

REGISTERED NUMBER: 07289574 (England and Wales)

**Directors' Report and
Financial Statements for the Year Ended 31 January 2022
for
parkrun Limited
(A company Limited by Guarantee)**



parkrun Limited
(A company Limited by Guarantee)

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for the Year Ended 31 January 2022

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parkrun Limited
(A company Limited by Guarantee)

Company Information
for the Year Ended 31 January 2022

DIRECTORS:

T Williams
D R Moorcroft
R J Borthwick
Ms H J Corne
Ms R Morris
R J Jefferys

REGISTERED OFFICE:

Frameworks
2 Sheen Road
Richmond
TW9 1AE

REGISTERED NUMBER:

07289574 (England and Wales)

AUDITORS:

Sayer Vincent LLP, Statutory Auditor
Invicta House
108-114 Golden Lane
London
EC1Y 0TL

parkrun Limited
(A company Limited by Guarantee) (Registered number: 07289574)

Directors' Report
for the Year Ended 31 January 2022

The directors present their report with the financial statements of the company for the year ended 31 January 2022.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the promotion and organisation of free weekly runs in parks throughout the UK, and the provision of volunteering opportunities at those events..

REVIEW OF BUSINESS

parkrun Ltd is responsible for delivering parkrun events (5k and junior 2k events) in the UK. parkruns are free, weekly, physical activity events that are accessible to people of all abilities and backgrounds, delivered in local communities by volunteers.

The financial year started with the vast majority of events suspended due to the lockdown associated with the COVID-19 pandemic. As the lockdowns eased, we were able to restart events across the UK, with junior 2k events returning on the 11 April 2021, followed by events across Northern Ireland (23 May 2021), Scotland (20 June 2021), England (24 July 2021) and Wales (21 August 2021).

During the financial year our partners, commercial sponsors and Sport England continued to support parkrun activities, which included a huge increase in digital communication activity and the continuation of the (not)parkrun initiative.

A consequence of our events being suspended for the first part of the financial year was a reduction in costs for the period.

During the financial year, we introduced a cost-price charge for milestone t-shirts (which were historically provided free of charge). This decision transformed what was a growing financial liability into an asset, with the sale of milestone t-shirts now covering the cost of providing them to tens of thousands of recipients every year.

The Directors are grateful for the magnificent effort of the staff team and volunteers in ensuring parkrun events could return once restrictions allowed. Whilst participation at parkrun events has been lower than pre-pandemic, demand for new events remains strong.

By the end of the financial year, we had started an additional 85 new parkrun events across the UK.

parkrun is committed to supporting communities to be healthier and happier and to targeting those communities that have most to benefit from the provision of free physical activity or volunteering.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 February 2021 to the date of this report.

T Williams
D R Moorcroft
R J Borthwick
Ms H J Corne
Ms R Morris

Other changes in directors holding office are as follows:

N M Pearson - resigned 31 January 2022
R J Jefferys - appointed 31 January 2022

parkrun Limited
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Directors' Report
for the Year Ended 31 January 2022

DONATIONS

The directors are pleased to confirm that during the year they were able to distribute under gift aid £17,500 (2021 : £209,000) in relation to the 2021 profits to the parent charitable company parkrun Global Limited to enable it to pursue its charitable objectives. The directors intend to distribute the 2022 profits by way of gift aid in the current year.

GOING CONCERN

The Directors have considered the future viability of the Company and its ability to continue as a going concern, and regularly monitor cash flow forecasts. Having reviewed the makeup of current liabilities at the year end the directors are confident that the majority of items included will have little impact on the cashflow of the company going forward and therefore, the directors are satisfied that, for the foreseeable future, the Company can continue with its operations and seek to achieve its objectives. Consequently, the financial statements have been prepared on a going concern basis

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

Sayer Vincent LLP were appointed as auditors in September 2019.

Pursuant to section 487 of the Companies Act 2006 the auditor will be deemed to be reappointed and Sayer Vincent LLP will therefore continue in office.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



.....
R J Jefferys - Director

Date: 28 October 2022

parkrun Limited
(A company Limited by Guarantee)

Statement of Directors' Responsibilities
for the Year Ended 31 January 2022

The directors are responsible for preparing the Directors' Report and the 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 they have elected to prepare the financial statements in accordance with applicable law and Section 1A of FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent ; and
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

**Independent Auditors' Report to the Members of
parkrun Limited
(A company Limited by Guarantee) (Registered number: 07289574)**

Opinion

We have audited the financial statements of parkrun Limited (A company Limited by Guarantee) (the 'company') for the year ended 31 January 2022 which comprise the Statement of Income and Retained Earnings, Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at the 31 January 2022 and of its result for the year then ended ;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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 directors' 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 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 directors 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 directors' annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

**Independent Auditors' Report to the Members of
parkrun Limited
(A company Limited by Guarantee) (Registered number: 07289574)**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters where the 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Directors' Report.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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 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 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 company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' 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 extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the company's policies and procedures relating to:
- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the company operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the company from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' Report.

**Independent Auditors' Report to the Members of
parkrun Limited
(A company Limited by Guarantee) (Registered number: 07289574)**

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 Auditors' 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.

Fleur Holden (Senior Statutory Auditor)
for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House
108-114 Golden Lane
London
EC1Y 0TL

Date: 28 October 2022

parkrun Limited
(A company Limited by Guarantee)

Statement of Income and Retained Earnings
for the Year Ended 31 January 2022

	Notes	2022 £	2021 £
TURNOVER		3,245,729	2,781,546
Administrative expenses		<u>(2,784,588)</u>	<u>(2,820,369)</u>
OPERATING PROFIT/(LOSS)	4	461,141	(38,823)
Interest receivable and similar income		<u>-</u>	<u>41</u>
PROFIT/(LOSS) BEFORE TAXATION		461,141	(38,782)
Tax on profit/(loss)		<u>-</u>	<u>-</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		461,141	(38,782)
Retained earnings at beginning of year		168,233	416,015
Distribution to parent charity under gift aid		<u>(17,500)</u>	<u>(209,000)</u>
RETAINED EARNINGS AT END OF YEAR		<u><u>611,874</u></u>	<u><u>168,233</u></u>

The notes on pages 11 to 14 form part of these financial statements

parkrun Limited
(A company Limited by Guarantee) (Registered number: 07289574)

Balance Sheet
31 January 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible assets	5	281,285	266,016
CURRENT ASSETS			
Stocks		485,657	-
Debtors	6	607,581	891,862
Cash at bank		<u>101,441</u>	<u>44,799</u>
		1,194,679	936,661
CREDITORS			
Amounts falling due within one year	7	<u>(829,090)</u>	<u>(1,034,444)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>365,589</u>	<u>(97,783)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		646,874	168,233
CREDITORS			
Amounts falling due after more than one year	8	<u>(35,000)</u>	<u>-</u>
NET ASSETS		<u><u>611,874</u></u>	<u><u>168,233</u></u>
RESERVES			
Retained earnings		<u>611,874</u>	<u>168,233</u>
		<u><u>611,874</u></u>	<u><u>168,233</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on 28 October 2022 and were signed on its behalf by:



.....
R J Jefferys - Director

The notes on pages 11 to 14 form part of these financial statements

parkrun Limited
(A company Limited by Guarantee)

Notes to the Financial Statements
for the Year Ended 31 January 2022

1. STATUTORY INFORMATION

parkrun Limited is a private company, limited by guarantee, registered and incorporated in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

The directors consider the company to be a going concern. Even with ongoing concerns following the Covid 19 pandemic the directors have considered financial information and are satisfied that the company has sufficient reserves to continue as a going concern for the next financial year. Despite the temporary closure of events during 2020, parkrun's partners, commercial sponsors and Sport England all confirmed their support and the directors have no reason to believe this situation will change going forward.

Critical accounting judgements and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results ultimately may differ from these estimates.

The directors have considered the significant judgements applicable to the financial statements, and have concluded that these are limited to;

- Milestone T shirts are awarded to recognise individual participation at parkrun. The cost of these T shirts is absorbed within the administrative costs of running parkrun events. At the end of the year to recognise that some of the costs in the year may relate to T Shirts handed out in the following year an element of the cost is treated as a prepayment in the current years accounts. The Directors have used their best judgement to value this prepayment at £100,000 for the current year.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

The company receives grants and sponsorship from the public and third parties and recognises the income from these sources over the term of the agreement to which the funds relate. As a result a proportion of such income may be deferred to future periods and shown within other creditors within the financial statements. Income from donations for which there are no performance related conditions is recognised in the year in which it is received.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 33% on cost and 10% on cost
Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

parkrun Limited
(A company Limited by Guarantee)

Notes to the Financial Statements - continued
for the Year Ended 31 January 2022

2. ACCOUNTING POLICIES - continued

Stocks

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

Taxation and deferred tax

The company is a subsidiary of parkrun Global Limited a registered charity and as such no taxation charge is expected to arise as all profits will be distributed to the charity under Gift Aid. Also as a result no provision is required for deferred tax.

Leasing commitments

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

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 25 (2021 - 26).

4. OPERATING PROFIT/(LOSS)

The operating profit (2021 - operating loss) is stated after charging:

	2022	2021
	£	£
Depreciation - owned assets	91,680	131,008
Auditors' remuneration	<u>11,200</u>	<u>7,100</u>

parkrun Limited
(A company Limited by Guarantee)

Notes to the Financial Statements - continued
for the Year Ended 31 January 2022

5. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 February 2021	1,244,414	18,418	41,118	1,303,950
Additions	97,516	-	9,433	106,949
Disposals	(651,434)	-	-	(651,434)
At 31 January 2022	<u>690,496</u>	<u>18,418</u>	<u>50,551</u>	<u>759,465</u>
DEPRECIATION				
At 1 February 2021	987,586	13,933	36,415	1,037,934
Charge for year	82,641	1,927	7,112	91,680
Eliminated on disposal	(651,434)	-	-	(651,434)
At 31 January 2022	<u>418,793</u>	<u>15,860</u>	<u>43,527</u>	<u>478,180</u>
NET BOOK VALUE				
At 31 January 2022	<u>271,703</u>	<u>2,558</u>	<u>7,024</u>	<u>281,285</u>
At 31 January 2021	<u>256,828</u>	<u>4,485</u>	<u>4,703</u>	<u>266,016</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	45,041	34,531
Amounts owed by group undertakings	458,974	496,168
Other debtors	<u>103,566</u>	<u>361,163</u>
	<u>607,581</u>	<u>891,862</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Bank loans and overdrafts	11,259	50,000
Trade creditors	110,111	357,905
Amounts owed to group undertakings	555,891	428,715
Taxation and social security	45,298	52,223
Other creditors	<u>106,531</u>	<u>145,601</u>
	<u>829,090</u>	<u>1,034,444</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022 £	2021 £
Bank loans	<u>35,000</u>	<u>-</u>

parkrun Limited
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Notes to the Financial Statements - continued
for the Year Ended 31 January 2022

9. RELATED PARTY DISCLOSURES

parkrun is a member of a group of companies that has as its parent company *parkrun* Global Limited, a registered charity, whose registered office is Frameworks, 2 Sheen Road, Richmond, TW9 1AE. The accounts of *parkrun* Global Limited can be downloaded from the Charity Commission website.