

REGISTERED CHARITY NUMBER: 1160212

**Report of the Trustees and  
Group Financial Statements  
for the Period  
1 November 2021 to 31 December 2022  
for  
Run 4 Wales Charitable Foundation**

Xcinadin Audit Limited  
Chartered Accountants  
& Statutory Auditors  
Highdale House  
7 Centre Court  
Treforest Industrial Estate  
Pontypridd  
Rhondda Cynon Taff  
CF37 5YR

**Run 4 Wales Charitable Foundation**

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for the Period 1 November 2021 to 31 December 2022**

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## **Run 4 Wales Charitable Foundation**

### **Report of the Trustees for the Period 1 November 2021 to 31 December 2022**

The trustees present their report with the consolidated financial statements of the charity for the period 1 November 2021 to 31 December 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The object of the Run 4 Wales Charitable Foundation (the Foundation) is the promotion of community participation in healthy recreation for the benefit of the inhabitants of Wales, by the provision of facilities for running and athletics (alone or in conjunction with others).

##### **Public benefit**

The Trustees confirm that they have referred to the guidance contained in the charity commission general guidance on public benefit when reviewing the fund's aim and objective and in planning future activities.

##### **Grantmaking**

In 2015 the Charity established a grant making process to achieve its objectives. This process includes the following steps;

1. Completion of an application form and submission to the Trustees for consideration.
2. Presentation and question and answer session with the Trustees.
3. Letter of confirmation, with conditions, if appropriate.

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

In its eighth year of activity, the Run 4 Wales Charitable Foundation has not been able to fulfil its grant distribution programme due to the significant and recurring financial impact of COVID-19 on its trading company, with the resulting impact on donations to the Charitable Foundation.

12 months ago, the trustees anticipated that grants would not be possible in 2022, due to the need to replenish the general reserves within the trading subsidiary, which had been severely depleted during the COVID-19 pandemic.

The financial stability of the group is the number one priority for the Trustees and for this reason, the Trustees considered an opportunity to establish a Joint Venture with the London Marathon Group.

##### **BACKGROUND TO THE JOINT VENTURE**

The Trustees have been engaged in discussions with representatives of the London Marathon Group (which is comprised of London Marathon Events Limited (LMEL) and The London Marathon Charitable Foundation (LMF) in respect of a potential joint venture between the Foundation and a London Marathon Group entity (the Joint Venture).

##### **CONSIDERATION OF A JOINT VENTURE**

The trustees carefully considered the Joint Venture and the impact it would have on the Foundation. It was noted in particular that

1. the Consideration was a significant sum of money when compared with the donations made by R4W Ltd. to the Foundation over the Foundation's lifetime and would assist the Foundation in fulfilling its charitable objects for a significant period of time;
2. the trustees had commissioned and have been presented with an independent valuation undertaken by Watts Gregory LLP dated 16 November 2022 which confirms that the proposed Consideration is a comparable amount with the opinion of the value of the trading subsidiary business presented by Watts Gregory.
3. LMF is a registered charity and both LMF and LMEL have significant experience in the activities carried out in the R4W business sector;

##### **RESOLUTIONS**

After careful consideration, IT WAS RESOLVED that entering into the Joint Venture would be in the best interests of the Foundation in fulfilment of its charitable objects and that this Joint Venture would commence on 1st January 2023

Although the activities of the trading subsidiary, namely the delivery of mass-participation sporting events, recommenced in 2022 with strong trading results, the sector is generally reporting reduced demand, a challenging commercial environment and increasing costs, leading to a challenging trading environment.

The Run 4 Wales Charitable Foundation will continue to review its function and ensure these are in line with the charity's objectives.

## **Run 4 Wales Charitable Foundation**

### **Report of the Trustees for the Period 1 November 2021 to 31 December 2022**

#### **FINANCIAL REVIEW**

##### **Reserves policy**

The trustees aim to maintain free reserves in the Charity's unrestricted funds at a level which equates to approximately one year's running costs for the charity.

Given the impact of COVID on the Group's results and the Joint Venture with LMG, the Trustees are conducting a review of the reserves policy

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity. The charity is controlled by its governing document registered on 29 January 2015 and constitutes a Charitable Incorporated Organisation.

##### **Recruitment and appointment of new trustees**

Trustees are appointed or reappointed annually at the Annual General Meeting.

Every trustee must be appointed for a term of three years by a resolution passed at a properly convened meeting of the charity trustees.

Welsh Athletics may appoint up to two charity trustees.

##### **Organisational structure**

The Board has overall responsibility for the governance of the Charity. It meets at least twice per year. The Board delegates authority to the Chief Executive who leads day-to-day management of the Charity, working within the financial framework, procedures and policies set down by the Board. The Chief Executive has delegated authority for human resource planning, employment, service development and finance.

The Senior Management Team consists of the following personnel:

- Chief Executive

##### **Related parties**

None of the trustees receive remuneration or any other benefit from their work with the charity. Any connection between a trustee or senior manager of the charity and a supplier must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. In the current year no such related party transactions were reported. The charity's wholly owned subsidiary, Run 4 Wales Limited, is a not-for-profit making organisation which was set up to promote major sporting events in Wales.

##### **Risk management**

The systems and internal controls established by the Board are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. Trustees and senior staff carry out the risk assessment, including the writing and review of a risk register in order to confirm that the major risks, to which the Charity is exposed, have been reviewed and systems established to mitigate those risks. The Boards has identified the following key risk areas:

- Governance
- Financial
- Compliance with Laws & Regulations

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Charity number**

1160212

##### **Principal address**

Pod 1  
Capital Retail Park  
Leckwith Road  
Cardiff  
CF11 8EG

**Run 4 Wales Charitable Foundation**

**Report of the Trustees  
for the Period 1 November 2021 to 31 December 2022**

**Trustees**

N B Roberts – resigned on 21<sup>st</sup> December 2022  
R D Cole  
D S Perks  
B J Plain

**Auditors**

Xeinadin Audit Limited  
Chartered Accountants  
& Statutory Auditors  
Highdale House  
7 Centre Court  
Treforest Industrial Estate  
Pontypridd  
Rhondda Cynon Taff  
CF37 5YR

**TRUSTEES' RESPONSIBILITY STATEMENT**


The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 26/10/23 and signed on its behalf by:

  
R D Cole - Trustee

## **Report of the Independent Auditors to the Trustees of Run 4 Wales Charitable Foundation**

### **Opinion**

We have audited the financial statements of Run 4 Wales Charitable Foundation (the 'charity') for the period ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its incoming resources and application of resources, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

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

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

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

## **Report of the Independent Auditors to the Trustees of Run 4 Wales Charitable Foundation**

### **Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

### **Our responsibilities for the audit of the financial statements**

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

#### **Identifying and assessing potential risks related to irregularities**

In identifying and assessing risks of material misstatement in respect of irregularities including fraud and non-compliance with laws and regulations we have considered the following:

- (a) The nature of the industry and sector, control environment and business performance;
- (b) Results of the enquiries of management about their own identification and assessment of the risks of irregularities;
- (c) Any matters we have identified having obtained and reviewed the groups's and charity's documentation of their policies and procedures relating to:
  - (i) identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - (ii) detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - (iii) the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
  - (iv) the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:

- (a) Timing of recognition of income

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the charitable group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the consolidated financial statements. The key laws and regulations we considered in this context included UK Companies Act, Charities Act, employment law, health and safety, pensions legislation and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the consolidated financial statements but compliance with which may be fundamental to the charitable group's ability to operate or to avoid a material penalty.

#### **Audit response to risks identified**

Our procedures to respond to risks identified included the following:

- (a) Reviewing the consolidated financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the consolidated financial statements;
- (b) Enquiring of management concerning actual and potential litigation and claims;
- (c) Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and

misstatement due to fraud; and

(d) In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Xeinadin Audit Limited.*

Xeinadin Audit Limited  
Chartered Accountants  
& Statutory Auditors  
Highdale House  
7 Centre Court  
Treforest Industrial Estate  
Pontypridd  
Rhondda Cynon Taff  
CF37 5YR

Date: 27/10/2023



**Run 4 Wales Charitable Foundation**

**Consolidated Statement of Financial Activities  
for the Period 1 November 2021 to 31 December 2022**

	Notes	Period 1.11.21 to 31.12.22 Unrestricted fund £	Year Ended 31.10.21 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Charitable activities	3		
Running & Athletics		169,106	500,129
Other trading activities	2	<u>3,282,629</u>	<u>717,510</u>
<b>Total</b>		<u>3,451,735</u>	<u>1,217,639</u>
 <b>EXPENDITURE ON</b>			
Raising funds	4	3,060,018	1,161,129
Charitable activities	5		
Running & Athletics		<u>78,831</u>	<u>74,487</u>
<b>Total</b>		<u>3,138,849</u>	<u>1,235,616</u>
 <b>NET INCOME/(EXPENDITURE)</b>		312,886	(17,977)
 <b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward		18,232	36,208
 <b>TOTAL FUNDS CARRIED FORWARD</b>		<u>331,118</u>	<u>18,231</u>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

**Run 4 Wales Charitable Foundation**

**Consolidated Balance Sheet  
31 December 2022**

	Notes	31.12.22 Unrestricted fund £	31.10.21 Total funds £
<b>FIXED ASSETS</b>			
Tangible assets	11	14,575	13,062
Investments	12	<u>4,544</u>	<u>4,544</u>
		19,119	17,606
<b>CURRENT ASSETS</b>			
Debtors	13	183,438	219,079
Cash at bank		<u>2,450,711</u>	<u>2,336,498</u>
		2,634,149	2,555,577
<b>CREDITORS</b>			
Amounts falling due within one year	14	<u>(2,322,150)</u>	<u>(2,554,952)</u>
<b>NET CURRENT ASSETS</b>		<u>311,999</u>	<u>625</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>331,118</u>	<u>18,231</u>
<b>NET ASSETS/(LIABILITIES)</b>		<u>331,118</u>	<u>18,231</u>
<b>FUNDS</b>	15		
Unrestricted funds		<u>331,118</u>	<u>18,231</u>
<b>TOTAL FUNDS</b>		<u>331,118</u>	<u>18,231</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 26/10/23 and were signed on its behalf by:

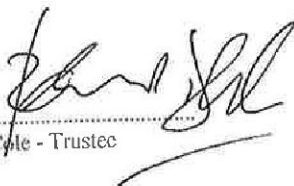
  
R D Cole - Trustee

**Run 4 Wales Charitable Foundation**

**Charity Balance Sheet  
31 December 2022**

	Notes	31.12.22 Unrestricted fund £	31.10.21 Total funds £
<b>FIXED ASSETS</b>			
Tangible assets	11	14,575	13,062
		<u>14,575</u>	<u>13,062</u>
<b>CURRENT ASSETS</b>			
Debtors	13	-	21,370
Cash at bank		474,698	1,419
		<u>474,698</u>	<u>22,789</u>
<b>CREDITORS</b>			
Amounts falling due within one year	14	(503,049)	(8,913)
		<u>(28,351)</u>	<u>13,876</u>
<b>NET CURRENT ASSETS</b>			
		<u>(13,776)</u>	<u>26,938</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<u>(13,776)</u>	<u>26,938</u>
<b>NET ASSETS/(LIABILITIES)</b>			
		<u>(13,776)</u>	<u>26,938</u>
<b>FUNDS</b>	15		
Unrestricted funds		(13,776)	26,938
<b>TOTAL FUNDS</b>		<u>(13,776)</u>	<u>26,938</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 26/10/23 and were signed on its behalf by:

  
R D Cyle - Trustee

**Run 4 Wales Charitable Foundation**

**Consolidated Cash Flow Statement  
for the Period 1 November 2021 to 31 December 2022**

	Notes	Period 1.11.21 to 31.12.22 £	Year Ended 31.10.21 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	I	<u>123,872</u>	<u>318,425</u>
Net cash provided by operating activities		<u>123,872</u>	<u>318,425</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(10,547)	(6,725)
Sale of tangible fixed assets		<u>888</u>	<u>-</u>
Net cash used in investing activities		<u>(9,659)</u>	<u>(6,725)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>114,213</u>	<u>311,700</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>2,336,498</u>	<u>2,024,798</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>2,450,711</u></u>	<u><u>2,336,498</u></u>

**Run 4 Wales Charitable Foundation**

**Notes to the Consolidated Cash Flow Statement  
for the Period 1 November 2021 to 31 December 2022**

**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	Period 1.11.21 to 31.12.22 £	Year Ended 31.10.21 £
<b>Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)</b>	312,886	(17,977)
<b>Adjustments for:</b>		
Depreciation charges	8,368	14,116
Profit on disposal of fixed assets	(222)	-
Decrease in debtors	54,220	466,672
Decrease in creditors	(251,380)	(144,386)
<b>Net cash provided by operations</b>	<u>123,872</u>	<u>318,425</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.11.21 £	Cash flow £	At 31.12.22 £
<b>Net cash</b>			
Cash at bank	<u>2,336,498</u>	<u>114,213</u>	<u>2,450,711</u>
	<u>2,336,498</u>	<u>114,213</u>	<u>2,450,711</u>
<b>Total</b>	<u>2,336,498</u>	<u>114,213</u>	<u>2,450,711</u>

## **Run 4 Wales Charitable Foundation**

### **Notes to the Consolidated Financial Statements for the Period 1 November 2021 to 31 December 2022**

#### **1. ACCOUNTING POLICIES**

##### **Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

The presentation currency is £ Sterling.

##### **Group Financial Statements**

The financial statements consolidate the results of the Charity and its wholly owned subsidiary Run 4 Wales Limited. A separate Statement of Financial Activities and Income and Expenditure Accounts for the Charity has not been prepared because the Charity has taken advantage of the Exemption afforded by the Charities SORP, FRS 102.

These financial statements have been prepared on a going concern basis.

The group financial statements have net current assets of £311,999 and net assets of £331,118. In making their assessment of the going concern basis of the charity, the trustees who are also directors of the subsidiary have reviewed and considered all relevant information. The assessment of the subsidiary is of fundamental importance in assessing the going concern of the charity.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category.

All costs can be directly attributed to their particular cost heading.

##### **Allocation and apportionment of costs**

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. The basis on which support costs are allocated are set out in note 7.

##### **Tangible fixed assets**

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

Fixtures and fittings	- 20% on cost
Computer equipment	- 25% on cost

##### **Taxation**

The charity is exempt from tax on its charitable activities. The subsidiary has taxable sources of income which are taxed at the tax rate applicable for the financial year.

##### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

All funds held by the Charity are unrestricted.

# Run 4 Wales Charitable Foundation

## Notes to the Consolidated Financial Statements - continued for the Period 1 November 2021 to 31 December 2022

### 2. OTHER TRADING ACTIVITIES

	Period 1.11.21 to 31.12.22 £	Year Ended 31.10.21 £
Other trading operations	2,897,404	532,357
Other income	<u>385,225</u>	<u>185,153</u>
	<u>3,282,629</u>	<u>717,510</u>

The wholly owned trading subsidiary, Run 4 Wales Limited, is incorporated in the United Kingdom (company number 08057072). The company organises and manages various sporting events throughout the country. A summary of the trading results for this company is shown below:

	31.12.22 £	31.10.21 £
Turnover	3,308,024	653,358
Sundry receipts	-	48,515
Investment movement	(25,395)	15,640
Government grants	169,106	500,129
Cost of sales and administration costs	<u>(2,941,774)</u>	<u>(1,158,583)</u>
Net Profit	509,961	59,058
Amount Gift Aided to the charity	(73,247)	(71,110)
Taxation	<u>(83,115)</u>	<u>(2,546)</u>
Retained in the subsidiary	<u>353,599</u>	<u>(14,598)</u>

### 3. INCOME FROM CHARITABLE ACTIVITIES

	Period 1.11.21 to 31.12.22 Running & Athletics £	Year Ended 31.10.21 Total activities £
Government grants	<u>169,106</u>	<u>500,129</u>

During the year the subsidiary Run for Wales Limited received further grant income from the Welsh Government. This grant was given to support its activities through the period where it has been most impacted by the current Covid rules.

**Run 4 Wales Charitable Foundation**

**Notes to the consolidated Financial Statements - continued  
for the Period 1 November 2021 to 31 December 2022**

**4. RAISING FUNDS**

**Raising donations and legacies**

	Period 1.11.21 to 31.12.22 £	Year Ended 31.10.21 £
Raising funds	<u>3,060,018</u>	<u>1,161,129</u>

**5. CHARITABLE ACTIVITIES COSTS**

	Support costs (see note 6) £
Running & Athletics	<u>78,831</u>

**6. SUPPORT COSTS**

	Management £	Finance £	Governance costs £	Totals £
Running & Athletics	<u>69,389</u>	<u>6,382</u>	<u>3,060</u>	<u>78,831</u>

Support costs, included in the above, are as follows:

	Period 1.11.21 to 31.12.22 Running & Athletics £	Year Ended 31.10.21 Total activities £
Depreciation of tangible and heritage assets	8,368	14,116
Loss on sale of tangible fixed assets	(222)	-
Rates and water	4,227	4,227
Bank charges	260	186
Other costs	1,895	468
Rates and water	61,243	52,610
Accountancy and legal fees	<u>3,060</u>	<u>2,880</u>
	<u>78,831</u>	<u>74,487</u>



**Run 4 Wales Charitable Foundation**

**Notes to the Consolidated Financial Statements - continued  
for the Period 1 November 2021 to 31 December 2022**

**7. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the period ended 31 December 2022 nor for the year ended 31 October 2021.

**Trustees' expenses**

There were no trustees' expenses paid for the period ended 31 December 2022 nor for the year ended 31 October 2021.

**8. STAFF COSTS**

	31.12.22 £	31.10.21 £
Staff costs	<u>1,151,070</u>	<u>859,012</u>

The average monthly number of employees during the period was as follows:

	Period 1.11.21 to 31.12.22	Year Ended 31.10.21
Administration	4	11
Support	<u>11</u>	<u>4</u>
	<u>15</u>	<u>15</u>

One employee received a salary above £60,000.

**9. STAFF COSTS**

The charity had no employees for the current or preceding year.

**10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £
<b>INCOME AND ENDOWMENTS FROM</b>	
<b>Charitable activities</b>	
Running & Athletics	500,129
Other trading activities	<u>717,510</u>
<b>Total</b>	<u>1,217,639</u>
<b>EXPENDITURE ON</b>	
Raising funds	1,161,129
<b>Charitable activities</b>	
Running & Athletics	<u>74,487</u>
<b>Total</b>	<u>1,235,616</u>

**Run 4 Wales Charitable Foundation**

**Notes to the Consolidated Financial Statements - continued  
for the Period 1 November 2021 to 31 December 2022**

**10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted fund £
<b>NET INCOME/(EXPENDITURE)</b>	(17,977)
<b>RECONCILIATION OF FUNDS</b>	
Total funds brought forward	36,208
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>18,231</u>

**11. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>			
At 1 November 2021	35,477	29,439	64,916
Additions	-	10,547	10,547
Disposals	<u>-</u>	<u>(888)</u>	<u>(888)</u>
At 31 December 2022	<u>35,477</u>	<u>39,098</u>	<u>74,575</u>
<b>DEPRECIATION</b>			
At 1 November 2021	32,613	19,241	51,854
Charge for year	2,864	5,504	8,368
Eliminated on disposal	<u>-</u>	<u>(222)</u>	<u>(222)</u>
At 31 December 2022	<u>35,477</u>	<u>24,523</u>	<u>60,000</u>
<b>NET BOOK VALUE</b>			
At 31 December 2022	<u>-</u>	<u>14,575</u>	<u>14,575</u>
At 31 October 2021	<u>2,864</u>	<u>10,198</u>	<u>13,062</u>

The above tangible fixed assets represent those balances held by the Charity and the Group.

**Run 4 Wales Charitable Foundation**

**Notes to the Consolidated Financial Statements - continued  
for the Period 1 November 2021 to 31 December 2022**

**12. FIXED ASSET INVESTMENTS**

	Unlisted investments £
<b>MARKET VALUE</b>	
At 1 November 2021 and 31 December 2022	<u>4,544</u>
<b>NET BOOK VALUE</b>	
At 31 December 2022	<u>4,544</u>
At 31 October 2021	<u>4,544</u>

There were no investment assets outside the UK.

The fixed asset investment represent those balances held by the subsidiary and the group.

**13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.22 £	31.10.21 £
Trade debtors	162,096	143,323
VAT	2,015	5,482
Prepayments and accrued income	<u>19,327</u>	<u>70,274</u>
	<u>183,438</u>	<u>219,079</u>

**Charity**

	31.12.22 £	31.10.21 £
Other debtors	<u>-</u>	<u>21,370</u>

**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.22 £	31.10.21 £
Trade creditors	198,442	319,112
Taxation and social security	122,140	15,091
Other creditors	<u>2,001,568</u>	<u>2,220,749</u>
	<u>2,322,150</u>	<u>2,554,952</u>

**Charity**

	31.12.22 £	31.10.21 £
Other creditors	<u>503,049</u>	<u>8,913</u>

Included within other creditors is an amount of £1,170,554 (2021: £2,063,095) representing income for deferred events.

In addition accruals and deferred income includes £500,000 in relation to funds received in advance of a post year end group restructure.

**Run 4 Wales Charitable Foundation**

**Notes to the Consolidated Financial Statements - continued  
for the Period 1 November 2021 to 31 December 2022**

**15. MOVEMENT IN FUNDS**

	At 1.11.21 £	Net movement in funds £	At 31.12.22 £
<b>Unrestricted funds</b>			
General fund	18,232	312,886	331,118
<b>TOTAL FUNDS</b>	<u>18,232</u>	<u>312,886</u>	<u>331,118</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	3,451,735	(3,138,849)	312,886
<b>TOTAL FUNDS</b>	<u>3,451,735</u>	<u>(3,138,849)</u>	<u>312,886</u>

**Comparatives for movement in funds**

	At 1.11.20 £	Net movement in funds £	At 31.10.21 £
<b>Unrestricted funds</b>			
General fund	36,208	(17,977)	18,231
<b>TOTAL FUNDS</b>	<u>36,208</u>	<u>(17,977)</u>	<u>18,231</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,217,639	(1,235,616)	(17,977)
<b>TOTAL FUNDS</b>	<u>1,217,639</u>	<u>(1,235,616)</u>	<u>(17,977)</u>

**Run 4 Wales Charitable Foundation**

**Notes to the Consolidated Financial Statements - continued  
for the Period 1 November 2021 to 31 December 2022**

**15. MOVEMENT IN FUNDS - continued**

**Movements in funds (Charity)**

	At 1.11.21 £	Net movement in funds £	At 31.12.22 £
<b>Unrestricted funds</b>			
General fund	26,938	(40,714)	(13,776)
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>26,938</u>	<u>(40,714)</u>	<u>(13,776)</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	73,237	(113,961)	(40,714)
	<hr/>	<hr/>	<hr/>
	<u>73,247</u>	<u>(113,961)</u>	<u>(40,714)</u>

**Comparatives for movements in funds (Charity)**

	At 1.11.20 £	Net movement in funds £	At 31.10.21 £
<b>Unrestricted funds</b>			
General fund	30,315	(3,377)	26,938
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>85,332</u>	<u>(55,017)</u>	<u>30,315</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	71,110	(74,487)	(3,377)
	<hr/>	<hr/>	<hr/>
	<u>71,110</u>	<u>(74,487)</u>	<u>(3,377)</u>

**Run 4 Wales Charitable Foundation**

**Notes to the Consolidated Financial Statements - continued  
for the Period 1 November 2021 to 31 December 2022**

**16. RELATED PARTY DISCLOSURES**

During the year, Run 4 Wales Limited agreed to make a donation of £73,247 (2021: £71,110) to the Run 4 Wales Charitable Foundation. At the year end, the charity was owed £nil (2021: £nil) from Run 4 Wales Limited.

The above transactions are related as the trustees for Run 4 Wales Charitable Foundation are also directors of Run 4 Wales Limited.