

Company number: 09411750  
Charity Number: 1175062

# parkrun Global Limited

Report and consolidated financial statements  
For the year ended 31 January 2020

**Contents**

**For the year ended 31 January 2020**

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## Reference and administrative information

For the year ended 31 January 2020

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|--------------------------|----------------|
| Company number           | 09411750       |
| Country of incorporation | United Kingdom |

|                         |                 |
|-------------------------|-----------------|
| Charity number          | 1175062         |
| Country of registration | England & Wales |

|   |  |
|---|--|
| Registered office and operational address | Unit 3, Lower Deck<br>Phoenix Wharf<br>Twickenham<br>TW1 3DY |
|---|--|

**Trustees** Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

|                 |         |
|-----------------|---------|
| Gavin Megaw     | Chair   |
| P Sinton-Hewitt | Founder |
| C Gibbons       |         |
| J C Townsend    |         |
| K Hui           |         |

|                                 |                     |                                     |
|---------------------------------|---------------------|-------------------------------------|
| <b>Key management personnel</b> | Nick Pearson        | Chief Executive                     |
|                                 | Tom Williams        | Chief Operating Officer             |
|                                 | Russ Jefferys       | Global Head of Communications       |
|                                 | Chrissie Wellington | Global Head of Health and Wellbeing |
|                                 | James Kemp          | Global Head of Operations           |

|                |   |
|----------------|---|
| <b>Bankers</b> | Santander<br>100 Ludgate Hill<br>London<br>EC4M 7RE |
|----------------|---|

|                   |   |
|-------------------|---|
| <b>Solicitors</b> | Muckle LLP<br>32 Gallowgate<br>Newcastle Upon Tyne<br>NE1 4BF |
|-------------------|---|

|                |   |
|----------------|---|
| <b>Auditor</b> | Sayer Vincent LLP<br>Chartered Accountants and Statutory Auditor<br>Invicta House,<br>108-114 Golden Lane<br>LONDON<br>EC1Y 0TL |
|----------------|---|

The trustees present their report and the audited financial statements for the year ended 31 January 2020.

Reference 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, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

## **Objectives and activities**

### **Purposes and aims**

parkrun is a global health and wellbeing initiative that delivers a series of weekly, free community events, designed to encourage engagement with physical activity and volunteering in a social environment.

What began in October 2004 with a single event in Bushy Park, Teddington, parkrun now supports weekly events at over 2,000 locations across 20 countries. The global charity is responsible for delivering parkrun events in a diverse number of locations across the UK, Ireland, Southern Africa, Asia Pacific, mainland Europe, and North America.

Once again, parkrun has experienced another year of significant growth in new events, registrations and participation (walking, jogging, running, volunteering) in all international territories.

The organisation's mission is to make the world healthier and happier, through the provision of regular, community-led, socially-focussed physical activity events. Further, parkrun is committed to those events being free, for everyone, forever.

Appealing to the widest possible demographic, parkrun events are free, weekly, physical activity initiatives that are accessible to people of all abilities and backgrounds and encourage people to take part through walking, jogging, running, or volunteering. It is the belief of parkrun that all human beings have an innate need to be active, social, and outdoors – that these are fundamental building blocks of health and happiness. Therefore parkrun's strategic mission is

to use these free, weekly, outdoor, community events to support improved health, wellbeing, and happiness, in communities all over the world.

In pursuit of this mission, parkrun takes a proactive approach to encouraging those that are less active to take part in parkrun events. The charity is particularly focussed on maximising accessibility to physical activity and volunteering opportunities, free of charge, through local, community-focused, volunteer-delivered events.

parkrun acknowledges that, with regards to accessing physical activity, a multitude of barriers remain, discouraging many people in society from participating. The organisation attempts to remove or reduce these barriers, encouraging more people to become more physically active through either walking, jogging, running, or volunteering. Key to the parkrun philosophy is that parkrun events are free, for everyone, forever.

This clear commitment removes the single biggest barrier to participation in physical activity, that of cost. However, there are many others and parkrun is committed to addressing as many as possible.

Simplicity of engagement (fitness level is not important and little/no specialist equipment is needed) is a key element of parkrun's appeal, offering an informal and more accessible alternative to most other activity providers. Participation at parkrun requires a simple, one-time online registration, the registration then generates a unique identification number, which is all that is required to participate at any parkrun event, anywhere in the world, at any time. Simply printing off the unique identification number, in the form of a barcode, and scanning it at the finish is enough to ensure receipt of a result which includes time and position.

parkrun events take place, every week, in parks or public spaces. Saturday events are five kilometres in distance and are for anyone aged four or over, Sunday events are for children aged four to fourteen and are 2 kilometres in distance. All events are coordinated by a central support infrastructure, delivery template and technical platform, but are delivered locally by volunteers. parkrun believes that the benefits to an individual of participating at parkrun events either as a walker, jogger, runner, or volunteer, are significant both in terms of mental and physical health and wellbeing.

The aim of parkrun as a global organisation is to encourage communities to become healthier and happier through regular physical activity and volunteering. Key to this is the belief that

individuals and communities that are empowered to provide their own solutions to health and wellbeing challenges are more motivated to continue than those that have solutions imposed upon them.

parkrun empowers volunteer teams to develop and deliver their own local events, encouraging fun and creativity to be added at a local level, and whilst the event template is rigid around areas relating to safety and welfare, it is flexible in many other areas, ensuring each event reflects its community. By creating a simple, low cost template for starting events, parkrun has created a community model for physical activity and volunteering that is rapidly scalable.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes. The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

### **Achievements and performance**

The charity's main activities and who it tries to help are described below.

All its charitable activities focus on delivering parkrun events in the UK and the rest of the world and are undertaken to further parkrun Global Limited's charitable purposes for the public benefit. In the 2019 financial year, more people took part in parkrun, as a walker, jogger, runner, or volunteer than ever before, with **2,234,718** different people participating, an increase of **16%**.

During the 2019 financial year, every parkrun territory grew in size.

During the financial year 2019, over **1.3** million new people registered for parkrun globally, bringing the total amount of registrations to over **6.7** million.

## Beneficiaries of our services

parkrun is an organisation that proudly welcomes and encourages total inclusiveness, our culture looks to understand and include and as such parkrun sets out deliberately to target everyone in society as a potential beneficiary of our services through either, running, jogging, walking or volunteering

However, there continues to exist a structural inequality around provision and appetite for physical activity involvement and in an attempt to address this, parkrun works most proactively to encourage participation amongst groups that are least likely to engage in physical activity, or groups that would most benefit from increasing physical activity levels.

More recently this has seen a number of initiatives that target specific groups that are under represented in physical activity at a general population level. Working at a local level, understanding the complex and multi level barriers to involvement allows parkrun to develop unique engagement that has proven extremely successful in raising activity levels.

Some of the more successful initiatives involve the introduction of parkrun events into custodial estate facilities. After a successful pilot in 2017, parkrun events now take place on the custodial estate in the UK, Ireland and Australia offering a multitude of benefits to the participants and the participating institutions. To date parkrun events take place in 35 separate institutions and over 7000 different individuals have participated on over 40,000 different occasions, including almost 2000 volunteers.

A programme that connects parkrun events with local GP surgeries continues to grow and support physical activity and address social isolation amongst some of the most vulnerable members of society. Medical practitioners are able to socially prescribe participation at their local parkrun event as an alternative or supplement to medication, supporting a more preventative and holistic approach to health. A small pilot in the UK in 2018 has quickly grown with around 20% of UK GP surgeries (1500) taking part and the initiative launching successfully in Ireland and Australia.

Additional groups that are proactively targeted are;

**Inactives** (as measured by doing 30 minutes of moderate exercise less than once a week over the last 4 week period).

**People aged 55 and over** Older participants are increasingly likely to experience positive health outcomes from increased physical activity.

**Women.** In many parts of the world, there is a large participation gap between females and males.

**Areas of Social and Economic deprivation** Participation in and access to physical activity in the poorest communities is materially underrepresented directly leading to poorer health and wellbeing outcomes.

### Volunteers at parkrun

It is no secret that volunteers are one of the greatest success stories of parkrun. They are the biggest resource and the logistical lifeblood of our organisation

Since the very first event in 2004, where parkrun Founder Paul Sinton-Hewitt and four other volunteers supported 13 runners, 575,428 different people around the globe have volunteered at parkrun. With an average of over 30,000 each week (20 volunteers per event on average) , the growth rate of volunteering against walk, jog and run participation is 5% higher (27% vs 22%). This demonstrates the robustness and sustainability of our model which requires a minimum of 6% of participants to volunteer in order to deliver our events safely. Additionally, each event has on average 7 Run Directors and 45% of events have more than one Event Director.

We position volunteering as an equal form of participation and volunteers are referred to as parkrunners in the same way as walkers, joggers and runners are.

Whilst we have always understood the function of volunteering and how it can effectively add operational capacity at scale, it is only in the past year or two that we have really begun to understand how beneficial it is to the volunteer in terms of health and wellbeing.

As a leader within the volunteering sector we have the proactively work to change the landscape of volunteering and enhance the life skills and opportunities of marginalised, disadvantaged, excluded groups.

We are constantly striving

- to make volunteering as easy and accessible as possible
- expand roles to give even more diversity and variety
- break down barriers to volunteer



The parkrun approach has always been through designing simple, scalable and sustainable solutions.

The simplicity in the model (i.e. same roles at every event, time specific and time limited) makes volunteering at parkrun easy, accessible and scalable.

Whilst determined by HQ, event teams are supported and empowered to deliver events. Anyone can “rock up and volunteer.” Tasks can be delegated easily so people can do small or large bits of volunteering. Volunteer roles also allow for collective volunteering together, in groups, with friends – e.g. Tail Walker.

There is a volunteering opportunity for everyone regardless of age, background or ability. parkrun volunteers come from all walks of life, which brings a multi-generational, diverse range of skills, expertise, support and opportunities. These volunteering opportunities take many forms at event level: from setting up the course, handing out finisher tokens and processing results, tail walking, to posting on social media, responding to emails and coordinating volunteers during the week.

The fact that these roles are the same at every event means volunteering opportunities are accessible and familiar on a global scale and it is an easy route to go from running to volunteering.

In terms of supporting our people to deliver our events, the ‘parkrun hub’ is a global information resource for parkrun volunteers. It provides up to date information and helps all parkrunners to better understand our principles, policies, guidelines and rules. In addition to this, regular volunteer updates are emailed to all volunteers who have subscribed to receive this communication.

Our volunteers understand what is expected of them through our codes of conduct, our guiding principles and clearly defined role descriptions.

In most parkrun territories we have developed a network of volunteer Ambassadors who carry out important roles to support events and HQ. These networks are currently made up of over 700 highly engaged, dedicated, and experienced parkrun volunteers all of whom have undergone a robust recruitment process. Both Ambassadors and Event Directors are required to commit to our volunteer agreement.

## Trustees' annual report

### For the year ended 31 January 2020

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It's by no accident that parkrun has an immensely positive volunteer culture. Our volunteers are passionate, enthusiastic, willing and engaged with their communities.

We position volunteering as a brilliant, life enhancing thing to do and every week we are inundated with requests to volunteer and stories of how volunteering has impacted on people's health and wellbeing. We celebrate everything that is positive about volunteering. We promote volunteering as an act of choice. If you don't want to volunteer that's absolutely fine and if you do want to volunteer at parkrun, there's always an opportunity to do so.

On our 15th anniversary (5th October 2019) we published the findings of our first-ever health and wellbeing survey. Over 60,000 completed surveys were submitted, making it one of the biggest ever independent studies into physical activity.

The results confirmed some long-held beliefs for us: that participating at parkrun is fundamentally good for our physical and mental health. But it also revealed that the biggest benefits were experienced by those who volunteered, as well as walked or ran. An incredible 84% of volunteers said parkrun improved their happiness.

On a quarterly basis we survey our volunteers. This gives us valuable insights of the volunteers' experience, motivations, concerns and challenges. It guides us in our decision making and influences improvements in processes and operational policy. It ensures an even better overall experience.

Taking an average of the last 5 surveys in the UK and in descending order here are some key highlights (March 2019 to March 2020, 6,000 respondents)

|       |  |
|-------|--|
| 99.5% | ● would recommend volunteering at parkrun to others  |
| 99%   | ● feel trusted by parkrun when volunteering<br>● intend to continue volunteering at parkrun for the future |
| 98.5% | ● felt valued by the community   |
| 98%   | ● felt parkrun champions volunteering and the role of the volunteer  |
| 97%   | ● felt valued by the event team<br>● trust parkrun HQ to make the right decisions                          |

## Trustees' annual report

For the year ended 31 January 2020

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|     |  |
|-----|--|
| 90% | ● felt happier   |
| 92% | ● felt volunteers are considered when parkrun HQ makes decisions |
| 88% | ● were able to choose the volunteer role that they wanted        |
| 65% | ● had a wider range of social and support networks               |

In another survey 34% of healthcare professionals who have prescribed parkrun (a UK partnership initiative with the Royal College of GP's) recommended volunteering to their patients through social prescribing, an indication that volunteering is valued by healthcare professionals.

### Safeguarding at parkrun

parkrun is committed to achieving and exceeding best practice standards of care for all of our parkrun family. We believe that everyone should be able to participate in and enjoy physical activity in a safe environment, and be safeguarded from harm through a duty of care. We are committed to ensuring safeguarding practice reflects statutory responsibilities, relevant local government guidance, and complies with best practice.

We recognise that not all risk can be removed. We can, however, make sure that we have done as much as is reasonably possible to minimise and manage risk. Due to the very open, public nature of parkrun, the risk of abuse taking place in a parkrun context is low; despite participation numbers being high, parkrun simply does not have the high risk areas that other sports or youth clubs have. In most sports clubs, the key safeguarding risks are:

- Coaches abusing their position of trust,
- Grooming through relationships being built up between coaches/ adult leaders and children or vulnerable adults, who see each other in private on a regular basis,
- Abuse taking place in changing rooms, showers, toilets etc.,
- Abuse taking place in cars or club vehicles when traveling to and from events, or during overnight stays,
- Children or vulnerable adults taking unnecessary risks, or not speaking out, through fear of not being promoted within their sport.

parkrun will never have coaches, any form of adults 'leading' children, changing rooms, showers, lifts, or any opportunity for private, regular one to one time between adults and

children or vulnerable adults. There is no competition within parkrun and the message that children must always be allowed to 'run for fun' is enforced by all event teams.

In addition, the Safeguarding Team continually review parkrun activity to ensure this risk remains low. All new initiatives or projects are assessed from a safeguarding perspective, and only go ahead if we are confident they won't bring additional or unmanageable risk.

All event teams are provided with the information, support and tools they need to report any safeguarding concern. This information and support is shared in a range of formats, including face to face training, online training, emails, newsletters, over the phone, and where needed, in person. All parkrun's safeguarding policies and procedures can be found on the parkrun Safeguarding Hub, a regularly updated and easy to navigate site.

In order to take all practical steps to best safeguard everyone within the parkrun community, parkrun has an internal Safeguarding Team, which is directly responsible for ensuring the development, implementation and monitoring of safeguarding policies, procedures and guidance, and from whom support can be gained at any time (seven days a week).

The Safeguarding Team review every single safeguarding incident, and carry out quarterly reviews which are shared with the Board of Trustees. The findings of the quarterly reviews inform parkrun operating policies and procedures around the world.

## **Financial review**

During the financial year to 31 January 2020 parkrun Global has focused on supporting existing parkrun events, enabling new events to commence once initial funding is obtained and investigating and seeking out new technology and improved systems internally that will help to reduce the costs of providing parkruns going forward and maintaining the free status that exists. With the increase in numbers of both events and participation, overall costs have risen over the period to £4,549,499 (2019 £3,475,390). The Trustees continually seek to expand revenue streams to assist with the overall funding required to enable parkrun events to be run at no cost to the participant. In the current period funding from all sources increased to £5,137,569 (2019 £4,311,480). However, a large percentage of the overall funding is restricted in terms of what the trustees can apply these funds to and as such they constantly seek to increase unrestricted funds. The restricted income related to Charitable activities disclosed within the statement of financial activities includes all income to which the charity is entitled to as at the end of the year, but may not have received, and it should be noted that £1,000,000 of

funding provided by Sport England has only partially been expensed in the current period, with the balance to be used in the next period.

Being a relatively new charity, the trustees continue to implement and improve reporting procedures to enable them to monitor not only general overheads but also costs associated with restricted funds. The group has net assets of £1,762,141 (2019 £1,174,071), represented by Unrestricted funds of £393,547 and Restricted funds of £1,368,594. (2019: Unrestricted £129,096 and Restricted £1,044,975) The trustees are pleased with the significant improvement of the unrestricted reserves position £393,547(2019 £129,006) at the end of the financial year and they are seeking to improve this amount to ensure that any short term falls in income are sufficiently covered. The trustees constantly monitor cash flow requirements and are pleased to see the cash held at the end of the year has increased to £406,314 (2019 £159,473). Funds provided through parkrun donations continue to help support costs at individual events. The trustees are grateful for the continued support from the participants themselves. At the year end, an increase in funds to £361,455 from the 2019 position of £316,911, were available to support individual event specific funding requirements going forward.

The charity provides advice, guidance, training and technical support to all new parkrun events. In the past IT costs in terms of laptops, timers and bar code scanners has been significant. As new events continue to increase and the potential cost of maintaining this legacy hardware cost at over 2000 events becomes more significant, a greater focus has been placed on developing technological solutions that mitigate against this future cost. During 2018 a mobile phone app was developed to replace elements of expensive hardware which has significantly reduced the ongoing costs, roll out of the app has in 2019 into larger parkrun territories has been successful and significant, parkrun continues to invest in the app technology to improve volunteer accessibility and experience.

### **Reserves policy**

The trustees have considered the future viability of the group and its ability to continue as a going concern, and regularly monitor cash flow forecasts. Having reviewed the makeup of the group's working capital and net current assets position at the year-end the trustees are confident that the group has sufficient resources to continue with its operations and seek to achieve its objectives. Consequently, the financial statements have been prepared on a going concern basis.

Restricted funds total £1,368,594 (2019 £1,044,975) and the detail of the funding provided is given in Note 21 to the accounts. General funds total £393,547 (2019 £129,006) and so the position has improved materially since the prior year. Free reserves, after taking into account tangible fixed assets, have shown a dramatic improvement in the financial year as shown in Note 20 to the accounts, the priority of the trustees over the next year is to continue to improve this position by securing additional unrestricted funding. The reserves policy is to hold three months of operating expenditure within reserves and so again, the immediate aim of the trustees is to continue to improve the financial sustainability of the organisation in order to build up the reserves towards the target level.

### **Going concern and financial sustainability**

Post year end, 2020 has been significantly impacted by the consequences of the global lockdown seen in response to COVID 19.

By the 21st March, all parkrun events around the world were paused in response to lockdown restrictions and whilst the impact of COVID 19 has been felt differently in different parkrun territories, parkrun is yet to return at any level of scale.

The pausing of parkrun events around the world has had a negative impact on revenues, however this has been mitigated by decisive and immediate action taken to reduce overheads accordingly. The management team have pursued a strategy over recent years of keeping fixed costs, particularly staff costs as low as possible, ensuring there was significant flexibility within total overheads and this approach has been vindicated and critical in the management of finances during this period.

Through long term cash and business forecasts shared by the management team the trustees are able to confidently look forward to 2021 and beyond with confidence that the charity remains sustainable even with a continued absence of events. The trustees acknowledge the excellent work of the management team in managing the accounts and finances in the face of the global COVID 19 pandemic and this offers additional reassurance heading into 2021.

### **Principal risks and uncertainties**

The trustees consider the principal risks to the charitable group to be in the following areas:

~ COVID 19. The Global response to the COVID 19 pandemic saw national lockdowns around the world and local restrictions. Since the middle of 2020 parkrun has been able to return some events as restrictions relax in certain parts of the world. parkrun has created and published a return framework and is actively engaging with authorities and public health organisations to ensure that parkrun events can return in an appropriate and safe way as soon as local rules allow.

~ Economic risks. As parkrun continues to grow the costs in administering a universally free service increase significantly, however we continue to successfully develop additional income streams and have managed to establish strong long-term contractual relations with our sponsors, partners and other financial supporters. The fallout of event suspensions during the COVID pandemic have heightened sensitivity to financial shock, to mitigate this parkrun has proactively engaged with commercial partners and supporters to maximise communications and rights opportunities and enhance sponsor value wherever possible, whilst simultaneously minimising expenditure and overheads to support a sustainable business model while events in parts of the world remain closed.

~ Government and Local Authority activity or inactivity. In order to mitigate risks in this area we have established good links with government departments and Sport England, and we are always open to discussions with local authorities and In particular the departments responsible for the upkeep of local parks.

~ Cancellation of Events. Participants are kept informed by way of social media of matters affecting local events and we do not see any significant problems arising in this area.

~ Reputational risks. The trustees work hard to ensure parkrun has a robust health and safety, child and adult safeguarding and cyber security plans which help mitigate against damage to reputation that could result from failures in these areas.

## **Fundraising**

parkrun continues to rapidly expand and therefore the costs associated with supporting events, safely and consistently, and at no cost to participants, inevitably increase rapidly too. Whilst the trustees support a lean, low cost approach to increasing scale, it has been important to continue to develop strategies around raising revenue to ensure that there is a continuing diversification within this strategy that limits risk to parkrun.

In the financial year, over 80% of parkrun Global's revenue is generated in the UK, which is to be expected when market maturity and size are compared against other subsidiary markets.

parkrun generates funds in the UK from 3 main revenue streams.

1       **Sponsorship** Historically this has been the main revenue stream, and in 2019 accounted for around 44% of revenue, down from around 50% in 2018, demonstrating a reducing reliance on one single revenue stream. parkrun partners with commercial organisations to promote their products to the parkrun audience, through digital marketing and a very small amount of branding at parkrun events. Despite the decrease in the proportion of revenue raised by sponsors, the trustees are delighted to see sponsorship income increase 26% to just under £1.9M in 2019.

2       **Grant Funding** parkrun works with organisations to further health and participation objectives and receives grant funding to support these activities. During the financial year, parkrun worked with London Marathon Charitable Trust and Sport England on specific projects. In 2018 parkrun was awarded a £3M grant from Sport England (2018–2021) to help fund projects designed to increase both female participation and to increase physical activity in areas of high social deprivation.

3       **Self Generated** Commercial Income (Retail) More recently the trustees have identified the need for diversification of revenue streams and have supported the development and growth of retail revenue. The trustees believe that the growth of this revenue stream offers the greatest level of protection for parkrun as it strives for sustainability and to deliver on the commitment of being free, for everyone forever. The trustees have set a long term target of generating over 50% of overhead costs from retail income and are delighted with the progress made towards this goal in 2019 which saw a 32% growth in profit from retail turnover to £600,000. 2019 also saw the first full year of trading of 'Contra', a new ethical and inclusive exercise clothing brand which generated profit of over £60,000 to support parkrun activities. The trustees see the long term development and growth of 'Contra' as a critical component of future sustainability.

Prior to 2019, charitable fundraising has been limited to individual, local, parkrun events, raising funds for maintenance costs and expenses, the funds raised are restricted for exclusive use by each individual event and have had limited impact on supporting the ongoing costs required to sustain parkrun Global Ltd.



2019 saw the launch of a new digital donations platform, allowing participants, should they choose, to pledge regular monthly donations to support the central overheads and costs that maintain the broader parkrun infrastructure and systems. The trustees are delighted that almost £250,000 was donated to parkrun in 2019 via this platform.

parkrun Global Ltd is not currently registered with the Fundraising regulator but the trustees are taking professional advice in relation to this matter. In the year, parkrun Global Ltd received no complaints in relation to fundraising (2019: none).

### **Plans for the future**

The short term priority for parkrun is to re open events as soon as it is safe and appropriate to do so in every territory, with the support and backing of the relevant authorities and stakeholders.

parkrun believes that the public health impact of events being suspended around the world is significant and it is critical to support population health that accessible physical activity events such as parkrun are prioritised in their return, parkrun continues to work with the relevant authorities and organisations around the world to agree timeframes and conditions that can see events restart.

Once all parkrun events around the world have returned and parkrun returns to growth around the World, it will once again be critical that the support and resources continue to be secure therefore ensuring that the communities that they are benefitting retain parkrun forever.

parkrun's priority will always be to protect the communities and impacts it has already, rather than to focus on further International expansion. Participation increases annually at the vast majority of individual parkrun events, so participation would continue to grow even without any new events being added.

It is also the case that in every International parkrun territory, there is still a significant amount of untapped demand, which further encourages the strategy of supporting the events and territories that currently exist, rather than looking for growth in new parts of the World.

With this in mind, parkrun is cautious and pragmatic when it comes to further International expansion, critical to this is ensuring that resources are in place for existing events and not diluted by growth, creating simple scalable plans and initiatives, rather than complex,

personnel reliant ones is key to this, the development of technology such as the Volunteer App is a live example of how parkrun is working to remove structural blockages and costs to growth that can scale and facilitate widespread growth at low cost and maintenance.

During 2019, parkrun, through this careful and pragmatic approach, and the confidence that resources wouldn't be stretched in a way that threatened existing events, launched parkrun events in Japan, the initial launch was the most successful in terms of attendance of any International parkrun launch historically, and growth through the year both in terms of events and participation exceeded all previous countries.

2020 will see the addition of The Netherlands to the parkrun family, and further steps to grow into new territories will be taken when the resources and infrastructure allow.

### **Structure, governance and management**

parkrun Global Limited is a charitable company limited by guarantee, incorporated on 28 January 2015 and registered as a charity on 10 October 2017.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

The charitable company's objects per the articles of association are to promote community participation in health recreation by:

~ Organising and providing running events, and

~ Creating opportunities for members of the community to participate in and/or volunteer at such running events.

The management of the organisation has been delegated by the trustees to the Chief Executive and Chief Operating Officer. All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 8 to the accounts.

### **Appointment of trustees**

The articles of association state that the Founder of the organisation shall be a Trustee. Other trustees are appointed by an ordinary resolution of the members or by co-option by the trustees. The minimum number of trustees is 3 and the maximum number is 7. Trustees are recruited by a Committee, led by the parkrun Global Chair and including parkrun Global trustees. The committee has ultimate approval over the role description and the skills and experience criteria that are published ahead of selection, as well as the final selection.

### **Trustee induction and training**

New trustees meet the Chair, the other trustees and the Executive team before their first meeting. In addition, they are required to join the Operations team on location visiting event teams and meeting volunteers. They are given full access to the Executive team to develop their understanding of the organisation. They are also given a copy of the Charity Commissions guidance to becoming a new trustee (CC3).

### **Related parties and relationships with other organisations**

parkrun Global has two subsidiaries within the UK, parkrun Limited and parkrun Trading. parkrun Global also now operates in the United States of America and South Africa via subsidiary companies and we are working to increase this number of parkrun territories that are operated via subsidiary companies rather than through licences. parkrun Global has also been operating sales of Contra merchandise through the subsidiary PSH Retail from Feb 1st 2020, the purpose of this move is to offer greater transparency and clarity around associated costs and contribution.

### **Remuneration policy for key management personnel**

The pay of all staff is reviewed annually by the Board of Trustees as part of the budget approval process. The setting of executive pay is overseen by the Remuneration Committee and is made up of the trustees and chaired by the Chair of Trustees. In view of the nature and scope of the charity, the Trustees benchmark against pay levels in other physical activity charities and those with Global scope.

### **Funds held as custodian trustee on behalf of others**

parkrun Global does not hold any funds as custodian trustee on behalf of other organisations.

### **Statement of responsibilities of the trustees**

The trustees (who are also directors of parkrun Global Limited 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 charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group 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
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 charitable 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 charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware

Trustees' annual report

For the year ended 31 January 2020

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- The trustees 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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

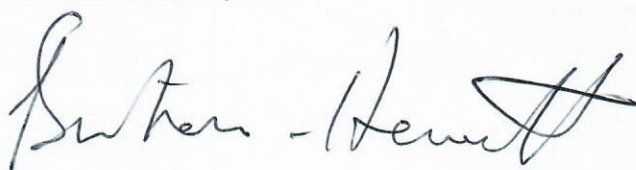
Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 January 2020 was 6 (2019:7). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

**Auditor**

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The directors' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The trustees' annual report has been approved by the trustees on 23 October 2020 and signed on their behalf by

A handwritten signature in black ink, appearing to read 'P Sinton-Hewitt', written in a cursive style.

P Sinton-Hewitt  
Director

## **Independent auditor's report**

**To the members of**

**parkrun Global Limited**

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### **Opinion**

We have audited the financial statements of parkrun Global Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 January 2020 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 group's and of the parent charitable company's affairs as at 31 January 2020 and of the group's incoming resources and application of resources, including its income and expenditure, 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 and the Charities Act 2011

### **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 group financial statements section of our report. We are independent of the group and parent 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The trustees' use of the going concern basis of accounting in the preparation of the group financial statements is not appropriate; or

## **Independent auditor's report**

**To the members of**

**parkrun Global Limited**

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- The trustees have not disclosed in the group financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report other than the group financial statements and our auditor's report thereon. Our opinion on the group financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the group financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group 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 group 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' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:



## **Independent auditor's report**

**To the members of**

**parkrun Global Limited**

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- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company 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' annual report and from the requirement to prepare a strategic report.

### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent 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 group's and the parent 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 group or the parent 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**

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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.



## **Independent auditor's report**

### **To the members of**

#### **parkrun Global Limited**

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As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's or the parent charitable company's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **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 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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

## **Independent auditor's report**

**To the members of**

**parkrun Global Limited**

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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.

Fleur Holden (Senior statutory auditor)

27 October 2020

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108–114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

## Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 January 2020

|  | Note | Unrestricted<br>£ | Restricted<br>£  | 2020<br>Total<br>£ | Unrestricted<br>£ | Restricted<br>£  | 2019<br>Total<br>£ |
|--|------|-------------------|------------------|--------------------|-------------------|------------------|--------------------|
| <b>Income from:</b>                            |      |                   |                  |                    |                   |                  |                    |
| Donations                                      | 2    | 366,425           | 276,906          | <b>643,331</b>     | 5,488             | 243,933          | 249,421            |
| Charitable activities                          |      |                   |                  |                    |                   |                  |                    |
| Event related income                           | 3    | 779,305           | 1,100,000        | <b>1,879,305</b>   | 1,040,853         | 1,003,000        | 2,043,853          |
| Other trading activities                       | 4    | 2,614,264         | –                | <b>2,614,264</b>   | 2,018,100         | –                | 2,018,100          |
| Investments                                    | 5    | 669               | –                | <b>669</b>         | 106               | –                | 106                |
| <b>Total income</b>                            |      | <b>3,760,663</b>  | <b>1,376,906</b> | <b>5,137,569</b>   | <b>3,064,547</b>  | <b>1,246,933</b> | <b>4,311,480</b>   |
| <b>Expenditure on:</b>                         |      |                   |                  |                    |                   |                  |                    |
| Raising funds                                  | 6    | 771,443           | –                | <b>771,443</b>     | 650,522           | –                | 650,522            |
| Charitable activities                          |      |                   |                  |                    |                   |                  |                    |
| parkrun event related expenses                 | 6    | 2,724,769         | 1,053,287        | <b>3,778,056</b>   | 2,336,021         | 488,848          | 2,824,868          |
| Tax payable by subsidiaries                    | 11   | –                 | –                | –                  | (49,431)          | –                | (49,431)           |
| <b>Total expenditure</b>                       |      | <b>3,496,212</b>  | <b>1,053,287</b> | <b>4,549,499</b>   | <b>2,937,111</b>  | <b>488,848</b>   | <b>3,425,959</b>   |
| <b>Net income / (expenditure) for the year</b> | 7    | <b>264,451</b>    | <b>323,619</b>   | <b>588,070</b>     | <b>127,436</b>    | <b>758,085</b>   | <b>885,521</b>     |
| Transfers between funds                        |      | –                 | –                | –                  | –                 | –                | –                  |
| <b>Net movement in funds</b>                   |      | <b>264,451</b>    | <b>323,619</b>   | <b>588,070</b>     | <b>127,436</b>    | <b>758,085</b>   | <b>885,521</b>     |
| <b>Reconciliation of funds:</b>                |      |                   |                  |                    |                   |                  |                    |
| Total funds brought forward                    |      | 129,096           | 1,044,975        | <b>1,174,071</b>   | 1,660             | 286,890          | 288,550            |
| <b>Total funds carried forward</b>             |      | <b>393,547</b>    | <b>1,368,594</b> | <b>1,762,141</b>   | <b>129,096</b>    | <b>1,044,975</b> | <b>1,174,071</b>   |

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 21a to the financial statements.


## Balance sheets

As at 31 January 2020

Company no. 09411750

|  | Note | The group<br>2020<br>£ | 2019<br>£        | The charity<br>2020<br>£ | 2019<br>£     |
|--|------|------------------------|------------------|--------------------------|---------------|
| <b>Fixed assets:</b>                           |      |                        |                  |                          |               |
| Tangible assets                                | 12   | 360,141                | 439,076          | -                        | -             |
| Investments                                    | 13   | -                      | -                | 1,000                    | 1,000         |
|  |      | <u>360,141</u>         | <u>439,076</u>   | <u>1,000</u>             | <u>1,000</u>  |
| <b>Current assets:</b>                         |      |                        |                  |                          |               |
| Stock  | 15   | 482,186                | 222,571          | -                        | -             |
| Debtors  | 16   | 1,702,905              | 1,308,345        | 420,997                  | -             |
| Cash at bank and in hand                       |      | 406,314                | 159,473          | 3,626                    | 15,857        |
|  |      | <u>2,591,405</u>       | <u>1,690,389</u> | <u>424,623</u>           | <u>15,857</u> |
| <b>Liabilities:</b>                            |      |                        |                  |                          |               |
| Creditors: amounts falling due within one year | 17   | (1,189,405)            | (955,394)        | (7,240)                  | (5,005)       |
|  |      | <u>1,402,000</u>       | <u>734,995</u>   | <u>417,383</u>           | <u>10,852</u> |
| <b>Net current assets / (liabilities)</b>      |      |                        |                  |                          |               |
|  |      | <u>1,402,000</u>       | <u>734,995</u>   | <u>417,383</u>           | <u>10,852</u> |
| <b>Total assets less current liabilities</b>   |      | <u>1,762,141</u>       | <u>1,174,071</u> | <u>418,383</u>           | <u>11,852</u> |
| Provision for liabilities                      | 18   | -                      | -                | -                        | -             |
| <b>Total net assets / (liabilities)</b>        |      | <u>1,762,141</u>       | <u>1,174,071</u> | <u>418,383</u>           | <u>11,852</u> |
| <b>Funds:</b>                                  |      |                        |                  |                          |               |
| Restricted income funds                        | 20a  | 1,368,594              | 1,044,975        | -                        | -             |
| Unrestricted income funds                      |      | 393,547                | 129,096          | 418,383                  | 11,852        |
| <b>Total funds</b>                             |      | <u>1,762,141</u>       | <u>1,174,071</u> | <u>418,383</u>           | <u>11,852</u> |

Approved by the trustees on 23 October 2020 and signed on their behalf by


P Sinton-Hewitt  
Director

## Consolidated statement of cash flows

For the year ended 31 January 2020

|   | 2020<br>£                     | £                | 2019<br>£                          | £                          |
|---|-------------------------------|------------------|------------------------------------|----------------------------|
| <b>Cash flows from operating activities</b>             |                               |                  |                                    |                            |
| Net income for the reporting period                     | 588,070                       |                  | 885,521                            |                            |
| Depreciation charges                                    | 255,294                       |                  | 260,700                            |                            |
| (Increase)/decrease in stocks                           | (259,615)                     |                  | (147,670)                          |                            |
| (Increase)/decrease in debtors                          | (394,560)                     |                  | (824,528)                          |                            |
| Increase/(decrease) in creditors                        | 234,011                       |                  | (40,113)                           |                            |
|   |                               |                  |                                    |                            |
| <b>Net cash provided by operating activities</b>        |                               | <b>423,200</b>   |                                    | <b>133,910</b>             |
| <b>Cash flows from investing activities:</b>            |                               |                  |                                    |                            |
| Purchase of fixed assets                                | (176,359)                     |                  | (203,293)                          |                            |
|   |                               |                  |                                    |                            |
| <b>Net cash used in investing activities</b>            |                               | <b>(176,359)</b> |                                    | <b>(203,293)</b>           |
|   |                               |                  |                                    |                            |
| <b>Change in cash and cash equivalents in the year</b>  |                               | <b>246,841</b>   |                                    | <b>(69,383)</b>            |
|   |                               |                  |                                    |                            |
| Cash and cash equivalents at the beginning of the year  |                               | <b>159,473</b>   |                                    | <b>228,856</b>             |
|   |                               |                  |                                    |                            |
| <b>Cash and cash equivalents at the end of the year</b> |                               | <b>406,314</b>   |                                    | <b>159,473</b>             |
|   |                               |                  |                                    |                            |
| <b>Analysis of cash and cash equivalents</b>            |                               |                  |                                    |                            |
|   | At 1<br>February<br>2019<br>£ | Cash flows<br>£  | Other non-<br>cash<br>changes<br>£ | At 31 January<br>2020<br>£ |
| Cash at bank and in hand                                | 159,473                       | 246,841          | –                                  | <b>406,314</b>             |
|   |                               |                  |                                    |                            |
| <b>Total cash and cash equivalents</b>                  | <b>159,473</b>                | <b>246,841</b>   | <b>–</b>                           | <b>406,314</b>             |

**1 Accounting policies**

**a) Statutory information**

parkrun Global Limited is a charitable company limited by guarantee, incorporated and registered in England and Wales. The company's registered office address and principal place of business is Unit 3 Lower Deck, Phoenix Wharf, Twickenham, Middlesex, TW1 3DY.

**b) 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) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

**Basis of consolidation**

These financial statements consolidate the results of the charity and its wholly-owned subsidiaries parkrun Limited, parkrun Trading Limited and Parkrun South Africa NPC on a line by line basis. Transactions and balances between the charity and its subsidiaries have been eliminated from the consolidated financial statements. Balances between the four entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented as a summary of the result for the year is disclosed in the notes to the accounts.

Under Section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own profit and loss account.

One subsidiary is not consolidated within the financial statements as the directors believe the relationship will not continue in its current form and its inclusion within the consolidation has no significant bearing on the results for the year.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. 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. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

**c) Public benefit entity**

The charity meets the definition of a public benefit entity under FRS 102.

**d) Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

**1 Accounting policies (continued)**

**e) Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

**f) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

**g) Fund accounting**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

**h) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of running events undertaken to further the purposes of the charity and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**i) Allocation of support costs**

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

- |                             |     |
|-----------------------------|-----|
| • Organising parkrun events | 88% |
| • Commercial sponsorship    | 12% |

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

**j) Operating leases**

Rental charges are charged on a straight line basis over the term of the lease.

**1 Accounting policies (continued)**

**k) Tangible fixed assets**

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

|                         |                                      |
|-------------------------|--------------------------------------|
| ● Plant and machinery   | 33% on cost and 10% on cost          |
| ● Fixtures and fittings | 20% on cost                          |
| ● Computer equipment    | 50% reducing balance and 33% on cost |

**l) Investments in subsidiaries**

Investments in subsidiaries are at cost.

**m) Stocks**

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks. Donated items of stock, held for distribution or resale, are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

Stocks of Milestone (Free) T shirts are not shown within the year end stock figure as they have no resale value. However a portion of the costs incurred on their acquisition are included in prepayments if needed to spread the cost of Milestone T shirts appropriately across the period of them being awarded.

**n) Debtors**

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

**o) 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.

**p) 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.

**q) 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**r) Pensions**

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



**2 Income from donations and legacies**

|                     | Unrestricted<br>£ | Restricted<br>£ | 2020<br>Total<br>£    | Unrestricted<br>£ | Restricted<br>£ | 2019<br>Total<br>£ |
|---------------------|-------------------|-----------------|-----------------------|-------------------|-----------------|--------------------|
| Gifts and donations | 366,425           | 276,906         | <b>643,331</b>        | 5,488             | 243,933         | 249,421            |
|                     | <u>366,425</u>    | <u>276,906</u>  | <u><b>643,331</b></u> | <u>5,488</u>      | <u>243,933</u>  | <u>249,421</u>     |

**3 Income from charitable activities**

|   | Unrestricted<br>£ | Restricted<br>£  | 2020<br>Total<br>£      | Unrestricted<br>£ | Restricted<br>£  | 2019<br>Total<br>£ |
|---|-------------------|------------------|-------------------------|-------------------|------------------|--------------------|
| Event related income UK                 | 422,219           | –                | <b>422,219</b>          | 541,723           | –                | 541,723            |
| Event related income Overseas           | 309,553           | –                | <b>309,553</b>          | 312,395           | –                | 312,395            |
| Grants                                  | 47,533            | 1,100,000        | <b>1,147,533</b>        | 186,735           | 1,003,000        | 1,189,735          |
| Total income from charitable activities | <u>779,305</u>    | <u>1,100,000</u> | <u><b>1,879,305</b></u> | <u>1,040,853</u>  | <u>1,003,000</u> | <u>2,043,853</u>   |

The detail of restricted grants is given in Note 21.

**4 Income from other trading activities**

|                              | Unrestricted<br>£ | Restricted<br>£ | 2020<br>Total<br>£      | Unrestricted<br>£ | Restricted<br>£ | 2019<br>Total<br>£ |
|------------------------------|-------------------|-----------------|-------------------------|-------------------|-----------------|--------------------|
| Retail sales and advertising | 849,454           | –               | <b>849,454</b>          | 524,664           | –               | 524,664            |
| Corporate sponsorship        | 1,764,810         | –               | <b>1,764,810</b>        | 1,493,436         | –               | 1,493,436          |
|                              | <u>2,614,264</u>  | <u>–</u>        | <u><b>2,614,264</b></u> | <u>2,018,100</u>  | <u>–</u>        | <u>2,018,100</u>   |

**5 Income from investments**

|               | Unrestricted<br>£ | Restricted<br>£ | 2020<br>Total<br>£ | Unrestricted<br>£ | Restricted<br>£ | 2019<br>Total<br>£ |
|---------------|-------------------|-----------------|--------------------|-------------------|-----------------|--------------------|
| Bank Interest | 669               | –               | <b>669</b>         | 106               | –               | 106                |
|               | <u>669</u>        | <u>–</u>        | <u><b>669</b></u>  | <u>106</u>        | <u>–</u>        | <u>106</u>         |

## 6a Analysis of expenditure (current year)

|                               |                       | Charitable<br>activities |                          |                       |                  |                    |
|-------------------------------|-----------------------|--------------------------|--------------------------|-----------------------|------------------|--------------------|
|                               | Raising<br>funds<br>£ | Event related<br>£       | Governance<br>costs<br>£ | Support<br>costs<br>£ | 2020 Total<br>£  | 2019<br>Total<br>£ |
| Staff costs (Note 8)          | 167,128               | 978,628                  | –                        | 310,702               | 1,456,458        | 1,304,736          |
| Retail and advertising costs  | 200,846               | –                        | –                        | –                     | 200,846          | 191,855            |
| Direct event costs            | –                     | 1,046,507                | –                        | –                     | 1,046,507        | 611,010            |
| Event equipment depreciation  | –                     | 240,555                  | –                        | –                     | 240,555          | 248,163            |
| Office and admin              | 93,689                | 242,199                  | –                        | 169,276               | 505,164          | 329,162            |
| Consultancy and agency fees   | 231,485               | 151,399                  | –                        | –                     | 382,884          | 221,438            |
| Software and IT costs         | –                     | 183,786                  | –                        | 45,947                | 229,733          | 109,086            |
| Travel and staff expenses     | –                     | 314,594                  | –                        | 46,418                | 361,012          | 381,655            |
| Legal and professional        | –                     | 46,222                   | 54,354                   | 25,764                | 126,340          | 78,285             |
|                               | 693,148               | 3,203,890                | 54,354                   | 598,107               | 4,549,499        | 3,475,390          |
| Support costs                 | 71,773                | 526,334                  | –                        | (598,107)             | –                | –                  |
| Governance costs              | 6,522                 | 47,832                   | (54,354)                 | –                     | –                | –                  |
| <b>Total expenditure 2020</b> | <b>771,443</b>        | <b>3,778,056</b>         | <b>–</b>                 | <b>–</b>              | <b>4,549,499</b> |                    |
| Total expenditure 2019        | 650,522               | 2,824,868                | –                        | –                     |                  | 3,475,390          |

6b Analysis of expenditure (prior year)

|                               |                       | Charitable<br>activities |                          |                       |                  |
|-------------------------------|-----------------------|--------------------------|--------------------------|-----------------------|------------------|
|                               | Raising<br>funds<br>£ | Event related<br>£       | Governance<br>costs<br>£ | Support<br>costs<br>£ | 2019 Total<br>£  |
| Staff costs (Note 8)          | 161,533               | 972,065                  | –                        | 171,138               | 1,304,736        |
| Retail and advertising costs  | 191,855               | –                        | –                        | –                     | 191,855          |
| Direct event costs            | –                     | 611,010                  | –                        | –                     | 611,010          |
| Event equipment depreciation  | –                     | 248,163                  | –                        | –                     | 248,163          |
| Office and admin              | 55,780                | 147,185                  | –                        | 126,197               | 329,162          |
| Consultancy and agency fees   | 189,555               | 31,883                   | –                        | –                     | 221,438          |
| Software and IT costs         | –                     | 87,269                   | –                        | 21,817                | 109,086          |
| Travel and staff expenses     | –                     | 329,231                  | –                        | 52,424                | 381,655          |
| Legal and professional        | –                     | 18,205                   | 31,064                   | 29,016                | 78,285           |
|                               | 598,723               | 2,445,011                | 31,064                   | 400,592               | 3,475,390        |
| Support costs                 | 48,071                | 352,521                  | –                        | (400,592)             | –                |
| Governance costs              | 3,728                 | 27,336                   | (31,064)                 | –                     | –                |
| <b>Total expenditure 2019</b> | <b>650,522</b>        | <b>2,824,868</b>         | <b>–</b>                 | <b>–</b>              | <b>3,475,390</b> |

## Notes to the financial statements

For the year ended 31 January 2020

**7 Net income / (expenditure) for the year**

This is stated after charging / (crediting):

|   | 2020<br>£ | 2019<br>£ |
|---|-----------|-----------|
| Depreciation                            | 255,294   | 260,700   |
| Interest payable                        | 2,559     | 717       |
| Operating lease rentals:                |           |           |
| Property                                | 81,654    | 46,600    |
| Auditor's remuneration (excluding VAT): |           |           |
| Audit of Charity                        | 2,100     | 2,000     |
| Audit of subsidiary companies           | 13,400    | 13,200    |
| Under accrual of prior year audit fees  | 10,780    | 1,500     |
| Overseas audit fees                     | 4,744     | 2,286     |
| Foreign exchange gains or losses        | 1,286     | 10,225    |

**8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel**

Staff costs were as follows:

|   | 2020<br>£        | 2019<br>£        |
|---|------------------|------------------|
| Salaries and wages  | 1,253,308        | 1,123,271        |
| Social security costs   | 118,671          | 118,301          |
| Employer's contribution to defined contribution pension schemes | 78,952           | 55,637           |
| Other forms of employee benefits                                | 5,527            | 7,527            |
|   | <b>1,456,458</b> | <b>1,304,736</b> |

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

|                     | 2020<br>No. | 2019<br>No. |
|---------------------|-------------|-------------|
| £60,000 – £69,999   | 2           | 2           |
| £70,000 – £79,999   | 1           | –           |
| £80,000 – £89,999   | 1           | –           |
| £90,000 – £99,999   | –           | 1           |
| £100,000 – £109,999 | 1           | –           |
| £130,000 – £139,999 | –           | 1           |
| £140,000 – £149,999 | 1           | –           |

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £512,214 (2019: £475,870).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2019: £nil). No charity trustees received payment for professional or other services supplied to the charity (2019: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £42 (2019: £1,070) incurred by one (2019: three) members relating to attendance at meetings of the trustees.

Paul Sinton-Hewitt had travel and subsistence expenses paid on his behalf in relation to his role within parkrun Ltd and these amounted to £3,746.40 (2019 £5,850).

**9 Staff numbers**

The average number of employees (head count based on number of staff employed) during the year was 24 (2019: 24).

**10 Related party transactions**

Paul Sinton-Hewitt the founder of parkrun and Trustee of parkrun Global was paid £74,263 (2019 – £72,100) for his daily work in promoting parkrun within the UK and Globally and performing ad hoc services to sponsors, grant providers, and the wider community as and when required. Payments to the founder as an employee are allowed under the provisions of the articles of association.

Jo Sinton-Hewitt the wife of Paul Sinton Hewitt is employed full time by parkrun Limited in the role of Event and Customer support and receives a commercial salary of £44,129 for the role (2019 £42,436).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

**11 Taxation**

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiaries parkrun Limited and parkrun Trading Limited distribute under Gift Aid available profits to the parent charity. The credit in the 2019 accounts relates to an overprovision for taxation in relation to the previous year and the removal of a deferred tax provision that was no longer considered necessary.

|                             | 2020<br>£ | 2019<br>£       |
|-----------------------------|-----------|-----------------|
| UK corporation tax at 19%   | –         | (54,647)        |
| Tax payable by subsidiaries | –         | 5,216           |
|                             | <u>–</u>  | <u>(49,431)</u> |

**12 Tangible fixed assets**

| <b>The group</b>              | <b>Fixtures and fittings</b> | <b>Computer equipment</b> | <b>Plant and machinery</b> | <b>Total</b>     |
|-------------------------------|------------------------------|---------------------------|----------------------------|------------------|
| <b>Cost</b>                   | <b>£</b>                     | <b>£</b>                  | <b>£</b>                   | <b>£</b>         |
| At the start of the year      | 24,279                       | 160,510                   | 1,236,491                  | 1,421,280        |
| Additions in year             | 6,078                        | 13,751                    | 156,530                    | 176,359          |
| Disposals in year             | (10,645)                     | (129,330)                 | (188,792)                  | (328,767)        |
| At the end of the year        | <u>19,712</u>                | <u>44,931</u>             | <u>1,204,229</u>           | <u>1,268,872</u> |
| <b>Depreciation</b>           |                              |                           |                            |                  |
| At the start of the year      | 17,396                       | 152,705                   | 812,103                    | 982,204          |
| Charge for the year           | 3,858                        | 9,538                     | 241,898                    | 255,294          |
| Eliminated on disposal        | (10,645)                     | (129,330)                 | (188,792)                  | (328,767)        |
| At the end of the year        | <u>10,609</u>                | <u>32,913</u>             | <u>865,209</u>             | <u>908,731</u>   |
| <b>Net book value</b>         |                              |                           |                            |                  |
| <b>At the end of the year</b> | <u>9,103</u>                 | <u>12,018</u>             | <u>339,020</u>             | <u>360,141</u>   |
| At the start of the year      | <u>6,883</u>                 | <u>7,805</u>              | <u>424,388</u>             | <u>439,076</u>   |

All of the above assets are used for charitable purposes.

**13 Investment in subsidiary undertakings**

The parent charity's investments at the Balance Sheet date in the share capital of companies include the following:

|                      | 2020  | 2019  |
|----------------------|-------|-------|
|                      | £     | £     |
| Cost b/fwd and c/fwd | 1,000 | 1,000 |

**parkrun Limited**

The charity is the sole member of parkrun Limited, a company registered in England. The company number is 07289574. The registered office address is Unit 3 Lower Deck, Phoenix Wharf, Twickenham, Middlesex, TW1 3DY.

All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

A summary of the results of the subsidiary is shown below:

|   | <b>parkrun Limited</b> |                  |
|---|------------------------|------------------|
|   | 2020                   | Restated 2019    |
|   | £                      | £                |
| Turnover  | 1,725,698              | 1,648,362        |
| Turnover from sales to subsidiary                                 | 1,456,667              | 1,172,500        |
| Cost of sales (see below)   | –                      | –                |
| <b>Gross profit</b>   | <b>3,182,365</b>       | <b>2,820,862</b> |
| Administrative expenses (see below)                               | (3,012,463)            | (2,687,263)      |
| <b>Profit on ordinary activities before interest and taxation</b> | <b>169,902</b>         | <b>133,599</b>   |
| Interest receivable and similar income                            | 38                     | 21               |
| Interest payable  | (444)                  | –                |
| <b>Profit on ordinary activities before taxation</b>              | <b>169,496</b>         | <b>133,620</b>   |
| Taxation on profit on ordinary activities                         | –                      | 51,184           |
| <b>Profit for the financial year</b>                              | <b>169,496</b>         | <b>184,804</b>   |
| <b>Retained earnings</b>  |                        |                  |
| Total retained earnings brought forward                           | 396,519                | 263,715          |
| Profit for the financial year                                     | 169,496                | 184,804          |
| Distribution under Gift Aid to parent charity                     | (150,000)              | (52,000)         |
| <b>Total retained earnings carried forward</b>                    | <b>416,015</b>         | <b>396,519</b>   |
| The aggregate of the assets, liabilities and reserves was:        |                        |                  |
| Assets  | 921,971                | 916,558          |
| Liabilities   | (505,956)              | (520,039)        |
| <b>Reserves</b>   | <b>416,015</b>         | <b>396,519</b>   |

Amounts owed to/from the parent undertaking are shown in notes 16 and 17.

Included within turnover above is a management charge of £1,456,667 (2019: £1,172,500) to parkrun trading Ltd for the supply of staff and support services.

Also included within turnover in 2019 above was a grant from parkrun Global Limited of £60,000. (2020 : £Nil)

Previously within the financial statements certain costs were allocated to "cost of sales" within the financial statements. The directors believe this historical way of disclosing these costs was potentially misleading as it gave an unrealistic view of the Gross Profit being reported and such costs are now included within Administrative expenses. The adjustment made is solely a reclassification of costs and does not affect the reported result for the year. The 2019 comparative figures within the financial statements have been restated to reflect this change. The reclassification has had no impact on the company's Balance sheet and this has not been restated.

## 13 Investment in subsidiary undertakings (continued)

**parkrun Trading Limited**

The charity owns the whole of the issued ordinary share capital of parkrun Trading Limited, a company registered in England. The company number is 06053983. The registered office address is Unit 3 Lower Deck, Phoenix Wharf, Twickenham, Middlesex, TW1 3DY.

The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

The trustee J C Townsend is also a director of the subsidiary.

A summary of the results of the subsidiary is shown below:

|   | <b>parkrun Trading Ltd</b> |                         |
|---|----------------------------|-------------------------|
|   | <b>2020</b>                | Restated<br><b>2019</b> |
|   | <b>£</b>                   | <b>£</b>                |
| Turnover  | 2,911,075                  | 2,032,629               |
| Cost of sales (see below)   | –                          | –                       |
| Management charge payable to subsidiary                           | (1,456,667)                | (1,172,500)             |
| <b>Gross profit</b>   | <b>1,454,408</b>           | <b>860,129</b>          |
| Administrative expenses (see below)                               | (1,370,119)                | (788,739)               |
| <b>Profit on ordinary activities before interest and taxation</b> | <b>84,289</b>              | <b>71,390</b>           |
| Interest receivable and similar income                            | 111                        | 81                      |
| Interest payable  | (922)                      | (715)                   |
| <b>Profit on ordinary activities before taxation</b>              | <b>83,478</b>              | <b>70,756</b>           |
| Taxation on profit on ordinary activities                         | –                          | 3,463                   |
| <b>Profit for the financial year</b>                              | <b>83,478</b>              | <b>74,219</b>           |
| <b>Retained earnings</b>  |                            |                         |
| Total retained earnings brought forward                           | 80,054                     | 23,835                  |
| Profit for the financial year                                     | 83,478                     | 74,219                  |
| Distribution under Gift Aid to parent charity                     | (80,000)                   | (18,000)                |
| <b>Total retained earnings carried forward</b>                    | <b>83,532</b>              | <b>80,054</b>           |
| The aggregate of the assets, liabilities and reserves was:        |                            |                         |
| Assets  | 1,175,280                  | 914,228                 |
| Liabilities   | (1,090,748)                | (833,174)               |
| <b>Reserves</b>   | <b>84,532</b>              | <b>81,054</b>           |

Amounts owed to/from the parent undertaking are shown in notes 16 and 17.

Previously within the financial statements certain costs were allocated to "cost of sales" within the financial statements. The directors believe this historical way of disclosing these costs was potentially misleading as it gave an unrealistic view of the Gross Profit being reported and such costs are now included within Administrative expenses. The adjustment made is solely a reclassification of costs and does not affect the reported result for the year. The 2019 comparative figures within the financial statements have been restated to reflect this change. The reclassification has had no impact on the company's Balance sheet and this has not been restated.

Included within Administrative expenses are costs of £200,846 (2019 £105,897) relating to the purchase of retail stock of clothing under the Contra brand. The directors believe that including the cost of these items within Administrative expenses is the fairest way of disclosing the costs which represent a relatively small part of the overall business costs.

Included within Administrative expenses above is a management charge of £1,456,667 (2019: £1,172,500) from parkrun Ltd who supplies staff and support services to parkrun Trading Limited.

## 13 Investment in subsidiary undertakings (continued)

**parkrun South Africa NPC**

The charity is the sole member of parkrun South Africa NPC, a company registered in South Africa. The company number is 2011/132302/08. The registered office address is 6 Barkly Road, Parktown, 2193.

The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

A summary of the results of the subsidiary is shown below:

|   | <b>parkrun South Africa NPC</b> |                  |
|---|---------------------------------|------------------|
|   | 2020                            | Restated<br>2019 |
|   | £                               | £                |
| Turnover  | 239,677                         | 134,921          |
| Cost of sales   | –                               | –                |
| <b>Gross profit</b>   | <b>239,677</b>                  | <b>134,921</b>   |
| Administrative expenses   | (247,187)                       | (117,783)        |
| <b>Profit on ordinary activities before interest and taxation</b> | <b>(7,510)</b>                  | <b>17,138</b>    |
| Interest receivable and similar income                            | 497                             | –                |
| Interest payable  | (1,089)                         | –                |
| <b>Profit on ordinary activities before taxation</b>              | <b>(8,102)</b>                  | <b>17,138</b>    |
| Taxation on profit on ordinary activities                         | –                               | (5,216)          |
| <b>Profit for the financial year</b>                              | <b>(8,102)</b>                  | <b>11,922</b>    |
| <b>Retained earnings</b>  |                                 |                  |
| Total retained earnings brought forward                           | 18,980                          | 7,058            |
| Profit for the financial year                                     | (8,102)                         | 11,922           |
| <b>Total retained earnings carried forward</b>                    | <b>10,878</b>                   | <b>18,980</b>    |
| The aggregate of the assets, liabilities and reserves was:        |                                 |                  |
| Assets  | 23,787                          | 45,319           |
| Liabilities   | (12,909)                        | (26,339)         |
| <b>Reserves</b>   | <b>10,878</b>                   | <b>18,980</b>    |

Amounts owed to/from the parent undertaking are shown in notes 16 and 17.



**13 Investment in subsidiary undertakings (continued)****parkrun U.S.**

Registered office : Registered in the United States of America.

Nature of business : to provide parkrun events in the USA.

parkrun U.S. is registered as a Non-profit Company and parkrun Global Limited is the sole member.

The directors do not consider the transactions within parkrun USA to be significant enough to warrant consolidation within the Group accounts.

|  | 2020<br>£     | 2019<br>£     |
|--|---------------|---------------|
| <b>Retained earnings</b>                                   |               |               |
| Total retained earnings brought forward                    | 18,657        | 3,377         |
| (Loss)/Profit for the financial year                       | (2,542)       | 15,280        |
| <b>Total retained earnings carried forward</b>             | <b>16,115</b> | <b>18,657</b> |
| The aggregate of the assets, liabilities and reserves was: |               |               |
| Assets   | 16,115        | 18,657        |
| Liabilities  | –             | –             |
| <b>Reserves</b>  | <b>16,115</b> | <b>18,657</b> |

**PSH Retail Ltd**

parkrun Trading Limited owns the whole of the issued ordinary share capital of PSH Retail Ltd, a company registered in England. The company number is 11222647. The registered office address is Unit 3 Lower Deck, Phoenix Wharf, Twickenham, Middlesex, TW1 3DY.

**Post balance sheet event**

PSH Retail Ltd was a dormant company until the 31 January 2020 that was formed to own and hold the intellectual property rights associated with the Contra clothing brand. From the 1 February 2020 the trading activities relating to the Contra brand were transferred to PSH Retail Ltd.

**14 Parent charity**

The parent charity's gross income and the results for the year are disclosed as follows:

|                     | 2020<br>£ | 2019<br>£ |
|---------------------|-----------|-----------|
| Gross income        | 551,101   | 70,854    |
| Result for the year | 406,531   | 10,852    |

**15 Stock**

|                | The group<br>2020<br>£ | 2019<br>£ | The charity<br>2020<br>£ | 2019<br>£ |
|----------------|------------------------|-----------|--------------------------|-----------|
| Finished goods | 482,186                | 222,571   | –                        | –         |
|                | 482,186                | 222,571   | –                        | –         |

**16 Debtors**

|                                     | The group        |                  | The charity    |          |
|-------------------------------------|------------------|------------------|----------------|----------|
|                                     | 2020             | 2019             | 2020           | 2019     |
|                                     | £                | £                | £              | £        |
| Trade debtors                       | 475,317          | 231,921          | –              | –        |
| Other debtors                       | 26,144           | 59,809           | –              | –        |
| Amounts due from group undertakings | –                | –                | 307,013        | –        |
| Prepayments                         | 78,722           | 99,287           | 34,216         | –        |
| Accrued income                      | 1,122,722        | 917,328          | 79,768         | –        |
|                                     | <b>1,702,905</b> | <b>1,308,345</b> | <b>420,997</b> | <b>–</b> |

**17 Creditors: amounts falling due within one year**

|                                   | The group        |                | The charity  |              |
|-----------------------------------|------------------|----------------|--------------|--------------|
|                                   | 2020             | 2019           | 2020         | 2019         |
|                                   | £                | £              | £            | £            |
| Trade creditors                   | 395,779          | 267,019        | –            | –            |
| Taxation and social security      | 74,961           | 52,626         | –            | –            |
| Other creditors                   | 1,177            | 21,237         | –            | –            |
| Amounts due to group undertakings | –                | –              | –            | 5,005        |
| Accruals                          | 114,155          | 95,519         | 7,240        | –            |
| Deferred income (note 19)         | 603,333          | 518,993        | –            | –            |
|                                   | <b>1,189,405</b> | <b>955,394</b> | <b>7,240</b> | <b>5,005</b> |

**18 Provisions for liabilities**

Provisions for liabilities in 2018 comprises an amount in relation to deferred tax that the directors now believe will not arise as the Group has achieved charitable status and this was released in 2019.

|                                      | The group |          | The charity |          |
|--------------------------------------|-----------|----------|-------------|----------|
|                                      | 2020      | 2019     | 2020        | 2019     |
|                                      | £         | £        | £           | £        |
| Balance at the beginning of the year | –         | 42,272   | –           | –        |
| Amount released in the year          | –         | (42,272) | –           | –        |
| Increase in provision in the year    | –         | –        | –           | –        |
| Balance at the end of the year       | <b>–</b>  | <b>–</b> | <b>–</b>    | <b>–</b> |

**19 Deferred income**

Deferred income comprises amounts invoiced where the period covered by the agreement/invoice extends beyond the year end and as such the income has been spread over the period to which it relates.

|                                       | The group      |                | The charity |          |
|---------------------------------------|----------------|----------------|-------------|----------|
|                                       | 2020           | 2019           | 2020        | 2019     |
|                                       | £              | £              | £           | £        |
| Balance at the beginning of the year  | 518,993        | 542,081        | –           | –        |
| Amount released to income in the year | (518,993)      | (542,081)      | –           | –        |
| Amount deferred in the year           | 603,333        | 518,993        | –           | –        |
| Balance at the end of the year        | <b>603,333</b> | <b>518,993</b> | <b>–</b>    | <b>–</b> |

## 20a Analysis of group net assets between funds (current year)

|                                      | General<br>unrestricted<br>£ | Restricted<br>funds<br>£ | Total funds<br>£ |
|--------------------------------------|------------------------------|--------------------------|------------------|
| Tangible fixed assets                | 360,141                      | –                        | 360,141          |
| Net current assets / (liabilities)   | 33,406                       | 1,368,594                | 1,402,000        |
| <b>Net assets at 31 January 2020</b> | <b>393,547</b>               | <b>1,368,594</b>         | <b>1,762,141</b> |

## 20b Analysis of group net assets between funds (prior year)

|                                      | General<br>unrestricted<br>£ | Restricted<br>funds<br>£ | Total funds<br>£ |
|--------------------------------------|------------------------------|--------------------------|------------------|
| Tangible fixed assets                | 439,076                      | –                        | 439,076          |
| Net current assets / (liabilities)   | (309,980)                    | 1,044,975                | 734,995          |
| <b>Net assets at 31 January 2019</b> | <b>129,096</b>               | <b>1,044,975</b>         | <b>1,174,071</b> |

## 21a Movements in funds (current year)

|                                 | At 1<br>February<br>2019<br>£ | Income &<br>gains<br>£ | Expenditure<br>& losses<br>£ | Transfers<br>£ | At 31 January<br>2020<br>£ |
|---------------------------------|-------------------------------|------------------------|------------------------------|----------------|----------------------------|
| <b>Restricted funds:</b>        |                               |                        |                              |                |                            |
| Sport England                   | 728,064                       | 1,000,000              | (720,925)                    | –              | 1,007,139                  |
| London Marathon                 | –                             | 100,000                | (100,000)                    | –              | –                          |
| parkrun Events                  | 316,911                       | 276,906                | (232,362)                    | –              | 361,455                    |
| <b>Total restricted funds</b>   | <b>1,044,975</b>              | <b>1,376,906</b>       | <b>(1,053,287)</b>           | <b>–</b>       | <b>1,368,594</b>           |
| <b>Unrestricted funds:</b>      |                               |                        |                              |                |                            |
| <b>General funds</b>            | <b>129,096</b>                | <b>3,760,663</b>       | <b>(3,496,212)</b>           | <b>–</b>       | <b>393,547</b>             |
| <b>Total unrestricted funds</b> | <b>129,096</b>                | <b>3,760,663</b>       | <b>(3,496,212)</b>           | <b>–</b>       | <b>393,547</b>             |
| <b>Total funds</b>              | <b>1,174,071</b>              | <b>5,137,569</b>       | <b>(4,549,499)</b>           | <b>–</b>       | <b>1,762,141</b>           |

The narrative to explain the purpose of each fund is given at the foot of the note below.

## 21b Movements in funds (prior year)

|                                 | At 1<br>February<br>2018<br>£ | Income &<br>gains<br>£ | Expenditure<br>& losses<br>£ | Transfers<br>£ | At 31 January<br>2019<br>£ |
|---------------------------------|-------------------------------|------------------------|------------------------------|----------------|----------------------------|
| <b>Restricted funds:</b>        |                               |                        |                              |                |                            |
| Sport England                   | 53,323                        | 853,000                | (178,259)                    | –              | <b>728,064</b>             |
| London Marathon                 | –                             | 100,000                | (100,000)                    | –              | –                          |
| Warburtons                      | –                             | 50,000                 | (50,000)                     | –              | –                          |
| parkrun Events                  | 233,567                       | 243,933                | (160,589)                    | –              | <b>316,911</b>             |
| <b>Total restricted funds</b>   | <b>286,890</b>                | <b>1,246,933</b>       | <b>(488,848)</b>             | <b>–</b>       | <b>1,044,975</b>           |
| <b>Unrestricted funds:</b>      |                               |                        |                              |                |                            |
| <b>General funds</b>            | <b>1,660</b>                  | <b>3,064,547</b>       | <b>(2,937,111)</b>           | <b>–</b>       | <b>129,096</b>             |
| <b>Total unrestricted funds</b> | <b>1,660</b>                  | <b>3,064,547</b>       | <b>(2,937,111)</b>           | <b>–</b>       | <b>129,096</b>             |
| <b>Total funds</b>              | <b>288,550</b>                | <b>4,311,480</b>       | <b>(3,425,959)</b>           | <b>–</b>       | <b>1,174,071</b>           |

**Purposes of restricted funds**

Sport England has provided funds to increase female participation and to increase participation of communities in areas of high social deprivation

London Marathon has provided funds to increase participation and increase the diversity of participation in parkrun events within London.

parkrun event funds represent donations provided by parkrunners to support individual events.

## 22 Operating lease commitments payable as a lessee

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

|                    | Property<br>2020<br>£ | 2019<br>£     |
|--------------------|-----------------------|---------------|
| Less than one year | <b>80,187</b>         | 42,765        |
| One to five years  | <b>47,981</b>         | –             |
|                    | <b>128,168</b>        | <b>42,765</b> |

The charity has no future lease payments under non-cancellable operating leases.

## 23 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.