

Charity Registration No.1133558 (England and Wales)

**WALKING WITH THE WOUNDED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

WALKING WITH THE WOUNDED

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WALKING WITH THE WOUNDED

REFERENCE AND ADMINISTRATIVE INFORMATION

TRUSTEES

The trustees serving throughout the year and until the date this report was signed were

Mr Simon Daghish (Chairman and Co-Founder)
Mr Christopher Birrell (appointed 16 May 2012)
Elizabeth Collins QC (appointed 16 May 2012)
Mrs Fiona Disney
Mr Richard Eyre (appointed 16 January 2013)
Lt Gen Sir Graeme Lamb KBE CMG DSO
Mr Edward Parker (retired 1 October 2012)
Mrs Harriet Parker
Mr Harry Parker
Mr Richard Turpin

SENIOR STAFF

The day to day management of the charity was delegated to

Edward Parker – Co-Founder and CEO
Fergus Williams – Operations Director

OTHER INFORMATION

| | |
|------------------------------------|---|
| Charity registration number | 1133558 |
| Registered office | Stody Hall Barns Stody Melton Constable NR24 2ED |
| Independent auditors | Saffery Champness Lion House Red Lion Street London WC1R 4GB |
| Solicitors | Stone King LLP 16 St John's Lane London EC1M 4BS |
| Bankers | Clydesdale Bank 35 Regent Street Piccadilly Circus London SW1 4ND |

WALKING WITH THE WOUNDED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

The Trustees present their annual report together with the audited financial statements of Walking With The Wounded and its subsidiary, Walking With The Wounded Limited, together "WWTW", for the year ended 31 December 2012. The Trustees confirm that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Executive summary and review of the year

The principal object of the charity is to provide resettlement assistance and relief in financial need to personnel who are leaving the armed forces after being wounded whilst serving. This is provided through grants and bursaries which fund education and training programs and provide the necessary skills and/or qualifications required to obtain and retain work outside the armed forces. Generating awareness of 'Our Wounded' is a secondary aim, and is crucial for the long term support of our Wounded, Injured and Sick (WIS). We achieve this by staging expeditions to extreme corners of the world and in so doing demonstrate to the public and potential employers within Corporate UK the determination, courage and ability of our wounded to overcome the challenges they face.

WWTW continued to grow during 2012, increasing both its voluntary income and supporter base resulting in more funds being distributed to the wounded community and more jobs being secured. WWTW has put in place the foundations to continue its development, providing a stable platform from which to achieve both its short and long-term objectives. The ability to develop relationships with corporate partners and deliver ground-breaking expeditions allowed WWTW to significantly increase awareness for the wounded community, culminating in the successful expedition to Everest during the spring of 2012. The profile gained from this expedition supported the fundraising initiatives and increased awareness of WWTW and its aims.

2012 is our second full year as a charity supporting the educational needs of wounded service personnel. The Trustees took steps to formalise the management of the charity by employing a further four persons, bringing the total employees to five.

Whilst the assistance of wounded service personnel through educational and vocational support is at the heart of WWTW's work, the programmes backed by the charity cover a broad spectrum of education, support and awareness. WWTW supports wounded personnel who suffer from both physical and mental injuries and the remit extends across both current service leavers and veterans. In general terms our support covers four distinct areas:

- **Direct support of the wounded to attain educational and vocational qualifications to facilitate the transition into the work place through the charity's First Steps Bursary Scheme**
- **Supporting other service charities delivering educational excellence**
- **Funding work assisted employment through the "Back to Work Programme" powered by the Poppy Factory**
- **Building awareness of the wounded community and their needs**

During 2012 WWTW assisted 126 wounded personnel, committed £449,910 to service charities and other education providers (see note 6) and also spent £455,570 to assist and train wounded personnel directly.

When assessing new funding proposals from service charities, WWTW looks to:

- Ensure value for money and educational excellence;
- Avoid duplication of service provision and costs;
- Identify how third party programmes can integrate with existing WWTW programmes; and

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2012

- Increase the number of annual courses made available through our partners for WIS personnel; thereby delivering scale, rather than be viewed as a primary funder of existing programmes.

During 2012 WWTW was able to distribute funds to The Poppy Factory, The Warrior Programme, The Royal British Legion Industries (RBLI) LifeWorks course, SkillForce's Military to Mentor scheme, Discovery Quest, The Afghan Trust and provide direct support to the wounded community through the charity's First Steps Bursary Scheme.

WWTW's main fundraising and awareness initiative was the WWTW Everest Expedition supported primarily by Glenfiddich. Between March and May 2012 a WWTW team of 5 wounded soldiers attempted to summit Mt Everest. The expedition was widely publicised and was supported by Prince Harry in his capacity as Expedition Patron. As with all of our expeditions, a robust approach to health and safety is paramount. This was ultimately the basis from which the decision to abandon the summit attempt was made. Although the team didn't achieve their ultimate aim of reaching the summit, their courage and ability to reach Camp 2 remains an extraordinary achievement.

Although the Team were unable to summit due to unfavourable weather conditions, the expedition was deemed a great success and WWTW was able to demonstrate key objectives centred on raising awareness of the wounded community and their ability to face down the challenges of their new injuries and disabilities.

The costs for the expedition were fully covered by corporate support and its funding was separate to that of the charity and its educational programmes. The main corporate support for the expedition was very generously provided by Glenfiddich, Artemis Investment Management, Horlicks, Carillion, Catlin and Helly Hansen.

WWTW commissioned a television documentary to support the fundraising and awareness of the expedition. The ITV1 programme "Harry's Mountain Heroes" was aired over the August bank holiday weekend and achieved audience levels of 3.2million. The resulting publicity from the expedition resulted in £15m of estimated advertising value to the charity and our key corporate supporters.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the charity commission relating to public benefit.

Financial Performance

The Trustees are pleased to report that the year to 31st December 2012 exceeded targets and expectations. WWTW was able to grow its direct fundraising revenue by 43% compared to the previous year and this was largely achieved by strong income growth from community and third party fundraising. The strength of community fundraising justified our focus on building brand awareness through WWTW's expeditions. WWTW's key relationship with Prince Harry further strengthened our ability to raise awareness for the wounded community and continues to have a positive impact on fundraising across all income streams.

The amount spent on charitable activities increased and the charity assisted 126 wounded personnel through its educational and training programmes. During 2012, the charity incurred direct costs totalling £905,480 on re-training and re-educating wounded veterans and on expeditions in support of wounded veterans, against a total income of £1,240,570. This figure gives the charity an effective distribution rate of 73%.

The consolidated income for WWTW shows a net surplus for the period of £37,084 (2011: £192,437). These results demonstrate continued growth and support the charity's activities. When planning its activities for the year the charity considers its ability to raise funds in order to support its charitable activities separately from any requirement to fund expeditions. Its aim is to grow income not linked to expeditions by 35% per annum for the next 2 years. The income generated in response to planned expeditions will always fluctuate in line with the size and nature of the event.

In 2012 direct fundraising income was £1,015,010 (2011: £708,835) an increase of 43.2%.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2012

Structure, governance and management

During 2012 the charity was a Charitable Trust governed by its Trust Deed, dated 12 January 2010 as amended by a scheme dated 25 June 2013. However, during the year the Trustees reviewed the trust structure and deemed it appropriate to incorporate the charity. This process was completed on 30th September 2013.

During the year the Trustees established a wholly owned subsidiary company Walking With The Wounded Limited. The company began trading in February 2012 and its results are set out in note 10.

New trustees with relevant expertise and enthusiasm are sought from within the community the organisation serves. The existing trustees are in regular contact with the community in general and are constantly looking for suitable candidates to join them. During 2012 WWTW appointed two more Trustees to strengthen its membership.

Typically, new trustees are usually specialists in one or more areas of the charitable activities.

Working groups comprised of the executives of WWTW and Trustee representation meet at least once a quarter to oversee the operation of the charity and to formulate and instigate policy. We have four full Trustee meetings annually to review the performance of the charity and provide strategic direction to the management.

Grant making policies

The Trustees make grants to educational and training providers to support the aims of the charity. These grants are carefully evaluated looking specifically at the organisations and the outcomes of the courses selected. When selecting organisations to make grants, the trustees are particularly interested in building capacity and establishing multi-year support to provide financial certainty for the beneficiaries. The charity ensures the grants go directly to those who need to benefit and do not provide funding for the administrative costs of those providing the services. Further details of grants committed to during the year can be found in note 6.

Risk Management

The Trustees have conducted their own review of the major risks to which the charity is exposed and systems have been established to mitigate against those risks. Internal risks are minimised by the implementation of procedures for the authorisation of all transactions and projects and to ensure the consistent quality of delivery for all operational aspects of the WWTW and its activities.

These procedures are reviewed periodically to ensure that they still meet the needs of the charity.

Reserves policy

The reserves policy for WWTW is to have a minimum of 6 months operational expenditure to ensure that current liabilities are met. Monthly financial meetings are held with the management team and finance manager to review current liabilities and operational expenditure.

At 31 December 2012 the charity had unrestricted reserves of £354,263, compared to a target of £230,000 based on the budget for 2013. The charity will continue to fundraise and monitor its financial position closely to ensure that the charity builds a sustainable position in the long term.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2012

PLANS FOR THE FUTURE

The Trustees are committed to the strategy of launching high profile expeditions using teams of wounded service personnel as a vehicle to raise awareness of the charity and its charitable aims. As such we are focused on executing our next expedition to the South Pole in November 2013. This will include international teams from the UK, US, Australia and Canada.

Additionally, the Trustees are committed to developing the income streams to the charity into sustainable long term programmes to support its aims. Reasonable resources will be committed to ensure the development of these aims.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 of the charity for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the 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.

This report was approved by the Trustees on and signed on their behalf, by:



S Daglish

Trustee

11 October 2013

WALKING WITH THE WOUNDED

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2012

We have audited the financial statements on pages 9 to 17. 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).

Our audit work has been undertaken so that we might state to the 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the circumstances of the charity and the group and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of affairs of the charity and the group as at 31 December 2012 and of its incoming resources and application of resources, including the income and expenditure of the group for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2012**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; 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.

Saffery Champness

Saffery Champness

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**Chartered Accountants
Statutory Auditors**

Lion House
Red Lion Street
London
WC1R 4GB

14 October 2013

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STATEMENT OF FINANCIAL ACTIVITIES (incorporating an income and expenditure account) FOR THE YEAR ENDED 31 DECEMBER 2012

| | Notes | Unrestricted funds £ | Restricted funds £ | Total funds 2012 £ | Total funds 2011 £ |
|--|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Incoming resources | | | | | |
| Voluntary income | 2 | 964,682 | 50,328 | 1,015,010 | 708,835 |
| Activities for generating funds | 3 | 224,311 | - | 224,311 | 710,184 |
| Investment income | 4 | 1,249 | - | 1,249 | 122 |
| Total income | | 1,190,242 | 50,328 | 1,240,570 | 1,419,141 |
| Resources expended | | | | | |
| Fundraising event costs | | 54,321 | - | 54,321 | 534,085 |
| Fundraising - trading | | 79,501 | - | 79,501 | - |
| Expeditions in support of wounded Veterans | | 443,748 | 43,369 | 487,117 | 320,887 |
| Retraining and education in support of wounded veterans | | 568,009 | - | 568,009 | 368,847 |
| Governance | | 14,538 | - | 14,538 | 2,885 |
| | 5 | 1,160,117 | 43,369 | 1,203,486 | 1,226,704 |
| Net incoming resources | 9 | 30,125 | 6,959 | 37,084 | 192,437 |
| Brought forward at 1 January | | 324,138 | - | 324,138 | 131,701 |
| Carried forward at 31 December | 15 | 354,263 | 6,959 | 361,222 | 324,138 |

The Statement of Financial Activities contains all recognised gains and losses for the year.

The notes on pages 11 to 17 form part of these financial statements.

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BALANCE SHEETS AS AT 31 DECEMBER 2012

| | Notes | Group | | Charity | |
|------------------------------|-------|----------------|-----------|----------------|----------------|
| | | 2012 £ | 2011 £ | 2012 £ | 2011 £ |
| Investment | 10 | - | - | 1 | - |
| Current assets | | | | | |
| Stock | 11 | 4,000 | - | 4,000 | - |
| Debtors | 12 | 41,057 | - | 70,241 | 222,950 |
| Cash at bank and in hand | | 452,531 | - | 418,847 | 198,688 |
| | | <u>497,588</u> | <u>-</u> | <u>493,088</u> | <u>421,638</u> |
| Creditors less than one year | 13 | (136,366) | - | (131,867) | (97,500) |
| Net current assets | | <u>361,222</u> | <u>-</u> | <u>361,221</u> | <u>324,138</u> |
| Net assets | | <u>361,222</u> | <u>-</u> | <u>361,222</u> | <u>324,138</u> |
| Represented by: | | | | | |
| Restricted funds | 14 | 6,959 | - | 6,959 | - |
| Unrestricted funds | | <u>354,263</u> | <u>-</u> | <u>354,263</u> | <u>324,138</u> |
| | 15 | <u>361,222</u> | <u>-</u> | <u>361,222</u> | <u>324,138</u> |

The notes on pages 11 to 17 form part of these financial statements,

The financial statements were approved by the Board of Trustees on *11 October* 2013 and signed on their behalf by.


S Daghli
Trustee

WALKING WITH THE WOUNDED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

1 Accounting policies

1.1 Basis of accounting

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Charity Commission Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005) issued in March 2005, the Charities Act 2011 and applicable accounting standards. The accounting policies adopted are described below.

1.2 Group Accounts

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the charity and its subsidiary undertaking, Walking with the Wounded Limited which began trading in March 2012. The results of the subsidiary are consolidated on a line by line basis.

The charity has availed itself of Paragraph 4(1) of Schedule 1 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 and adapted the Companies Act formats to reflect the special nature of the charity's activities. No separate SOFA has been presented for the charity alone as permitted by Section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

As most of the income from the subsidiary is transferred to the Charity the view taken is that there is no significant difference between the Group and Charity surplus.

The charity has taken advantage of the exemption in FRS 1 not to present a cashflow statement as it is a small group.

1.3 Fund Accounting

1.3.1 Unrestricted Funds

These funds can be used for any of the charity's purposes.

1.3.2 Restricted Funds

These funds have been given to the charity for a particular purpose to be used in accordance with the wishes of the donor.

1.4 Incoming resources

Income from investments, Gift Aid and deeds of covenant is included gross, and is accounted for when it is receivable or the charity's right to it becomes legally enforceable. Provision has been made for Income Tax reclaimable at the year end.

Legacy income is included in the accounts when the amount due can be quantified with reasonable certainty and the timing of the receipt is known.

Incoming resources in the form of donated assets have been included in the SOFA at a reasonable estimate of their value, taking into account the market value of the assets and comments made by the donor.

Grants receivable are accounted for when there is sufficient information to enable the claim to be made or the claim has been made and there is clear indication to suggest the claim will be met.

1.5 Resources Expended

Indirect costs are allocated to the expenditure headings in the SOFA on the basis of the time spent by employees in each area of work.

Cost of Generating Funds consists of expenditure relating to appeals, communications requesting funds, applying for grants and other general publicity as part of fundraising together with associated support activities and cost of sales.

Administration and Support of charitable activities consists of those incurred in support of expenditure on the objects of the charity. These include the provision of the premises, personnel, information technology and audit fees.

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NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2012

1 Accounting policies (continued)

1.6 Allocation of income and expenditure

Following a review in the year the allocation of income and expenditure in 2011 has been reclassified so as to be consistent with the allocation in 2012 and the underlying information. However, no change has been made to the totals involved and this does not constitute a prior period adjustment.

1.7 Irrecoverable VAT

The charity and its subsidiary have registered for VAT but cannot recover the total VAT incurred. Irrecoverable VAT is allocated to the appropriate cost categories.

1.8 Tangible fixed assets

Fixed assets are capitalised where they cost over £1,000 and have an ongoing use to the charity

1.9 Stocks

Stocks are stated at the lower of cost and net realisable value, where cost comprises purchase price and any additional costs of bringing the goods to a saleable condition.

1.10 Pension Costs

The charity does not currently offer a pension scheme to its employees.

1.11 Finance and operating leases

Rentals payable under operating leases are charged to the SOFA over the period in which the cost is incurred. The charity has no finance leases.

2 Voluntary income

| | Unrestricted £ | Restricted £ | 2012 £ | 2011 £ |
|-----------------------|-------------------|-----------------|------------------|----------------|
| Donations individuals | 114,033 | - | 114,033 | 118,646 |
| Donations corporates | 352,372 | - | 352,372 | 364,415 |
| Donations trusts | 71,109 | 50,328 | 121,437 | 29,263 |
| Community fundraisers | 308,255 | - | 308,255 | 175,373 |
| Third party events | 118,913 | - | 118,913 | 21,138 |
| | <u>964,682</u> | <u>50,328</u> | <u>1,015,010</u> | <u>708,835</u> |

3 Income from activities for generating funds

| | Unrestricted £ | Restricted £ | 2012 £ | 2011 £ |
|---------------------|-------------------|-----------------|----------------|----------------|
| Fundraising events | 8,506 | - | 8,506 | 522,888 |
| Corporate support | 110,325 | - | 110,325 | 120,321 |
| Sales and publicity | 105,480 | - | 105,480 | 66,975 |
| | <u>224,311</u> | <u>-</u> | <u>224,311</u> | <u>710,184</u> |

4 Investment income

| | Unrestricted £ | Restricted £ | 2012 £ | 2011 £ |
|---------------|-------------------|-----------------|--------------|------------|
| Bank interest | 1,249 | - | 1,249 | 122 |
| | <u>1,249</u> | <u>-</u> | <u>1,249</u> | <u>122</u> |

WALKING WITH THE WOUNDED

NOTES TO THE FINANCIAL STATEMENT (continued) FOR THE YEAR ENDED 31 DECEMBER 2012

| 5 | Resources expended | Grants paid | Direct costs | | Support costs | | Total | Total |
|---|---|----------------|---------------|----------------|---------------|----------------|------------------|------------------|
| | | (Note 6) | Staff | Other | Staff | Other | 2012 | 2011 |
| | | £ | £ | £ | £ | £ | £ | £ |
| | Fundraising events | - | 7,465 | 38,051 | 830 | 7,975 | 54,321 | 534,085 |
| | Fundraising trading | - | 21,873 | 47,223 | 2,430 | 7,975 | 79,501 | - |
| | Expeditions in support of wounded veterans | - | 16,545 | 365,060 | 1,838 | 103,674 | 487,117 | 320,887 |
| | Retraining and education in support of wounded veterans | 449,910 | 38,330 | 35,635 | 4,259 | 39,875 | 568,009 | 368,847 |
| | Governance | - | 4,201 | 10,337 | - | - | 14,538 | 2,885 |
| | | <u>449,910</u> | <u>88,414</u> | <u>496,306</u> | <u>9,357</u> | <u>159,499</u> | <u>1,203,486</u> | <u>1,226,704</u> |

Direct costs activities carried out in support of the wounded community, including grants, provision of training and working with wounded veterans were £905,480.

Support costs included the PR, advertising, travel, office accommodation and other costs required to facilitate the charity meeting its objects.

6 Distributions

The charity authorised the following distributions, paid by way of grants to 12 institutions and 1 individual.

| | 2012 | 2011 |
|--------------------------------------|---------------|----------|
| | £ | £ |
| Commitments at 1 January | - | - |
| Authorised for payment | 449,910 | 50,000 |
| Paid during year | (381,254) | (50,000) |
| Commitments at 31 December (note 13) | <u>68,656</u> | <u>-</u> |

| Name | 2012 |
|---------------------------------|----------------|
| | £ |
| Poppy Factory | 75,000 |
| Warrior Programme | 100,000 |
| Afghan Trust | 20,000 |
| SkillForce | 5,000 |
| Discovery Quest | 36,321 |
| First Steps Bursary | 100,000 |
| Clock Tower | 20,000 |
| Light Dragoons | 20,000 |
| Royal British Legion Industries | 50,000 |
| In the Footsteps of Legends | 10,000 |
| Combat Stress | 5,453 |
| Peace of Mind Project | 2,500 |
| Grants to individuals | 5,636 |
| | <u>449,910</u> |

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NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2012

7 Staff costs

| | 2012 £ | 2011 £ |
|--------------------|---------------|---------------|
| Wages and salaries | 79,220 | 16,027 |
| NI | 7,699 | - |
| Pension | - | - |
| Other | 10,852 | - |
| | <u>97,771</u> | <u>16,027</u> |

The charity added to its staff in the year to move from employing one person in 2011 to employing five people by the end of 2012.

No employee earned more than £60,000 during the current or preceding year.

8 Trustee payments and expenses

During the year expenses were reimbursed to 2 trustees totalling £268 (2011: no trustees totalling £Nil), in respect of travel expenses.

Edward Parker, a Founder and CEO, was a trustee until 1 October 2012. Following his resignation as a Trustee he was paid £8,750 in the period by Walking with the Wounded Limited in respect of his services as CEO. In addition Mrs Harriet Parker was married to Edward Parker, who received remuneration in respect of his position as CEO. She takes no part in discussions regarding his remuneration.

9 Net incoming resources

| | 2012 £ | 2011 £ |
|--|--------------|--------------|
| Net incoming resources are stated after charging | | |
| Auditors' remuneration | <u>6,500</u> | <u>2,885</u> |

10 Investments

The charity's investments represent 100% of the issued share capital of Walking With The Wounded Limited which was incorporated during the year.

A summary of the subsidiary undertakings results is as follows:-

| | 2012 £ | 2011 £ |
|------------------------------------|---------------|-----------|
| Income | 58,864 | - |
| Expenses | (47,224) | - |
| Net surplus donated to the charity | <u>11,640</u> | <u>-</u> |

At the balance sheet date the subsidiary's share capital and reserves totalled £1 (2011: £Nil).

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NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2012

| 11 | Stock | Group | | Charity | |
|----|--|---------------------------|----------------------------|----------------------------|-----------------------------|
| | | 2012 £ | 2011 £ | 2012 £ | 2011 £ |
| | Stock of finished goods | 4,000 | - | 4,000 | - |
| 12 | Debtors | | | | |
| | | Group | | Charity | |
| | | 2012 £ | 2011 £ | 2012 £ | 2011 £ |
| | Trade debtors | 27,337 | - | 23,196 | 9,667 |
| | Amounts due from group entities | - | - | 34,224 | - |
| | Prepayments | 3,569 | - | 3,569 | 189,700 |
| | Other debtors | 10,151 | - | 9,252 | 23,583 |
| | | <u>41,057</u> | <u>-</u> | <u>70,241</u> | <u>222,950</u> |
| 13 | Creditors | | | | |
| | | Group | | Charity | |
| | | 2012 £ | 2011 £ | 2012 £ | 2011 £ |
| | Trade creditors | 34,285 | - | 31,889 | 93,939 |
| | Grant commitments | 68,656 | - | 68,656 | - |
| | Other creditors | 5,377 | - | 5,377 | - |
| | Accruals | 7,800 | - | 7,800 | 2,885 |
| | Other tax and social security | 20,248 | - | 18,145 | 676 |
| | | <u>136,366</u> | <u>-</u> | <u>131,867</u> | <u>97,500</u> |
| 14 | Analysis of restricted and unrestricted funds | | | | |
| | | At 1 January 2012 £ | Incoming resources £ | Outgoing resources £ | At 31 December 2012 £ |
| | Unrestricted funds – general | 324,138 | 1,190,242 | (1,150,340) | 364,040 |
| | Restricted funds | - | 50,328 | (43,369) | 6,959 |
| | | <u>324,138</u> | <u>1,240,570</u> | <u>(1,193,709)</u> | <u>370,999</u> |

Restricted funds represent monies received from The Royal Foundation to support the expedition to the South Pole.

WALKING WITH THE WOUNDED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2012

15 Analysis of net assets between funds

| Group | Unrestricted funds £ | Restricted funds £ | Total £ |
|----------------|-------------------------------------|-----------------------------------|--------------------|
| Stock | 4,000 | - | 4,000 |
| Debtors | 41,057 | - | 41,057 |
| Cash | 445,572 | 6,959 | 452,531 |
| Creditors | (136,366) | - | (136,366) |
| | <u>354,263</u> | <u>6,959</u> | <u>361,222</u> |
| Charity | Unrestricted funds £ | Restricted funds £ | Total £ |
| Investments | 1 | - | 1 |
| Stock | 4,000 | - | 4,000 |
| Debtors | 70,241 | - | 70,241 |
| Cash | 411,888 | 6,959 | 418,847 |
| Creditors | (131,867) | - | (131,867) |
| | <u>354,263</u> | <u>6,959</u> | <u>361,222</u> |

16 Related parties

The charity has taken the exemption conferred within FRS8 not to disclose transactions with its wholly owned subsidiary Walking With The Wounded Limited.

The charity paid £7,868 to Edward Parker wines, a company of which CEO Edward Parker is a director, for rent and sundry expenses. Edward Parker wines ceased to trade during the year and the balance outstanding at the year end was £nil.

Kett Country Cottages, a company of which Edward Parker is a director, was paid £200 by the charity for accommodation on a training weekend for the South Pole team.

The charity paid £42 to the Union Jack Club for accommodation. Dick Turpin, a trustee of the charity, is a member of the governing council of the Union Jack Club.

WALKING WITH THE WOUNDED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2012

17 **Operating leases**

Group and Charity

The charity has annual commitments under operating leases as follows:

Land and buildings

| | 2012 £ | 2011 £ |
|-------------------------------|-----------|-----------|
| Expiring: Within 2-5 years | 15,260 | 15,260 |
