

Company number: SC201976



Walk the Walk in Action Limited

Report and Financial Statements

Year ended 31 December 2021

WALK THE WALK IN ACTION LIMITED

Annual report and financial statements for the year ended 31 December 2021

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WALK THE WALK IN ACTION LIMITED

Company Details

Directors

Nina Barough CBE
David Adams

Secretary and Registered Office

Gillespie Macandrew Secretaries Limited
5 Atholl Crescent
Edinburgh
EH3 8EJ

Company Number

SC201976

Auditor

RSM UK Audit LLP
Davidson House
Forbury Square
Reading
Berkshire
RG1 3EU

WALK THE WALK IN ACTION LIMITED

Report of the Directors for the year ended 31 December 2021

The directors present their report together with the audited financial statements for the year ended 31 December 2021.

Principal activities and review of business

The results of the business activities of the company are set out in the attached financial statements. The directors regard these results as satisfactory, given the restrictions placed upon live events due to the COVID-19 Pandemic. The principal activity of the company during the year was the organisation of Virtual Moonwalks, together with entering small teams of walkers into other events in aid of Walk the Walk Worldwide, its parent company, which is a registered Scottish incorporated charity (number SC029572). Other activities include commercial promotions and sponsorship.

Going concern

The market for large-scale outdoor events continued to be severely affected by the COVID-19 Pandemic for 2021. In response, the company continued to develop a range of virtual events and made plans to hold the first live event in 3 years in 2022, using existing assets but on a smaller scale whilst we measure the appetite for such events. This will allow the company to continue its business in addition to the support of the Parent Company Walk the Walk worldwide in these difficult times.

As a consequence and as detailed more fully in accounting policies note 1c, no material uncertainties that may cast significant doubt upon the ability of the company to continue as a going concern have been identified by the directors. The directors have specifically considered the potential effect of the COVID-19 Pandemic in coming to this conclusion.

Dividend

The directors do not recommend the payment of a dividend.

Directors

The directors who served during the year, and who do not have a beneficial interest in the company's share capital, were:

Nina Barough CBE
David Adams

Statement of directors' responsibilities

The directors are responsible for preparing the Report of the Directors 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 accounting estimates that are reasonable and prudent;

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Report of the Directors for the year ended 31 December 2021

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Parent undertaking

The total issued share capital of the company is held by Walk the Walk Worldwide, a company limited by guarantee (registered in Scotland, number SC201169) and a registered Scottish charity (number SC029572).


Auditor

RSM UK Audit LLP have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act 2006 it is proposed that they be re-appointed auditor for the ensuing year.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Approved and signed on behalf of the directors



David Adams
Director

Date: 22nd September 2022

WALK THE WALK IN ACTION LIMITED

Independent Auditor's Report to the Members of Walk the Walk in Action Limited

Opinion

We have audited the financial statements of Walk the Walk in Action Limited (the 'company') for the year ended 31 December 2021 which comprise the profit and loss account, the balance sheet and notes to the financial statements, including 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 company's affairs as at 31 December 2021 and of its profit 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 Auditor's 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 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

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Independent Auditor's Report to the Members of Walk the Walk in Action Limited

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.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, 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 directors' responsibilities statement set out on page 2, 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 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.

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.

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Independent Auditor's Report to the Members of Walk the Walk in Action Limited

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from internal/external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the UK General Data Protection Regulation (UK GDPR). We performed audit procedures to inquire of management whether the company is in compliance with these law and regulations and inspected correspondence with licensing or regulatory authorities.

The audit engagement team identified the risk of management override of controls and income recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of

WALK THE WALK IN ACTION LIMITED

Independent Auditor's Report to the Members of Walk the Walk in Action Limited

business, challenging judgments and estimates and performing substantive test of details over income.

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Kerry Gallagher

KERRY GALLAGHER (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Davidson House,
Forbury Square,
Reading,
Berkshire,
RG1 3EU

Date 29 September 2022

WALK THE WALK IN ACTION LIMITED**Profit and loss account for the year ended 31 December 2021**

	Note	2021	2020
		£	£
Turnover	1d	246,917	56,973
Cost of sales		(152,712)	(122,096)
Gross Profit/(loss)		94,205	(65,123)
Other operating charges	2	(166,324)	(448,444)
Other income	3	100,000	400,000
Operating Profit/(loss)		27,881	(113,567)
Interest income		12	145
Profit/(loss) on ordinary activities before taxation		27,893	(113,422)
Corporation tax		-	-
Retained Profit/(loss) for the financial year	10	27,893	(113,422)


All amounts relate to continuing activities.

WALK THE WALK IN ACTION LIMITED**Balance Sheet at 31 December 2021**

	Note	2021	2020
		£	£
Fixed assets			
Intangible Fixed Assets	5	133	11,524
Tangible fixed assets	6	3,779	9,092
Current assets			
Stock		150,204	224,768
Debtors	7	172,789	497,931
Cash at bank & in hand		250,217	97,802
		<u>573,210</u>	<u>820,501</u>
Creditors: amounts falling due within one year	8	(440,157)	(732,045)
Net current assets		<u>133,053</u>	<u>88,456</u>
Total assets less current liabilities		<u>136,965</u>	<u>109,072</u>
Capital and reserves			
Called up share capital	9	1	1
Profit and loss account	10	136,964	109,071
Equity shareholders' funds		<u>136,965</u>	<u>109,072</u>

These 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 directors and authorised for issue on 22nd September 2022.



David Adams
Director

Co registration no: SC201976

WALK THE WALK IN ACTION LIMITED

Other operating charges for the year ended 31 December 2021

1. Accounting policies

a. Company information

Walk The Walk In Action Limited is a private company limited by shares incorporated in Scotland. The registered office is 5 Atholl Crescent, Edinburgh, EH3 8EJ.

The company's principal activities are disclosed in the Directors' Report.

b. Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

c. Going concern

The cash flow forecasts prepared by senior management show that the company will have positive cash flows for at least 12 months from the date these financial statements are approved. In addition, the directors have considered the effect of the COVID-19 Pandemic on the operations of and prospects for the business of the company. Given the circumstances the directors have secured the continuing financial support of the holding company. Following the end of the accounting period, preparations were under way to hold the first live events in 3 years. A cautionary approach was taken towards the event planning and costs were kept to the bear minimum. Due to the risks surrounding COVID-19, the 2022 live events saw fewer walkers participate, compared to pre pandemic levels. Despite this, the 2022 events have been a success. 2023 will see the 25th anniversary of the MoonWalk London. With the risks surrounding COVID-19 lessening and additional publicity, we anticipate higher walker numbers for all 2023 events.

The Directors therefore consider that the company has sufficient funds to meet its obligations as they fall due and deems it appropriate that the financial statements are produced on a going concern basis.

d. Turnover

Turnover represents the following – entry fees, goods sold, sponsorship raised and other services provided during the year stated net of Value Added Tax. Entry fees and corporate promotion income is included in the year in which the relevant event takes place. Amounts relating to future years are shown as deferred income.

e. Expenditure

Expenditure is accounted for on an accruals basis and is stated net of Value Added Tax. Expenditure that relates directly to events is recognised in the year in which the event takes place so costs are matched with income generated from the event.

f. Tangible fixed assets and depreciation

Individual tangible fixed assets costing £100 or more are capitalised at cost and depreciated.

Depreciation is provided by the straight line method, calculated to write off assets over their

WALK THE WALK IN ACTION LIMITED

Other operating charges for the year ended 31 December 2021

estimated useful lives at the following rates:

Leasehold improvements	over three years
Computer equipment	over three years
Other office equipment	over three years
Furniture and fittings	over four years
Event equipment	over three years

g. Intangible fixed assets and amortisation

Intangible fixed assets comprise the capitalisation of software costs to provide use over a number of accounting periods. Such costs are to be amortised on a straight-line basis over three years.

h. Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

i. Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

j. Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

k. Operating leases

Rentals payable under operating leases are charged to the profit and loss account as incurred over the lease term.

l. Stock

Stock relates to merchandise held for resale and distribution to entrants of events hosted by the company. Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

m. Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

WALK THE WALK IN ACTION LIMITED**Other operating charges for the year ended 31 December 2021**

Current and deferred tax is charged or credited to the profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax, or a right to pay less tax, or a right to receive repayments of tax.

Deferred tax assets are recognised only to the extent that the directors consider it more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

n. Gift aid payment to parent charity

The company pays its taxable profits for the reporting period to its parent charity under the gift aid scheme. These gift aid payments are recognised as distributions to owners in equity within retained earnings.

2. Other operating charges

	2021	2020
	£	£
Other operating charges include:		
Depreciation and amortisation	18,045	42,186
Operating lease charges	11,517	10,822

3. Other income

Other income represents the event management fees and associated costs charged to Walk the Walk Worldwide, the company's parent company (see note 11). The fees are recognised on a receivable basis.

WALK THE WALK IN ACTION LIMITED**Other operating charges for the year ended 31 December 2021****4. Intangible fixed assets**

	Website £	IP £	Total £
<i>Cost</i>			
At 1 January 2021	218,875	19,084	237,959
Additions	-	-	-
As at 31 December 2021	218,875	19,084	237,959
<i>Accumulated Amortisation</i>			
At 1 January 2021	207,351	19,084	226,435
Charge for year	11,391	-	11,391
As at 31 December 2021	218,742	19,084	237,826
<i>Net book value</i>			
	133	-	133
At 31 December 2021	11,524	-	11,524
At 31 December 2020			

6. Tangible fixed Assets

	Computers & other equipment £	Leasehold improvements £	Furniture fittings & event equipment £	Total £
<i>Cost</i>				
At 1 January 2021	168,237	291,614	155,045	614,896
Additions	1,341	-	-	1,341
As at 31 December 2021	169,578	291,614	155,045	616,237
<i>Accumulated depreciation</i>				
At 1 January 2021	165,036	286,853	153,915	605,804
Charge for year	2,418	3,716	520	6,654
As at 31 December 2021	167,454	290,569	154,435	612,458
<i>Net book value</i>				
At 31 December 2021	2,124	1,045	610	3,779
At 31 December 2020	3,201	4,761	1,130	9,092

WALK THE WALK IN ACTION LIMITED**Other operating charges for the year ended 31 December 2021****7. Debtors**

	2021	2020
	£	£
Trade debtors	84,667	100,942
Amount due from group undertakings	6,904	73,197
Amount due from parent undertaking	-	164,052
Other debtors	39,848	39,090
Prepayments and deferred expenditure	41,370	120,650
	<u>172,789</u>	<u>497,931</u>

8. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	11,708	64,438
Due to group undertakings	-	14,651
Due to parent undertakings	11,359	-
Deferred income	414,296	646,290
Other creditors and accruals	2,794	6,666
	<u>440,157</u>	<u>732,045</u>

9. Share capital

	2021	2020
	£	£
Authorised		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
1 ordinary share of £1	<u>1</u>	<u>1</u>

WALK THE WALK IN ACTION LIMITED**Other operating charges for the year ended 31 December 2021****10. Reconciliation of movements in reserves**

	Share capital	Profit and loss	2021	2020
	£	£	£	£
Opening reserves	1	109,071	109,072	222,494
Profit/(loss) for the year		27,893	27,893	(113,422)
Distribution to parent charity	-	-	-	-
Closing reserves	1	136,964	136,965	109,072

11. Parent information

The company is a wholly-owned subsidiary undertaking of Walk the Walk Worldwide, a company limited by guarantee, (registered in Scotland, number SC201169) and a registered Scottish charity, number SC029572.

Group financial statements are available from Walk the Walk, 6 Genesis Business Park, Albert Drive, Woking, Surrey GU21 5RW.

12. Related party transactions

The company has taken advantage of the exemption available in FRS 102 paragraph 33.1A, whereby it has not disclosed transactions with the ultimate parent company, or any wholly owned subsidiary undertaking of the group.

13. Finance and other commitments**a) Obligations under operating leases**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021	2020
	£	£
Within one year	11,234	7,793
Within 2 to 5 years	5,526	17,758
	16,760	25,551

WALK THE WALK IN ACTION LIMITED**Other operating charges for the year ended 31 December 2021****14. Tax on profit from ordinary activities****a) Analysis of charge in year**

	2021	2020
	£	£
UK Corporation Tax:		
Charge on profits of the year	-	-
	<u>-</u>	<u>-</u>

b) Factors affecting tax charge for the year

The tax assessed for the year differs from the standard small company rate of corporation tax in the UK of 19% (2019: 19%); the differences are explained below:

	2021	2020
	£	£
Profit/(loss) on ordinary activities before tax	<u>(27,893)</u>	<u>(113,442)</u>
Profit/(loss) on ordinary activities multiplied by the standard rate of tax	(5,300)	(21,550)
Effects of:		
Fixed asset timing differences	233	1,081
Trade losses carried forward	(7,588)	14,782
Other adjustments	2,065	5,687
	<u>-</u>	<u>-</u>

The company has £37,864 (2020: £77,800) of trading losses carried forward.