*

Sue Hutchinson FCCA (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: 14 December 2020



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

**Consolidated Statement of Comprehensive Income**  
**For the Year Ended 31 March 2020**

	Note	2020 £	2019 £
Turnover	4	19,525,352	17,947,290
Cost of sales		(16,644,593)	(14,823,076)
<b>Gross profit</b>		<b>2,880,759</b>	<b>3,124,214</b>
Administrative expenses		(3,326,272)	(3,519,766)
Loss on disposal of assets		-	-
Other operating income	5	503,926	476,190
<b>Operating profit</b>	<b>6</b>	<b>58,413</b>	<b>80,638</b>
Interest receivable	10	3,773	1,830
Interest payable	11	(7,205)	(7,308)
		<b>54,981</b>	<b>75,160</b>
Tax on profit	12	(48,094)	(76,684)
<b>Profit/(loss) for the financial year</b>		<b>6,887</b>	<b>(1,524)</b>
Actuarial (loss)/ gain in respect of pension scheme	23	(61,000)	59,000
<b>Total comprehensive income for the financial year</b>		<b>(54,113)</b>	<b>57,476</b>

All activities of the group are from continuing operations.


The notes on pages 20 to 43 form part of these financial statements.

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

**Consolidated Statement of Financial Position**  
**As at 31 March 2020**

	Note	2020	2020 £	2019	2019
<b>Fixed assets</b>					
Tangible assets	13		10,475,740		10,604,952
			10,475,740		10,604,952
<b>Current assets</b>					
Debtors	15	2,223,367		1,866,404	
Cash at bank and in hand	16	3,296,807		2,919,323	
		5,520,174		4,785,727	
<b>Creditors: amounts falling due within one year</b>	17	(3,265,308)		(2,798,256)	
<b>Net current assets</b>			2,254,866		1,987,471
<b>Total assets less current liabilities</b>			12,730,606		12,592,423
Creditors: amounts falling due after more than one year	18		(1,512,473)		(1,464,177)
Defined benefit pension scheme liability	23		(227,000)		(83,000)
<b>Net assets</b>			10,991,133		11,045,246
<b>Members' funds</b>					
Profit and loss account	21		10,991,133		11,045,246
<b>Equity attributable to owners of the parent company</b>			10,991,133		11,045,246

The financial statements on pages 14 to 43 were approved and authorised for issue by the board on 20 October 2020 and were signed on its behalf by:

  
**F Selvan**  
Director      29/10/20

The notes on pages 20 to 43 form part of these financial statements.

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

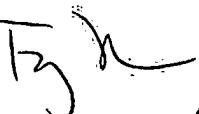
**Company Statement of Financial Position**  
**As at 31 March 2020**

	Note	2020 £	2019
<b>Fixed assets</b>			
Tangible assets	13	1,753,229	1,840,417
Investments	14	3	3
		<u>1,753,232</u>	<u>1,840,420</u>
<b>Current assets</b>			
Debtors	15	1,360,571	568,643
Cash at bank and in hand	16	483,286	579,592
		<u>1,843,857</u>	<u>1,148,235</u>
Creditors: amounts falling due within one year	17	(1,841,131)	(1,442,342)
<b>Net current assets/(liabilities)</b>		<b>2,726</b>	<b>(294,107)</b>
<b>Total assets less current liabilities</b>		<b>1,755,958</b>	<b>1,546,313</b>
Creditors: amounts falling due after more than one year	18	(1,512,473)	(1,464,177)
Defined benefit pension scheme liability	23	(82,000)	(49,000)
<b>Net assets</b>		<b>161,485</b>	<b>33,136</b>
<b>Members' funds</b>			
Profit and loss account	21	161,485	33,136
		<u>161,485</u>	<u>33,136</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 £128,349 (2019 profit - £240,794).

The financial statements on pages 14 to 43 were approved and authorised for issue by the board on 20<sup>th</sup> October 2020 and were signed on its behalf by:

F Selvan  
Director

  
20/10/20

The notes on pages 20 to 43 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 2020**

	Profit and loss account £	Total equity £
At 1 April 2019	11,045,246	11,045,246
<b>Comprehensive income for the year</b>		
Profit for the year	6,887	6,887
Actuarial loss in respect of pension scheme	(61,000)	(61,000)
<b>Total comprehensive income for the year</b>	<b>(54,113)</b>	<b>(54,113)</b>
<b>At 31 March 2020</b>	<b>10,991,133</b>	<b>10,991,133</b>

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

	Profit and loss account £	Total equity £
At 1 April 2018	10,987,770	10,987,770
<b>Comprehensive income for the year</b>		
Loss for the year	(1,524)	(1,524)
Actuarial gain in respect of pension scheme	59,000	59,000
<b>Total comprehensive income for the year</b>	<b>57,476</b>	<b>57,476</b>
<b>At 31 March 2019</b>	<b>11,045,246</b>	<b>11,045,246</b>

The notes on pages 20 to 43 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 2020**

	Profit and loss account	Total equity
	£	£
At 1 April 2019	33,136	33,136
<b>Comprehensive income for the year</b>		
Profit for the year	145,349	145,349
Actuarial loss in respect of pension scheme	(17,000)	(17,000)
	<hr/>	<hr/>
<b>Total comprehensive income for the year</b>	<b>128,349</b>	<b>128,349</b>
	<hr/>	<hr/>
<b>At 31 March 2020</b>	<b>161,485</b>	<b>161,485</b>

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

	Profit and loss account	Total equity
	£	£
At 1 April 2018	(207,658)	(207,658)
<b>Comprehensive income for the year</b>		
Profit for the year	209,794	209,794
Actuarial gain in respect of pension scheme	31,000	31,000
	<hr/>	<hr/>
<b>Total comprehensive income for the year</b>	<b>240,794</b>	<b>240,794</b>
	<hr/>	<hr/>
<b>At 31 March 2019</b>	<b>33,136</b>	<b>33,136</b>

The notes on pages 20 to 43 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 2020**

	2020 £	2019 £
<b>Cash flows from operating activities</b>		
Profit/(loss) for the financial year	6,887	(1,524)
<b>Adjustments for:</b>		
Depreciation of tangible assets	434,137	441,144
Loss on disposal of tangible assets	-	-
Government grants	(4,125,195)	(3,879,111)
Interest payable	7,205	7,308
Interest receivable	(3,773)	(1,830)
Taxation expense	48,094	76,684
Increase in debtors	(355,669)	(236,973)
Increase/(decrease) in creditors	653,907	(418,852)
Pension costs less contributions payable	77,000	103,000
Interest paid	(1,205)	(3,308)
Corporation tax paid	(80,643)	(37,998)
<b>Net cash used in operating activities</b>	<u>(3,339,255)</u>	<u>(3,951,460)</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(304,925)	(146,312)
Interest received	3,773	1,830
Government grants received	4,125,195	3,879,111
<b>Net cash from investing activities</b>	<u>3,824,043</u>	<u>3,734,629</u>
<b>Cash flows from financing activities</b>		
Repayment of loans	(107,304)	(37,323)
<b>Net cash used in financing activities</b>	<u>(107,304)</u>	<u>(37,323)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<u>377,484</u>	<u>(254,154)</u>
Cash and cash equivalents at beginning of year	2,919,323	3,173,477
<b>Cash and cash equivalents at the end of year</b>	<u>3,296,807</u>	<u>2,919,323</u>
<b>Cash and cash equivalents at the end of the year comprise:</b>		
<b>Cash at bank and in hand</b>	<u>3,296,807</u>	<u>2,919,323</u>

The notes on pages 20 to 43 form part of these financial statements.

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

## Notes to the Financial Statements For the Year Ended 31 March 2020

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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 financial statements have been prepared on a going concern basis which assumes an ability to continue operating for the foreseeable future, there are no material uncertainties about the charity's ability to continue as a going concern and the Trustees consider it appropriate to continue to prepare the financial statements on a going concern basis.

COVID-19 is currently not expected to have a significant impact on the group and company.

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 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.

#### 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;
- 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 2020

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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 the Statement of Comprehensive Income 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 2020

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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 2020

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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 Statement of Financial Position 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 2020

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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 Statement of Financial Position. 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'), the NHS pension scheme and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes.

The TPS and NHS pension schemes are unfunded schemes 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 23, the schemes are multi-employer schemes and there is insufficient information available to use defined benefit accounting. The schemes are therefore treated as defined contribution schemes 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 Statement of Financial Position 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.

There is an agreement between The Big Life Company Limited and Big Life Centres confirming Big Life Centres will reimburse The Big Life Company Limited for all expenses and payments which are incurred in connection with the Greater Manchester Pension Fund in respect of the employee who works for Big Life Centres. This is confirmed in a letter signed by the Trustees of Big Life Centres dated 11 November 2019. Accordingly, such costs incurred in respect of the pension liability have been recharged to Big Life Centres and a corresponding asset has been recognised in the individual financial statements of The Big Life Company Limited.

Further details in respect of pension schemes are included in Note 23.

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

## Notes to the Financial Statements For the Year Ended 31 March 2020

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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 Statement of Financial Position 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 Statement of Financial Position.

#### 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 corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the Statement of Financial Position 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 Statement of Financial Position 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 Statement of Financial Position date.

# The Big Life Company Limited

## (A Company Limited by Guarantee)

### Notes to the Financial Statements For the Year Ended 31 March 2020

#### 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:

	2020 £	2019 £
Nursery services	1,569,362	1,767,084
Management services	48,883	52,987
Employment services	15,626	50,484
Magazine and related sales	805,199	850,446
Charitable activities	14,149,933	12,490,724
Charitable grants	157,161	332,598
Education services	2,777,854	2,402,967
Wages Furlough income	1,334	-
	19,525,352	17,947,290

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 2020**

**5. Other operating income**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Big Life Schools capital grant income	122,022	104,416
Rents receivable	381,904	371,774
	<b>503,926</b>	<b>476,190</b>
	<b>503,926</b>	<b>476,190</b>

**6. Operating profit**

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

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets	434,137	441,144
Release of capital grants	(83,099)	(83,099)
Defined contribution pension cost	802,459	508,096
	<b>802,459</b>	<b>508,096</b>
	<b>802,459</b>	<b>508,096</b>

**7. Auditor's remuneration**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Fees payable to the Group's auditor (excluding VAT) in respect of:</b>		
The audit of the Group's annual accounts	34,450	34,040
Other fees for non-audit services	5,305	7,660
	<b>5,305</b>	<b>7,660</b>
	<b>5,305</b>	<b>7,660</b>

The fee for the audit of the Company's accounts was £11,978 (2019 £11,777)

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

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2020**

**8. Employees**

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

	2020	2019
	£	£
Wages and salaries	10,959,554	10,184,589
Social security costs	864,826	775,708
Cost of defined contribution scheme	802,459	508,096
Cost of defined benefit scheme	141,000	63,000
	<u>12,767,839</u>	<u>11,531,393</u>

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

	2020	2019
	No.	No.
Management and administration	33	27
Family and childcare	74	83
Advisors, Trainees, Employment	3	3
Centres services	101	67
Mental Health Services	161	160
Big Issue and Trust Services	20	22
Education	43	37
	<u>435</u>	<u>399</u>

The average number of employees employed by the parent company in the year, including directors, was 122 (2019 - 128).

The company incurred wages and salary costs of £2,255,119 (2019 - £2,427,321), social security costs of £167,465 (2019 - £158,225) and pension costs of £87,592 (2019 - £72,391).

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 2020**

**9. Directors' remuneration**

	2020 £	2019 £
Directors' emoluments	281,750	333,106
Company contributions to defined contribution pension schemes	12,687	14,102
	<b>294,437</b>	<b>347,208</b>
	<b>294,437</b>	<b>347,208</b>

During the year retirement benefits were accruing to 4 directors (2019 - 4) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £85,000 (2019 - £85,375).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £4,250 (2019 - £1,692).

**10. Interest receivable**

	2020 £	2019 £
Other interest receivable	3,773	1,830
	<b>3,773</b>	<b>1,830</b>
	<b>3,773</b>	<b>1,830</b>

**11. Interest payable**

	2020 £	2019 £
Bank interest payable	1,205	3,308
Net interest on defined benefit liability	6,000	4,000
	<b>7,205</b>	<b>7,308</b>
	<b>7,205</b>	<b>7,308</b>



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

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2020**

**12. Taxation**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Corporation tax</b>		
Current tax on profits for the year	49,388	80,643
Adjustments in respect of prior periods	-	(2,411)
	<u>49,388</u>	<u>78,232</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(75)	(1,548)
Adjustments in respect of prior periods	(1,219)	-
	<u>48,094</u>	<u>76,684</u>
<b>Taxation on profit on ordinary activities</b>	<u>48,094</u>	<u>76,684</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than the standard rate corporation tax of 19%.  
The differences are explained below:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Profit on ordinary activities before tax	<u>54,981</u>	<u>75,160</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 -19%)	10,446	14,280
<b>Effects of:</b>		
Expenses not deductible for tax purposes	15,790	16,460
Capital allowances in excess of depreciation	(776)	(1,788)
Other timing differences	851	5,650
Other differences	(1)	-
Surpluses exempt from tax	23,078	46,041
	<u>49,388</u>	<u>80,643</u>
<b>Total Tax charge for the year</b>	<u>49,388</u>	<u>80,643</u>

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

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

**13. Tangible fixed assets**

**Group**

	Long-term leasehold property	Short- term leasehold property	Furniture, fittings and equipment	Total
Cost or valuation	£	£	£	£
At 1 April 2019	11,058,194	1,379,163	1,018,746	13,456,103
Additions	218,804	44,992	41,129	304,925
Disposals	-	(36,872)	-	(36,872)
	<u>11,276,998</u>	<u>1,387,283</u>	<u>1,059,875</u>	<u>13,724,156</u>
<b>At 31 March 2020</b>	<b>11,276,998</b>	<b>1,387,283</b>	<b>1,059,875</b>	<b>13,724,156</b>
<b>Depreciation</b>				
At 1 April 2019	1,259,652	780,101	811,398	2,851,151
Charge for the year on owned assets	226,295	86,944	120,898	434,137
Disposals	-	(36,872)	-	(36,872)
	<u>1,485,947</u>	<u>830,173</u>	<u>932,296</u>	<u>3,248,416</u>
<b>At 31 March 2020</b>	<b>1,485,947</b>	<b>830,173</b>	<b>932,296</b>	<b>3,248,416</b>
<b>Net book value</b>				
At 31 March 2020	<u>9,791,051</u>	<u>557,110</u>	<u>127,579</u>	<u>10,475,740</u>
At 31 March 2019	<u>9,798,542</u>	<u>599,062</u>	<u>207,348</u>	<u>10,604,952</u>

Included within long-term leasehold property is £Nil (2019 - Nil) of assets under construction.

Included within long-term leasehold property is £107,893 (2019 - £112,000) of land.

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

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

**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 2019	1,580,966	1,287,096	134,736	3,002,798
Additions	-	-	-	-
Disposals	-	-	-	-
<b>At 31 March 2020</b>	<b>1,580,966</b>	<b>1,287,096</b>	<b>134,736</b>	<b>3,002,798</b>
<b>Depreciation</b>				
At 1 April 2019	284,572	754,859	122,950	1,162,381
Charge for the year on owned assets	31,619	51,484	4,085	87,188
Disposals	-	-	-	-
<b>At 31 March 2020</b>	<b>316,191</b>	<b>806,343</b>	<b>127,035</b>	<b>1,249,569</b>
<b>Net book value</b>				
At 31 March 2020	1,264,775	480,753	7,701	1,753,229
At 31 March 2019	1,296,394	532,237	11,786	1,840,417

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

## Notes to the Financial Statements For the Year Ended 31 March 2020

### 14. Fixed asset investments

#### Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
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 Ltd (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 Schools Ltd (Reg no. 07945230)	Charitable company limited by guarantee	N/A	Multi Academy Trust

Big Life Families Ltd was dissolved on 30 April 2019.

Big Issue North Ltd was dissolved on 23 July 2019.

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

**The Big Life Company Limited**  
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Notes to the Financial Statements  
For the Year Ended 31 March 2020

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

**Company**

	<b>Investments in subsidiary companies</b>
<b>Cost or valuation</b>	
At 1 April 2019	3
At 31 March 2020	3
<b>Net book value</b>	
At 31 March 2019	3
At 31 March 2020	3

**15. Debtors**

	<b>Group 2020 £</b>	<b>Group 2019 £</b>	<b>Company 2020 £</b>	<b>Company 2019 £</b>
Trade debtors	1,876,749	1,473,683	1,128,570	377,742
Other debtors	1,058	3,099	1,058	7,247
Amounts due from group undertakings in relation to pension	-	-	82,000	49,000
Prepayments and accrued income	312,831	358,187	116,214	103,219
Deferred tax (note 21)	32,729	31,435	32,729	31,435
	<b>2,223,367</b>	<b>1,866,404</b>	<b>1,360,571</b>	<b>568,643</b>

The impairment loss recognised in the group Statement of Comprehensive Income for the year in respect of bad and doubtful trade debtors was £2,364 (2019 - £2,015.) The impairment loss recognised in the company Statement of Comprehensive Income for the year in respect of bad and doubtful debtors was £2,021 (2019 - £1,672).

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

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2020**

16. Cash and cash equivalents	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Cash at bank and in hand	<u>3,296,807</u>	<u>2,919,323</u>	<u>483,286</u>	<u>579,592</u>

17. Creditors: Amounts falling due within one year	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Bank loans (secured)	-	38,104	-	38,104
Trade creditors	788,375	480,207	157,254	100,004
Amounts owed to group undertakings	-	-	555,837	668,066
Corporation tax	49,388	80,643	49,388	80,643
Other taxation and social security	286,859	367,338	254,883	280,840
Other creditors	661,321	171,467	575,684	111,733
Accruals and deferred income	1,329,402	1,577,398	98,122	79,853
Deferred grant	149,963	83,099	149,963	83,099
	<u>3,265,308</u>	<u>2,798,256</u>	<u>1,841,131</u>	<u>1,442,342</u>

Deferred grant represents capital grant funding received to purchase the group's properties and to finance property improvements and computer equipment. The grants are being released to the Statement of Comprehensive Income in line with the depreciation charged on the relevant assets.

18. Creditors: Amounts falling due after more than one year	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Bank loans (secured)	-	69,200	-	69,200
Deferred grant	1,512,473	1,394,977	1,512,473	1,394,977
	<u>1,512,473</u>	<u>1,464,177</u>	<u>1,512,473</u>	<u>1,464,177</u>

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

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2020**

**19. Loans**

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
<b>Amounts falling due:</b>				
In less than on year	-	38,104	-	38,104
Between one and two years	-	69,200	-	69,200
	<u>-</u>	<u>107,304</u>	<u>-</u>	<u>107,304</u>

The opening bank loan of £107,304 was fully repaid during the year.

The bank loan was 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. Deferred taxation**

**Group**

	2020 £	2019 £
At beginning of year	31,435	29,887
Charged to profit or loss	75	1,548
Adjustment in respect of prior periods	1,219	-
<b>At end of year</b>	<b><u>32,279</u></b>	<b><u>31,435</u></b>

**Company**

	2020 £	2019 £
At beginning of year	31,435	29,887
Charged to profit or loss	75	1,548
Adjustment in respect of prior periods	1,219	-
<b>At end of year</b>	<b><u>32,279</u></b>	<b><u>31,435</u></b>

	2020 £	2019 £
Accelerated capital allowances	5,607	5,164
Short term timing differences	27,122	26,271
	<u>32,729</u>	<u>31,435</u>

# The Big Life Company Limited

## (A Company Limited by Guarantee)

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

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### 21. Members' funds

#### Profit and loss account

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

### 22. 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.

### 23. Pension commitments

The group operates four pension schemes.

#### (A) 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.

#### (B) National Health Service Pension Scheme

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 covers 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".*



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

## Notes to the Financial Statements For the Year Ended 31 March 2020

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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 is accepted as providing suitably robust figures for financial reporting purposes. The valuation of scheme liability as at 31 March 2020, is based on valuation data as 31 March 2019, updated to 31 March 2020 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 report of the scheme actuary, which forms part of the annual NHS Pension Scheme (England and Wales) Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

*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 recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from 1 April 2019 to 20.6%, and the Scheme Regulations were amended accordingly.

The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap set following the 2012 valuation. Following a judgement from the Court of Appeal in December 2018 Government announced a pause to that part of the valuation process pending conclusion of the continuing legal process.

**(C) Local Government Scheme - The Greater Manchester Pension Fund (GMPF)**

GMPF is a defined benefit pension scheme for a small number of eligible employees within Big Life Schools and Big Life Centres. Related costs are assessed annually in accordance with the advice of professionally qualified actuaries and have been accounted for in accordance with FRS 102 as noted below.

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 March 2020 was £86,000 (2019: £39,000), of which employer's contributions was £64,000 (2019: £30,000) and employees' contributions was £22,000 (2019: £9,000). The agreed contribution rates for future years are 17.2 per cent for employers and between 5.5 to 12.5 per cent for employees.

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

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2020**

**Principal actuarial assumptions**

<b>Group and Company</b>	<b>2020</b>	<b>2019</b>
Pension increase rate (CPI)	1.8%	2.3%
Salary increase rate	2.6%	3.1%
Discount rate	2.3%	2.8%

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	<b>2020</b>	<b>2019</b>
<i>Retiring today</i>		
Males	20.5	21.5
Females	23.1	24.1
<i>Retiring in 20 years</i>		
Males	22.0	23.7
Females	25.0	26.2

**Analysis of amounts charged to the Statement of Comprehensive Income**

	<b>Group</b>	<b>Group</b>	<b>Company</b>	<b>Company</b>
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Current service cost	134,000	63,000	19,000	15,000
Past service cost	7,000	-	4,000	-
Net interest cost	6,000	4,000	2,000	3,000
	<u>147,000</u>	<u>67,000</u>	<u>25,000</u>	<u>18,000</u>

**Amounts recognised in Other Comprehensive Income**

	<b>Group</b>	<b>Group</b>	<b>Company</b>	<b>Company</b>
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Actuarial (loss)/gain	(61,000)	59,000	(17,000)	31,000
	<u>(61,000)</u>	<u>59,000</u>	<u>(17,000)</u>	<u>31,000</u>

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

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2020**

**Amounts recognised in the Statement of Financial Position**

The amounts included in the Statement of Financial Position arising from the Group's and Company's obligations in respect of the defined benefit scheme are as follows:

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Present value of defined benefit obligations	(616,000)	(414,000)	(308,000)	(288,000)
Fair value of plan assets	389,000	331,000	226,000	239,000
Total obligations recognised	<u>(227,000)</u>	<u>(83,000)</u>	<u>(82,000)</u>	<u>(49,000)</u>

**Changes in the present value of the defined benefit obligation are as follows:**

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Opening defined benefit obligation	414,000	371,000	288,000	277,000
Current service cost	134,000	63,000	19,000	15,000
Past service cost	7,000	-	4,000	-
Interest cost on defined benefit obligation	21,000	14,000	12,000	11,000
Plan participants' contributions	22,000	9,000	3,000	2,000
Changes in demographic assumptions	(39,000)	(17,000)	(22,000)	(17,000)
Changes in financial assumptions	(20,000)	(26,000)	7,000	-
Other experience	77,000	-	(3,000)	-
Closing defined benefit obligation	<u>616,000</u>	<u>414,000</u>	<u>308,000</u>	<u>288,000</u>

**Changes in the fair value of the plan assets are as follows:**

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Opening fair value of plan assets	331,000	266,000	239,000	207,000
Interest income on plan assets	15,000	10,000	10,000	8,000
Plan participants' contributions	22,000	9,000	3,000	2,000
Employer contributions	64,000	30,000	9,000	8,000
Return on assets excluding amounts included in net interest	(43,000)	16,000	(35,000)	14,000
Closing fair value of plan assets	<u>389,000</u>	<u>331,000</u>	<u>226,000</u>	<u>239,000</u>

# **The Big Life Company Limited**

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

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2020**

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### **(D) Teachers' Pension Superannuation Scheme**

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

#### ***The Teachers' Pension Budgeting and Valuation Account***

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

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

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

#### ***Scheme Changes***

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

The employer's pension costs paid to TPS in the period amounted to £182,198 (2019: £123,091).

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

## Notes to the Financial Statements For the Year Ended 31 March 2020

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 group has accounted for its contributions to the scheme as if it were a defined contribution scheme. The group has set out above the information available on the scheme.

### 24. Commitments under operating leases

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

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Not later than 1 year	53,530	79,110	32,263	35,099
Later than 1 year and not later than 5 years	102,223	144,853	74,985	96,348
Later than 5 years	37,269	48,169	37,269	48,169
	<b>193,022</b>	<b>272,132</b>	<b>144,517</b>	<b>179,616</b>

The Company had no commitments under the non-cancellable operating leases as at the prior year Statement of Financial Position date.

### 25. 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 2020 £	Company 2019 £
Big Life Centres	38,218	8,345
Big Issue North Trust Ltd	398	1,945
Self Help Services Ltd	(361,496)	(314,761)
Big Life Schools	7,543	(3,094)

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

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

**Notes to the Financial Statements  
For the Year Ended 31 March 2020**

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

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

	Company 2020 £	Company 2019 £
Big Life Centres	664,693	761,097
Big Issue North Trust Ltd	36,120	55,289
Big Life Schools	114,051	127,912
Self Help Services Ltd	961,819	867,057

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

	Company 2020 £	Company 2019 £
Big Life Centres	30,089	35,952
Big Issue North Trust Ltd	-	-
Big Life Schools	-	-
Self Help Services Ltd	5,392	15,684

**26. Controlling party**

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

**27. Contingent liability**

Since the year end an assessment of £17,348 for the overpayment of VAT on expenditure relating to the Partial Exemption Special Method (PESM) has been received, primarily for expenditure relating to Big Life Centres.

The Big Life Group is currently in the process of pursuing an appeal against the relevant decision and potential repayment of VAT to HMRC. The amount, if any, which is likely to be repaid is therefore unknown at this stage and as such there is no provision for this amount within the financial statements to 31 March 2020.