

Big Issue North Trust Ltd
(a company limited by guarantee)

Annual Report

Year Ended

31 March 2022

Company Number 03164559
Charity Number 1056041

Big Issue North Trust Ltd

Report and financial statements
for the year ended 31 March 2022

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Big Issue North Trust Ltd

Legal and administrative information for the year ended 31 March 2022

**Directors and Trustees
of the charity:**

M Fitzgibbon
F Selvan
E Robinson
S Islam
A Rafferty (Resigned 1 April 2022)
L Symonds

Secretary:

M Fitzgibbon

**Principal and
Registered Office:**

1st Floor
463 Stretford Road
Manchester
M16 9AB

Company Number

03164559

Charity Number

1056041

Website

www.bigissuenorth.com

Bankers

Santander
Bridle Road
Bootle
Merseyside
L30 4GB

External Auditor:

Beever and Struthers
One Express
1 George Leigh Street
Manchester
M4 5DL

Big Issue North Trust Ltd

Directors' and trustees' report for the year ended 31 March 2022

The directors and trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2022.

Legal and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice "Accounting and Reporting by Charities".

1 Structure, Governance and Management

Status

Big Issue North Trust Ltd is a company limited by guarantee, (company number 03164559), and a registered charity (charity number 1056041) governed by its memorandum and articles of association.

Directors and Trustees

The Trustees serving during the year were as follows.

M Fitzgibbon
F Selvan
E Robinson
S Islam
A Rafferty (Resigned 1 April 2022)
L Symonds

Recruitment and Training of Trustees

As set out in the Articles of Association, the Chair and other Trustees are appointed by The Big Life Company Limited by sending a notice in writing to the Charity.

The training and induction of new Trustees is the responsibility of the Chair and is tailored to the individual needs of new appointees. All Trustees have a one to one meeting with the Chair each year to discuss training and development needs.

The Standing Orders of the charity give details of the decisions which are made at Board level and the powers delegated to the management team.

Organisational Management

The Board of Trustees evaluate and agree the priorities of the organisation through a comprehensive business planning process undertaken by the Big Life Group as a whole

Big Issue North Trust Ltd is part of the Big Life Group of social businesses and charities. It contracts with The Big Life Company Limited for the provision of corporate services and for the delivery of services to vendors through a Service Level Agreement.

Risk Management

The directors have identified the risks that the charity may be exposed to in the next financial year and have established strategies to mitigate those risks. A risk management process is in place whereby risks are identified and profiled against likelihood and consequence, with actions put in place. Each risk is assigned to a member of the Senior Management Team.

Big Issue North Trust Ltd

Directors' and trustees' report for the year ended 31 March 2022 (*continued*)

Key Management Personnel – Remuneration

Big Issue North Trust Ltd considers its key management personnel to be trustees and senior leadership of the group. Full costs are borne by The Big Life Company Limited and disclosed in those accounts. The costs of the charity's key management personnel relating to Big Issue North Trust Ltd are paid for as part of an overall service level agreement with The Big Life Company Limited that is annually agreed by Big Issue North Trust Ltd trustees.

Remuneration of the senior leadership within the group is set by the group's Audit & Remuneration Committee based on benchmarking against comparable external organisations.

2 Objects of the charity

The objects of the Charity are to carry out activities that relieve poverty particularly in relation to the vendors of the Big Issue North magazine.

The charity's principal aims are:

- To help vendors access employment, education and training opportunities, by working in partnership with local employment and training initiatives.
- To improve the health of vendors and to provide assistance to end substance dependencies.
- To help vendors to secure appropriate, accessible and affordable accommodation.
- To help vendors to access financial services.
- To promote the personal development, mental and emotional well-being of vendors.

Big Issue North Trust Ltd is a registered charity that raises funds to provide services for vendors of the Big Issue North magazine to help them move away from homelessness for good.

3 Statement of public benefit

The Trustees have given due consideration to Charity Commission published guidance on the operation of the public benefit requirement. Full details of the public benefit provided by the charity are detailed in the review of activities in section 4.

4 Review of activities and future development

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 838 (2021:1,182) crisis interventions with vendors, assisted 41 (2021: 41) clients into accommodation, provided 55 (2021:31) vendors with employment support. The charity provided 742 (2021: 802) interventions around Health and Money issues.

During the year income total income was £1.1m and included a donation from the Big Life Company of £70k (2021: £220k) and a significant legacy donation £104k and a grant of £60k from Social Investment Business Ltd to support the development of the Street News web application.

Liverpool City Council commission the charity to deliver a user engagement project called Community Voice (CV) and have since extended the contract to 31 March 2023.

CV had 4 (2021: 4) volunteers, engaged with a total of 8 (2021: 14) external forums, networks or service people and delivered 1 (2021: 3) commissioned review. This year CV saw the decrease in the number of people engaging in monthly service meetings due to covid restrictions. The service however saw an increase in wellbeing support, supporting 160 (2021: 120) people through 415(2021: 572) interventions. In quarter four, participants returned to face to face meetings and CV opened the drop in hub as a safe place for people to attend, build social connections and unpick barriers in their lives.

Big Issue North Trust Ltd

Directors' and trustees' report for the year ended 31 March 2022 (*continued*)

CV continued to operate a volunteer led drop in facility each Wednesday morning and has welcomed between 6-15 attendees each week. Attendees can relax and discuss any issues they are having and get advice and access to support

During the year CV completed the Lifelines project, which charts an individuals' journey through the system, highlighting what worked for them and what didn't. In 2022-23 we will showcase the project at an event in the summer.

5 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 continued to be a major risk this year. This impacted our ability to work with vendors, sell the magazine and impacted our financial position. A Coronavirus Core Group oversaw the management of Health & Safety risk assessments and mitigations; advised staff and managers; and ensured clear communication. The group were able to delay planned investments and successfully secured grants and accessed government support to manage the financial risks.

Changes in the economic climate and government policy are high on the agenda as they impact on our income. The combination of lock downs and uncertainty around the future arrangements with Europe are placing additional strains on the sales of the Big Issue Magazine by vendors. In addition, rising costs and inflation are negatively impacting our income, and raising the price of the magazine could potentially further reduce sales.

The Charity supported European vendors to stabilise their residency status and purchased PPE and cashless payment machines, to protect vendors who returned to selling on the street.

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 ISO 9001 and 14001. Failure to maintain these standards impacts on the Group's reputation and ability to operate as a high quality business, therefore services are constantly reviewed and audited, and appropriate action taken to ensure targets are met and exceeded.

6 Related parties

The charity forms part of the “**Big Life Group**” of social enterprises and charities. ***The Big Life Company Limited*** is a not-for-profit company limited by guarantee, of which one of the company's directors, F Selvan, is the sole guarantor. The Group also includes Big Life Centres, Self Help Services Ltd, and Big Life Schools (formerly Longsight Community Primary School).

Big Life Centres is an independent charity which offers opportunities to people who have had a raw deal in life to change their lives for the better.

Self Help Services Ltd is a user led, primary care mental health service offering self- help groups, computerised CBT, counselling, clinical IAPT services, training and volunteering.

Big Issue North Trust Ltd

Directors' and trustees' report for the year ended 31 March 2022 (*continued*)

Big Life Schools is a Multi Academy Trust comprising of 2 free schools.

7 Grant making policy

The charity receives small grants to support vendors of the Big Issue North. These monies are restricted in their use to the purpose specified in the contract.

8 Financial Review

Income for the year was £1,180,846 (2021 – £710,834), the main reason for the increase in income was the transfer at the start of the year of magazine sale activity from Big Life Company. Additional income of £10,466 (2021 - £28,499) was received under the Government's furlough scheme.

Expenditure amounted to £1,115,745 (2021 – £420,285). The increase in expenditure relates to the transfer of Big Issue magazine costs at the start of the year.

The net incoming resources for the year amounted to £65,101 (2021 - £290,549). At the year-end restricted funds amounted to £13,018 (2021 – £43,858) and unrestricted funds total £516,188 (2021 – £420,248).

9 Key Performance Indicators

Targets are set and are monitored during the year, and their progress is included within the Board Reports. They are categorised under three key priority areas;

- We will work with more people and places to create opportunities and inspire change
- We will be a good business with our social mission at the heart of all we do
- We will have an organisation that enables us to work in the Big Life Way

10 Reserves policy

At the year end the Reserves Policy was reviewed for all companies in the Group. The aim of the Reserves is to:

- Reduce the risks to service delivery and operations should income levels fall for a period.
- Allow entry into new projects and initiatives that require investment, be paid in arrears or that may not be profitable in the early periods.
- Ensure that, should a contract end, funds are available to allow redeployment of staff.

Reserve Level

Target levels for free reserves (Unrestricted Funds less Fixed Assets) are based on three months' salary expenditure and free reserves should be built up to that level where possible. Should the level of free reserves at the end of a financial year exceed target then the charity should make plans to utilise free reserves to achieve target reserves in the future.

The current target level of reserves is £98k and the actual level of free reserves at 31 March 2022 was £341k (2021:£298k). Trustees have agreed to utilise additional reserves to increase the level of support to vendors and develop new projects such as Street News.

Big Issue North Trust Ltd

Directors' and trustees' report for the year ended 31 March 2022 (*continued*)

11 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 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 working.

(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 diversify 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.

Big Issue North Trust Ltd

Directors' and trustees' report for the year ended 31 March 2022 (continued)

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

- To have management structures, IT systems and change processes 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.

12 Investment powers and policy

All investments are made in line with the terms laid out in the Articles of Association. Appropriate professional advice is taken on all investments.

13 Provision of information to auditor

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

- There is no relevant information, being information, needed by the auditor in connection with preparing their report, of which the company's auditor is unaware, and
- The Directors, having made enquiries of fellow Directors and the company's auditor that they ought to have individually taken, have each taken all the steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

14 Basis of preparation

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006. As such, the Company is exempt from preparing a Strategic report.

The Annual Report is signed by the Chair on behalf of the Board of Trustees. The Trustees also approve the directors' and trustees' report, which is contained within this report, in their capacity as Company Directors



F Selvan

Trustee

Date 30 November 2022

Big Issue North Trust Ltd

Statement of trustees' responsibilities

The Trustees (who are directors of Big Issue North Trust Ltd for the purposes of company law) are responsible for preparing the Trustees' Annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements 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 charity will continue in operation.

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

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.



F Selvan
Trustee

Date 30 November 2022

Big Issue North Trust Ltd

Independent auditor's report to the members of Big Issue North Trust Ltd

Opinion

We have audited the financial statements of Big Issue North Trust Ltd ("the charitable company") for the year ended 31 March 2022 which comprise the Statement of Financial Activities (combining income and expenditure account), the Balance Sheet and the notes to the financial statements, including a summary of significant accounting policies in note 1. 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 charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the other information. 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.

Big Issue North Trust Ltd

Independent auditor's report to the members of Big Issue North Trust Ltd (Continued)

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

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

Big Issue North Trust Ltd

Independent auditor's report to the members of Big Issue North Trust Ltd (Continued)

Responsibilities of directors

As explained more fully in the Statement of Trustees' Responsibilities set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 trustees 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 trustees are responsible for assessing the charitable 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 trustees either intend to liquidate the charitable 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our knowledge and experience of the charity sector.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, the Charities Act 2011, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

Big Issue North Trust Ltd

Independent auditor's report to the members of Big Issue North Trust Ltd (Continued)

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulation
- performed analytical procedures on income and salaries to identify any unusual or unexpected relationships.
- tested journal entries to identify unusual transactions.
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 1 were indicative of potential bias.
- investigated the rationale behind significant or unusual transactions.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Big Issue North Trust Ltd

Independent auditor's report to the members of Big Issue North Trust Ltd (Continued)

Use of our report

This report is made solely to the charitable 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 charitable 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 charitable company and the charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.



Sue Hutchinson FCCA (Senior Statutory Auditor)

For and on behalf of

Beever and Struthers
Statutory Auditor
One Express
1 George Leigh Street
Manchester
M4 5DL

Date: 9 December 2022

Big Issue North Trust Ltd

Statement of financial activities (Combining income and expenditure account) for the year ended 31 March 2022

	Note	Restricted Funds £	Unrestricted funds £	Total 2022 £	Total 2021 £
Income and Endowments From:					
Donations and Legacies	2	4,654	275,574	280,228	496,359
Charitable Activities	3	16,479	169,930	186,409	168,830
Other Trading Activities	4	-	702,195	702,195	15,580
Investments		-	164	164	163
Other	5	-	11,850	11,850	29,902
Total Income		21,133	1,159,713	1,180,846	710,834
Expenditure On:					
Raising Funds	6	-	26,462	26,462	23,267
Charitable activities	7	51,973	153,499	205,472	397,018
Other Trading Activities	8	-	883,812	883,812	-
Total Expenditure		51,973	1,063,773	1,115,746	420,845
Net Income/(Expenditure)	11	(30,840)	95,940	65,100	290,549
Transfers Between Funds					
		-	-	-	-
Net Movement in Funds		(30,840)	95,940	65,100	290,549
Total funds brought forward at 1 April 2021					
		43,858	420,248	464,106	173,557
Total funds carried forward at 31 March 2022					
		13,018	516,188	529,206	464,106

The statement of financial activities includes all gains and losses recognised in the year.
All amounts relate to continuing activities.

The notes on pages 16 to 30 form part of these financial statements.

Big Issue North Trust Ltd

Balance sheet at
31 March 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	15	36,284		56,322	
Intangible fixed assets	16	138,478		65,520	
Current assets			174,762		121,842
Debtors	17	154,178		73,520	
Cash at bank and in hand		432,662		280,926	
Total Current Assets		586,840		354,446	
Creditors: amounts falling due within one year	18	(232,396)		(12,182)	
Net current assets			354,444		342,264
Total Net Assets			529,206		464,106
The Funds of the Charity					
Restricted income funds	19,20		13,018		43,858
Unrestricted funds	19,20		516,188		420,248
Total Charity Funds	21		529,206		464,106

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements on pages 14 to 29 were approved and authorised for issue by the board on 30 November 2022 and are signed on its behalf by:

The notes on pages 16 to 30 form part of these financial statements.



F Selvan

Trustee, approved and authorised on behalf of the board Trustees

Company Number 03164559

Big Issue North Trust Ltd

Notes forming part of the financial statements for the year ended 31 March 2022

1 Accounting policies

General Information

Big Issue North Trust Ltd is a private company, limited by guarantee, incorporated in England and Wales under the Companies Act 2006 and Charities Act 2011. The address of the registered office is provided in Legal and administrative details. Details of the charity's operations are provided in the Directors' and Trustees' Report.

Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)(effective 1 January 2019) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Big Issue North Trust Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at their historic cost or transaction value.

The financial statements are prepared in sterling which is the functional currency of the charity.

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.

b) Legal status of the Charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

c) Incoming resources

Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable.

Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

Incoming resources from investments is recognised when receivable.

Big Issue North Trust Ltd

Notes forming part of the financial statements for the year ended 31 March 2022 (*continued*)

d) Resources expended and cost allocation

Resources expended are recognised in the period in which they are incurred.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Certain other costs, which are attributable to more than one activity, are apportioned across the cost categories on the basis of an estimate of the proportion of time spent by staff on those activities. Costs allocated to charitable activities are the costs associated with achieving the charity's main objectives.

Governance costs represent expenditure related to the governance of the charity, to allow it to operate and to generate information for public accountability.

e) Fund accounting

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets this criterion is charged to the fund, together with a fair allocation of management and support costs.

f) Pensions

Big Issue North Trust Ltd is a member of the Big Life Group's defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

g) Corporation taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

h) Fixed assets

Individual tangible fixed assets costing £2,000 or more are capitalised. Depreciation is provided to write off the cost of tangible fixed assets over their expected normal lives as follows:

- Computer equipment is depreciated on a straight-line basis over 3 - 5 years.
- Fixtures and fittings are depreciated on a straight-line basis over 5 years.
- Leasehold improvements are depreciated on a straight-line basis over 5 years.

Intangible fixed assets are capitalised at cost and depreciation provided to write off the cost of intangible fixed assets over their expected normal lives of 4 years.

i) Intangible Fixed Assets

Website applications purchased and developed, or developed in house, are intangible assets. Cost is measured initially at acquisition cost or costs incurred to develop the asset. Development expenditure incurred on an individual project is capitalized only if specific criteria are met including that it is probable that the asset created will generate future economic benefits.

Big Issue North Trust Ltd

Notes forming part of the financial statements for the year ended 31 March 2022 (*continued*)

1 Accounting policies (*continued*)

Amortisation is provided to write off the cost of intangible assets over their expected normal lives as follows:

- Website applications are amortised on a straight-line basis over 4 years.

Website applications under development are not amortised until completed.

j) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid after taking account of any trade discounts due.

k) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

l) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

m) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

n) Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term. Any premiums received at the inception of the lease are recognised on a straight-line basis over the life of the lease.

Big Issue North Trust Ltd

Notes forming part of the financial statements for the year ended 31 March 2022 (*continued*)

1 Accounting policies (*continued*)

o) Judgements

In preparing these financial statements, the Directors have made the following judgements:

- Determine whether leases entered into by the charity either as a lessor or a lessee are operating leases 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 charity's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Other key sources of estimation uncertainty

- Tangible fixed assets (see note 15) - Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.
- Intangible fixed assets (see note 16) – Intangible fixed assets are amortised over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taking into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Big Issue North Trust Ltd

Notes forming part of the financial statements
for the year ended 31 March 2022 (*continued*)

2 Donations and Legacies

	Restricted funds £	Unrestricted Funds £	Total Funds 2022 £	Restricted funds £	Unrestricted funds £	Total funds 2021 £
Donations						
Gifts and donations	4,654	275,574	280,228	99,671	396,688	496,359
	<u>4,654</u>	<u>275,574</u>	<u>280,228</u>	<u>99,671</u>	<u>396,688</u>	<u>496,359</u>

3 Incoming resources from charitable activities

	Restricted funds £	Unrestricted Funds £	Total Funds 2022 £	Restricted funds £	Unrestricted funds £	Total funds 2021 £
Contract Services						
Funding for various small projects	-	-	-	-	-	-
Community Voice	-	74,930	74,930	-	74,930	74,930
Waves of Hope	-	-	-	13,158	-	13,158
Total Contract Services	<u>-</u>	<u>74,930</u>	<u>74,930</u>	<u>13,158</u>	<u>74,930</u>	<u>88,088</u>
Grants						
Zochonis Charitable Trust	-	10,000	10,000	-	20,000	20,000
Small Grants	16,479	60,000	76,479	58,482	1,760	60,242
Business Continuation Grant	-	25,000	25,000	-	-	-
Community Voice	-	-	-	-	500	500
	<u>16,479</u>	<u>95,000</u>	<u>111,479</u>	<u>58,482</u>	<u>22,260</u>	<u>80,742</u>
Total Grants	<u>16,479</u>	<u>95,000</u>	<u>111,479</u>	<u>58,482</u>	<u>22,260</u>	<u>80,742</u>
Total Income from Charitable Activities	<u>16,479</u>	<u>169,930</u>	<u>186,409</u>	<u>71,640</u>	<u>97,190</u>	<u>168,830</u>

Big Issue North Trust Ltd

Notes forming part of the financial statements
for the year ended 31 March 2022 (*continued*)

4 Other Trading Activity

	Restricted funds £	Unrestricted Funds £	Total funds 2022 £	Restricted funds £	Unrestricted funds £	Total Funds 2021 £
Hire of Rooms & Facilities	-	-	-	-	5,580	5,580
Magazine Sales	-	695,162	695,162	-	-	-
New Issue Sales	-	5,970	5,970	-	-	-
App Development	-	1,063	1,063	-	10,000	10,000
	-	702,195	702,195	-	15,580	15,580

5 Other income

	Restricted funds £	Unrestricted Funds £	Total funds 2022 £	Restricted funds £	Unrestricted funds £	Total Funds 2021 £
Lease Surrender	-	-	-	-	1,000	1,000
Other Income	-	1,384	1,384	-	403	403
Furlough Income	-	10,466	10,466	-	28,499	28,499
	-	11,850	11,850	-	29,902	29,902

6 Expenditure on charitable activities

	Restricted funds £	Unrestricted funds £	Total funds 2022 £	Restricted funds £	Unrestricted Funds £	Total Funds 2021 £
Fundraising support and publicity	-	26,462	26,462	-	23,267	23,267

Big Issue North Trust Ltd

Notes forming part of the financial statements
for the year ended 31 March 2022 (continued)

7 Expenditure on charitable activities

	Contract Services £	Other £	Governance £	2022 £	2021 £
Staff Costs	40,423	93,386	-	133,809	151,064
General Costs	3,479	22,133	-	25,612	107,190
Room Hire	-	-	-	-	50,912
Minor Equipment	-	3,424	-	3,424	26,039
Recharges from Group	10,116	30,686	-	40,802	59,979
Governance Costs: audit fees	-	-	1,825	1,825	1,834
	54,018	149,629	1,825	205,472	397,018

8 Expenditure on trading activities

	Contract Services £	Other £	Governanc £	2022 £	2021 £
Staff Costs	-	299,222	-	299,222	-
General Costs	-	437,657	-	437,657	-
Room Hire	-	41,530	-	41,530	-
Minor Equipment	-	4,259	-	4,259	-
Recharges from Group	-	97,483	-	97,483	-
Governance Costs: audit fees	-	-	3,661	3,661	-
	-	880,151	3,661	883,812	-
Restricted	-	51,973	-	51,973	127,972
Unrestricted	54,018	1,004,269	5,486	1,063,773	269,046
	54,018	1,056,242	5,486	1,115,746	397,018

Big Issue North Trust Ltd

Notes forming part of the financial statements
for the year ended 31 March 2022 (continued)

9 Total Resources Expended

	Staff Costs £	Other Costs £	Total 2022 £	Total 2021 £
Services and projects	433,031	650,766	1,083,797	395,184
Governance Costs: audit fees	-	5,486	5,486	1,834
Fundraising support and publicity (Note 6)	17,457	9,005	26,462	23,267
	<u>450,488</u>	<u>665,258</u>	<u>1,115,746</u>	<u>420,285</u>

10 Summary Analysis of expenditure and related income

	Income £	Expenditure £	Net £
Voluntary	280,391	26,462	253,929
Contract Services	74,930	54,018	20,912
Other	825,525	1,029,780	(204,255)
Governance costs: audit fees	-	5,486	(5,486)
	<u>1,180,846</u>	<u>1,115,746</u>	<u>65,100</u>

11 Net income/(expenditure)

Net income/(expenditure) for the year is stated after charging:

	2022 £	2021 £
Rentals under operating leases	37,823	39,723
Auditor's remuneration	5,486	1,834
Depreciation	43,680	20,037

12 Staff costs and emoluments and key management personnel

	2022 £	2021 £
The staff costs were as follows:		
Wages and salaries	392,843	147,868
Social security costs	32,481	9,396
Pension	15,198	2,895
	<u>440,522</u>	<u>160,160</u>

Big Issue North Trust Ltd

Notes forming part of the financial statements for the year ended 31 March 2022 (continued)

13 Staff costs and emoluments and key management personnel (continued)

The average full time equivalent number of persons employed (based on a 35 hour week) and analysed by function was:

Services and projects

Number	Number
14	6

The average monthly headcount was 14 staff (2021: 13 staff).

No employee received emoluments of more than £60,000 in the current year or prior year.

No trustee received emoluments during the current or prior year.

Key management personnel of the charity are the Trustees and senior leadership of the group. Costs are borne by the parent company, The Big Life Company Limited, Big Life Centres, and Big Life Schools and are not recharged to Big Issue North Trust Ltd. The total employee benefits paid to key management personnel by The Big Life Company Ltd was £615,417, comprised of salary of £529,500, pension contributions of £24,425 and employer's national insurance contributions of £61,492 (2021: £409,631, comprised of salary of £352,000, pension contributions of £16,250 and employer's national insurance contributions of £41,381).

The salary of the Chief Executive and Accounting Officer, a Trustee, is paid by The Big Life Company Ltd. Employee benefits of £105,450, comprised of salary of £90,000, pension contributions of £4,250 and employer's national insurance contributions of £11,200 (2021: £106,148 comprised of salary of £90,000, pension contributions of £4,250 and employer's national insurance contributions of £11,898) was paid by the Big Life Company Ltd during the year.

14 Trustees' remuneration and expenses

During the year remuneration of £8,000 (2021: £8,000) was paid to E Robinson, a Trustee, by the Big Life Company Ltd for her role as chair of the Big Life Company Ltd. Costs are borne by the parent company, The Big Life Company Ltd and are not recharged to Big Issue North Trust Ltd. No other trustee received remuneration from the charity or a related entity during the year (2021: Nil) other than discussed in Note 11.

No reimbursement of expenses had been made to trustees during the year (2021: Nil)

Big Issue North Trust Ltd

Notes forming part of the financial statements
for the year ended 31 March 2022 (*continued*)

15 Tangible fixed assets

	Leasehold improvements £	Office equipment £	Computer Equipment £	Total £
<i>Cost</i>				
At 1 April 2021	100,187	4,359	4,129	108,675
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 March 2022	100,187	4,359	4,129	108,675
<i>Depreciation</i>				
At 1 April 2021	43,864	4,359	4,129	52,352
Charge for the year	20,037	-	-	20,037
Disposals	-	-	-	-
At 31 March 2022	63,902	4,359	4,129	72,390
<i>Net book value</i>				
At 31 March 2022	36,284	-	-	36,284
At 31 March 2021	56,323	-	-	56,323

Big Issue North Trust Ltd

Notes forming part of the financial statements
for the year ended 31 March 2022 (*continued*)

16 Intangible fixed assets

	Web Application Software £	Total £
<i>Cost</i>		
At 1 April 2021	65,520	65,520
Additions	96,600	96,600
Disposals	-	-
At 31 March 2022	162,120	162,120
<i>Depreciation</i>		
At 1 April 2021	-	-
Charge for the year	23,642	23,642
Disposals	-	-
At 31 March 2022	23,642	23,642
<i>Net book value</i>		
At 31 March 2022	138,478	138,478
At 31 March 2021	65,520	65,520

17 Debtors (due within one year)

	2022 £	2021 £
Trade Debtors	64,315	11,000
Amounts owed by Group Undertakings	-	10,851
Prepayments and accrued income	82,208	38,565
Other Taxation and Social Security	7,655	13,104
	154,178	73,520

Big Issue North Trust Ltd

Notes forming part of the financial statements for the year ended 31 March 2022 (*continued*)

18 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	22,379	1,265
Amounts owed to group undertakings	240	-
Accruals and deferred income	44,726	10,917
Loan	164,999	-
Other Creditors	52	-
	<hr/>	<hr/>
	232,396	12,182
	<hr/>	<hr/>

During the year the company obtained a £165k Resilience and Recovery Loan from Social Investment Business. The loan was repayable over 3 years but was repaid in June 2022.

19 Deferred Income

Deferred income represents services and recharge income received in advance

	£
Balance as at 1 April 2021	1,305
Amounts received and deferred in the year	141,312
Amounts released to incoming resources in the year	(117,490)
	<hr/>
Balance as at 31 March 2022	25,127
	<hr/>

20 Analysis of net assets between funds

	Fixed assets £	Net current assets £	Total £
Restricted income funds	-	13,018	13,018
Unrestricted income funds	174,762	341,426	516,188
	<hr/>	<hr/>	<hr/>
Total funds	174,762	354,444	529,206
	<hr/>	<hr/>	<hr/>

Big Issue North Trust Ltd

Notes forming part of the financial statements
for the year ended 31 March 2022 (*continued*)

21 Movements in Funds

	Balance At 1 April 2021 £	Incoming resources £	Outgoing resources £	Transfers £	Balance At 31 March 2022 £
Restricted funds					
Funding for small projects	43,858	21,133	(51,973)	-	13,018
Subtotal	43,858	21,133	(51,973)	-	13,018
Unrestricted funds					
General Funds	420,248	1,159,713	(1,063,773)	-	516,188
Subtotal	420,248	1,159,713	(1,063,773)	-	516,188
Total funds	464,106	1,180,846	(1,115,746)	-	529,206

At 31 March 2022 Big Issue North Trust Ltd held £13,018 (2021 - £43,858) in restricted funds for a number of small projects related to the aims of the charity.

General reserves amounted to £516,188 (2021 - £420,248)

Big Issue North Trust Ltd

Notes forming part of the financial statements for the year ended 31 March 2022 (continued)

22 Related party transactions

In accordance with FRS 102, the charity discloses related party transactions that were recognised in the Statement of Financial Activities. Remuneration of key management personal is disclosed in note 11. Trustees' remuneration and expenses are disclosed in note 12.

The charity is charged for direct salary costs, finance, HR, payroll and other central support services provided by The Big Life Company Ltd. Salary costs are recharged based on staff time and other costs are recharged based on % of estimated income.

The charity charges other group entities for sundry services such as room hire and training. The 2021/22 amount charged to The Big Life Company Ltd of £72,400 includes the donation from The Big Life Company Ltd of £70,000.

Related party transactions with other group entities during the year were as follows:

	Amounts Charged to Group Entities		Amounts Charged by Group Entities	
	2022 £	2021 £	2022 £	2021 £
Big Life Company Ltd	72,400	254,085	138,085	59,979
Self Help Services Ltd	-	-	-	-
Big Life Centres	-	-	200	-
Big Life Schools	-	-	-	-
	72,400	254,085	138,285	59,979

The following amounts were owed by/to group entities at the year end:

	Amounts Owed by group entities		Amounts Owed to group entities	
	2022 £	2021 £	2022 £	2021 £
Big Life Company Ltd	1,564	10,896	1,804	45
Self Help Services Ltd	-	-	-	-
Big Life Centres	-	-	-	-
Big Life Schools	-	-	-	-
	1,564	10,896	1,804	45

Big Issue North Trust Ltd

Notes forming part of the financial statements
for the year ended 31 March 2022 (*continued*)

23 Ultimate parent undertaking and controlling party

The ultimate parent company and controlling party is The Big Life Company Limited, a company limited by guarantee incorporated in England and Wales.

The parent undertaking of the smallest and largest group for which consolidated accounts are prepared is The Big Life Company Limited. Consolidated accounts are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

The mission of The Big Life Company Limited is to create opportunities for the people who have the least to change their lives. Two of the current directors of Big Issue North Trust Ltd are also directors of The Big Life Company Limited. Operational and strategic oversight of Big Issue North Trust Ltd is exercised by The Big Life Company Limited.

24 Operating Lease commitments

The charity had total future minimum commitments under non-cancellable operating leases as set out below:

	2022	2021
	Land and Buildings	Land and Buildings
	£	£
Not later than one year	23,114	32,114
Later than one year and not later than five years	46,000	55,000
Later than five years	13,548	25,048
	<hr/>	<hr/>
	82,662	112,162
	<hr/>	<hr/>