

REGISTERED COMPANY NUMBER: 05304570 (England and Wales)
REGISTERED CHARITY NUMBER: 1113659

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021
FOR
WARNING ZONE LIMITED**

Mark J Rees LLP Chartered Accountants
Granville Hall
Granville Road
Leicester
Leicestershire
LE1 7RU

WARNING ZONE LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

	Page
Report of the Trustees	1 to 4
Independent Examiner's Report	5 to 6
Statement of Financial Activities	7
Balance Sheet	8 to 9
Notes to the Financial Statements	10 to 22
Detailed Statement of Financial Activities	23 to 24

WARNING ZONE LIMITED (REGISTERED NUMBER: 05304570)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their report with the financial statements of the Charity for the year ended 31 August 2021. The Trustees have adopted the provisions of the Financial Reporting Standard 102, the Charities Act 2011 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

OBJECTIVES AND ACTIVITIES

Significant activities

Objectives

The charity strives to maintain its position as the leading organisation delivering safeguarding programmes to children and young people in the East Midlands.

Activities

With the expectation that lockdown restrictions would lift in the Autumn term of 2020, staff and volunteers prepared for a re-opening date of October. This was generally welcomed by schools and, although some still remained cautious, bookings were taken, and groups of school children began to return to attend sessions at Frog Island. We were not able to conduct Road Crew sessions at this time for safety reasons, given the large numbers of young people attending any one session.

This re-opening met with mixed success, as schools were occasionally forced to cancel their visit due to detection of Covid cases amongst the cohort due to visit, so attendance was sporadic and unpredictable. The renewed lockdown status in December meant that suspension of all activities once again became inevitable.

This was a source of disappointment and frustration to all concerned; however, the Board were consistent in exercising caution at all times and have met regularly with the CEO to keep the situation under review.

As 2021 progressed further and lockdown measures relaxed into the spring, the decision was taken to re-open in May. Due to social distancing measures still being very much in place, there was a requirement to reduce the number of places available at any one session, but this did not deter schools and every session available was booked until the end of the academic year.

Frog Island remained open during the summer holidays to accommodate additional sessions for young people who had missed out on their visit during the year. These were very well attended and brought a number of parents into the centre to accompany their children.

The centre is now fully booked for academic year 2021/22 and bookings are being taken again for Road Crew sessions.

The charity recognises the critical importance of remaining current with regards to the ever-changing nature of risks which can have such a negative impact on children and young people. It also recognises that many young people have not been able to access important messages on staying safe and managing risks during the pandemic. The staff have developed a series of activities which can be delivered by teaching staff in schools, and which complement the learning that would take place during a safety centre session. This forms part of a wider plan to increase the scope of the safety centre sessions.

The charity remains indebted to its volunteers without whose dedication and professionalism our programmes could not be delivered. Volunteer numbers have reduced during Covid. Older volunteers have been understandably concerned about risks to remaining healthy and our young volunteers have mostly been affected by university responses to the pandemic. A new recruitment programme is underway to ensure that our guiding needs can be met during 2021/22.

WARNING ZONE LIMITED (REGISTERED NUMBER: 05304570)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2021

FINANCIAL REVIEW

Financial review

Financial review

At the start of the period under review the charity held an outstanding debt of £100,000 in the form of an interest free, unsecured loan to be repaid over 5 years at £20,000 per year. Trustees were confident that this charity could continue to meet its repayment obligations.

Frog Island school visits were severely impacted during lockdown, which had an impact upon income. Schools, however, are keen to return to the centre and bookings for the summer term and the new academic year have been quickly filled.

Fundraising activity remained curtailed in terms of traditional events, however, applications to grant making bodies continued to be successful and two virtual events also contributed to income. Corporate support also hesitated for a while as companies were uncertain about their own position in the pandemic. However, as restrictions eased, longstanding offers of support started to be realised.

Warning Zone continued to take advantage of the Job Retention Scheme and the flexibility of this opportunity has enabled the charity to continue its operations, albeit in a limited way, whilst still mitigating some of its costs.

In June 2020 Warning Zone was successful in its application for a government Coronavirus Bounce Back loan of £50,000 and the charity is on target to meet its repayment obligations. The Trustees also explored at length the option of a CBIL but ultimately decided against taking up this offer. It was felt that the cashflow projections at the time were satisfactory enough to manage without additional debt and that the loan guarantees, to include all assets of the charity, were higher than the loan value merited.

Whilst the net assets of the charity have increased it should be remembered that its main asset, namely the building it owns and occupies, is fully utilised to deliver the safeguarding programmes to visitors. In other words, it is designed and equipped with the sole purpose in mind of carrying out the business of the charity.

Reserves policy

The charity requires General Reserves, that is, funds that are freely available for the Trustees to spend in furtherance of the objects, in order to bridge the funding gap between spending on the operational activities and receiving resources through grants that provide funding.

The Trustees believe that an ideal level of General Reserves, excluding those designated for fixed assets, would be equivalent to approximately three months fixed expenditure which, based on existing budgets, will be approximately £65,000.

At 31 August 2021, the General Reserves were £139,660. The Trustees continue to explore all avenues to improve this position and are mindful that they will need to use management accounts and other financial information to monitor the level of reserves to ensure that they remain both appropriate and adequate for the charity's needs.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity was incorporated on 3rd December 2004 as a company limited by guarantee, not having a share capital, and is governed by its Memorandum and Articles of Association of that date. It was registered as a charity by the Charity Commissioners for England and Wales on 6th April 2006.

Each of the members has agreed to contribute the sum of £1 in the event of the charity being wound up.

WARNING ZONE LIMITED (REGISTERED NUMBER: 05304570)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

Trustees are nominated from persons who through residence, occupation, employment or otherwise have special knowledge of the area of benefit, or who are otherwise able, by virtue of their personal or professional qualifications, to make a significant contribution to the pursuit of the objects or the management of the charity.

Induction and training of new trustees

New trustees are briefed on their legal obligations under charity and company law, the contents of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the company. During the briefing they are also given a tour of the charity's premises and are introduced to the employees and other trustees. All trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

05304570 (England and Wales)

Registered Charity number

1113659

Registered office

30 Frog Island
off North Bridge Place
Leicester
Leicestershire
LE3 5AG

Trustees

Mrs H L Johnson
Mr A M Kapur
Mr G D Arthur
Mr C Mitchell
Mrs L H Foulkes-Arnold
Colonel R C J Martin

Independent Examiner

Mark J Rees LLP Chartered Accountants
Granville Hall
Granville Road
Leicester
Leicestershire
LE1 7RU

Bankers

HSBC Bank plc
2-6 Gallowtree Gate
Leicester
LE1 1DA

Honorary Treasurer

Mr A M Kapur is the Honorary Treasurer of the charity.

WARNING ZONE LIMITED (REGISTERED NUMBER: 05304570)

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

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

Approved by order of the board of trustees on 17 March 2022 and signed on its behalf by:

Mrs L H Foulkes-Arnold - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF WARNING ZONE LIMITED (REGISTERED NUMBER: 05304570)

Independent examiner's report to the trustees of Warning Zone Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 August 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Institute of Chartered Accountants in England and Wales which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF WARNING ZONE LIMITED (REGISTERED NUMBER: 05304570)

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. 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 work, for this report, or for the opinions we have formed.

Mr P Bott FCA
Institute of Chartered Accountants in England and Wales
Mark J Rees LLP Chartered Accountants
Granville Hall
Granville Road
Leicester
Leicestershire
LE1 7RU

17 March 2022

WARNING ZONE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted fund £	Designated Funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	290,772	-	20,000	310,772	255,738
Charitable activities						
Contribution Towards Programme Delivery	5	17,482	-	-	17,482	58,862
Other trading activities	3	30,757	-	-	30,757	37,480
Investment income	4	7	-	-	7	33
Total		339,018	-	20,000	359,018	352,113
EXPENDITURE ON						
Raising funds	6	790	-	-	790	4,433
Charitable activities						
Programme Delivery		270,217	42,756	40,905	353,878	372,436
Total		271,007	42,756	40,905	354,668	376,869
NET INCOME/(EXPENDITURE)		68,011	(42,756)	(20,905)	4,350	(24,756)
Transfers between funds	17	6,252	-	(6,252)	-	-
Net movement in funds		74,263	(42,756)	(27,157)	4,350	(24,756)
RECONCILIATION OF FUNDS						
Total funds brought forward		65,397	853,663	86,968	1,006,028	1,030,784
TOTAL FUNDS CARRIED FORWARD		139,660	810,907	59,811	1,010,378	1,006,028

The notes form part of these financial statements

WARNING ZONE LIMITED (REGISTERED NUMBER: 05304570)**BALANCE SHEET
31 AUGUST 2021**

	Notes	Unrestricted fund £	Designated Funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS						
Tangible assets	11	13,633	785,908	35,713	835,254	884,164
Investment property	12	-	125,000	-	125,000	125,000
		<u>13,633</u>	<u>910,908</u>	<u>35,713</u>	<u>960,254</u>	1,009,164
CURRENT ASSETS						
Debtors	13	151	-	-	151	6,364
Cash at bank and in hand		<u>182,509</u>	<u>-</u>	<u>24,097</u>	<u>206,606</u>	148,730
		<u>182,660</u>	<u>-</u>	<u>24,097</u>	<u>206,757</u>	155,094
CREDITORS						
Amounts falling due within one year	14	(18,554)	(20,000)	-	(38,554)	(28,230)
		<u>164,106</u>	<u>(20,000)</u>	<u>24,097</u>	<u>168,203</u>	126,864
NET CURRENT ASSETS						
		<u>164,106</u>	<u>(20,000)</u>	<u>24,097</u>	<u>168,203</u>	126,864
TOTAL ASSETS LESS CURRENT LIABILITIES						
		<u>177,739</u>	<u>890,908</u>	<u>59,810</u>	<u>1,128,457</u>	1,136,028
CREDITORS						
Amounts falling due after more than one year	15	(38,079)	(80,000)	-	(118,079)	(130,000)
		<u>139,660</u>	<u>810,908</u>	<u>59,810</u>	<u>1,010,378</u>	1,006,028
NET ASSETS						
		<u>139,660</u>	<u>810,908</u>	<u>59,810</u>	<u>1,010,378</u>	1,006,028
FUNDS						
Unrestricted funds:	17					
General fund					139,660	65,397
Scenarios					741	29,496
Operational Freehold Property					789,559	803,559
Revaluation reserve					<u>20,608</u>	20,608
					<u>950,568</u>	919,060
Restricted funds					<u>59,810</u>	86,968
TOTAL FUNDS						
					<u>1,010,378</u>	1,006,028

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2021.

The notes form part of these financial statements

WARNING ZONE LIMITED (REGISTERED NUMBER: 05304570)

BALANCE SHEET - continued **31 AUGUST 2021**

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 17 March 2022 and were signed on its behalf by:

Mrs L H Foulkes-Arnold - Trustee

Mr A M Kapur - Trustee

The notes form part of these financial statements

WARNING ZONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, 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 Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

Financial reporting standard 102 - reduced disclosure exemptions

The charitable company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

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. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Expenditure of a capital nature is capitalised at cost (or at value to the charity in the case of donated assets) as fixed assets within the relevant fund. Depreciation is provided on a straight-line basis so as to write off fixed assets over their anticipated useful economic lives and is charged to the relevant fund as follows:

Operational freehold property	At 2% per annum
Scenarios	At 20% per annum
Fixtures & fittings	At 20% per annum
Office and I.T. equipment	At 33% per annum
Motor vehicles	At 20% per annum

Scenarios includes all expenditure incurred, including the purchase of equipment, in creating life like simulations to educate visitors to the safety centre in personal safety and social responsibility issues in the home and the community.

No depreciation is provided on assets which are in the course of construction, prior to being brought into operational use, or on freehold land.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is included within the SOFA and a fair value reserve as part of unrestricted funds.

WARNING ZONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES - continued

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

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

Designated funds are unrestricted funds which the Trustees have earmarked for particular purposes.

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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Going Concern

The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

Government Grants

Government grants received under the job retention scheme are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate.

WARNING ZONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

2. DONATIONS AND LEGACIES

	2021 £	2020 £
Donations	113,027	89,235
Grants	131,921	109,500
Donated services and facilities	14,925	16,767
Government Grants	50,899	40,236
	<u>310,772</u>	<u>255,738</u>

During the year the company received monies under the Conronavirus Job Retention Scheme being £50,899 in wages.

Donated services and facilities, included in the above, are as follows:

	Year Ended 31.8.21 £	Year Ended 31.8.20 £
Services of a seconded Fire Officer	12,170	10,866
Notional interest on interest-free/preferential loans	2,600	3,250
Miscellaneous	155	2,651
	<u>14,925</u>	<u>16,767</u>

Grants received, included in the above, are as follows:

	2021 £	2020 £
Office of the Police and Crime Commissioner	50,000	50,000
Leicester, Leicestershire and Rutland Road Safety Partnership	12,500	10,000
The Rank Foundation	43,199	20,000
St Philip's Centre	19,250	17,000
National Lottery Funding	-	6,700
Other grants	6,972	5,800
	<u>131,921</u>	<u>109,500</u>

WARNING ZONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

3. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Fundraising events	9,036	10,037
Rental income	21,721	27,443
	<u>30,757</u>	<u>37,480</u>

4. INVESTMENT INCOME

	2021	2020
	£	£
Deposit account interest	7	33
	<u>7</u>	<u>33</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	£	£
Direct income from schools	17,482	58,862
Activity Contribution Towards Programme Delivery		
	<u>17,482</u>	<u>58,862</u>

6. RAISING FUNDS

Raising donations and legacies

	2021	2020
	£	£
Fundraising events	790	4,433
	<u>790</u>	<u>4,433</u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Independent examiners remuneration	3,402	3,300
Depreciation - owned assets	61,560	62,701
	<u>61,560</u>	<u>62,701</u>

WARNING ZONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2021 nor for the year ended 31 August 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2021 nor for the year ended 31 August 2020.

9. STAFF COSTS

	2021 £	2020 £
Wages and salaries	198,663	197,941
Social security costs	13,765	9,569
Other pension costs	3,509	3,236
	<u>215,937</u>	<u>210,746</u>

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

	2021 <u>12</u>	2020 <u>12</u>
Employees		

No employees received emoluments in excess of £60,000.

Included within staff costs is £12,170 (2020: £10,866) being the deemed expense in relation to the donated services of the seconded Fire Officer(s).

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - 31 AUGUST 2020

	Unrestricted fund £	Designated Funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	227,038	-	28,700	255,738
Charitable activities				
Contribution Towards Programme Delivery	58,862	-	-	58,862
Other trading activities	37,480	-	-	37,480
Investment income	33	-	-	33
Total	<u>323,413</u>	<u>-</u>	<u>28,700</u>	<u>352,113</u>
EXPENDITURE ON				
Raising funds	4,433	-	-	4,433

WARNING ZONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - 31 AUGUST 2020 - continued

	Unrestricted fund £	Designated Funds £	Restricted funds £	Total funds £
Charitable activities				
Programme Delivery	304,139	42,397	25,900	372,436
Total	308,572	42,397	25,900	376,869
NET INCOME/(EXPENDITURE)	14,841	(42,397)	2,800	(24,756)
RECONCILIATION OF FUNDS				
Total funds brought forward	50,556	896,060	84,168	1,030,784
TOTAL FUNDS CARRIED FORWARD	65,397	853,663	86,968	1,006,028

11. TANGIBLE FIXED ASSETS

	Freehold property £	Scenarios £	Fixtures and fittings £
COST			
At 1 September 2020	875,000	405,693	45,240
Additions	-	-	10,890
At 31 August 2021	875,000	405,693	56,130
DEPRECIATION			
At 1 September 2020	75,833	326,976	43,310
Charge for year	14,000	41,755	3,053
At 31 August 2021	89,833	368,731	46,363
NET BOOK VALUE			
At 31 August 2021	785,167	36,962	9,767
At 31 August 2020	799,167	78,717	1,930

WARNING ZONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

11. TANGIBLE FIXED ASSETS - continued

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 September 2020	7,800	43,818	1,377,551
Additions	-	1,760	12,650
At 31 August 2021	7,800	45,578	1,390,201
DEPRECIATION			
At 1 September 2020	4,680	42,588	493,387
Charge for year	1,560	1,192	61,560
At 31 August 2021	6,240	43,780	554,947
NET BOOK VALUE			
At 31 August 2021	1,560	1,798	835,254
At 31 August 2020	3,120	1,230	884,164

Operational freehold property consists of the commercial premises at Frog Island, Leicester which the charity purchased in December 2009 for £418,695, including professional fees of £4,045 which were paid for by a benefactor. Subsequent capital expenditure has been incurred in the redevelopment of the premises into a state of the art centre and operational headquarters for the charity. Alongside this redevelopment, the property has been fitted out with a series of interactive safety Scenarios.

The property is occupied in the main by the charity for charitable purposes, however 12.5% of the property is also rented out to a third party. The freehold property on the balance sheet represents the part of the property occupied by the charity.

The company has taken advantage of the transitional arrangements and adopted the valuation of the property as cost for the future. No further revaluations, other than any required for impairment, will be recognised in the accounts. The recent valuation undertaken by APB (Leicester) LLP Chartered Surveyors at an open market value of £1,000,000 has been adopted.

No depreciation is provided on the cost of land included within the freehold property. The estimated cost of land attributable to the freehold portion is £175,000.

If no revaluation had been undertaken the portion attributable to freehold property would show at the following historical cost.

	£
Cost	
At 1st September 2020 and 31 August 2021	904,814
Depreciation based on cost	
At 1st September 2020	129,484
Charge for the year	14,596

WARNING ZONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

11. TANGIBLE FIXED ASSETS - continued

At 31 August 2021	144,080
Net book value	
At 31 August 2021	760,734
At 1st September 2020	775,330

12. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 September 2020 and 31 August 2021	125,000
NET BOOK VALUE	
At 31 August 2021	125,000
At 31 August 2020	125,000

Investment property comprises the tenanted area of the freehold building owned by the charity. In accordance with FRS 102 this building has been split into its two parts and the investment property on the balance sheet represents the part of the property that is rented out.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Other debtors	63	6,276
Prepayments and accrued income	88	88
	151	6,364

WARNING ZONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bank loans and overdrafts (see note 16)	9,566	-
Other loans (see note 16)	20,000	20,000
Other creditors	257	85
Social security and other taxes	4,494	3,119
Other creditors	817	640
Accruals and deferred income	3,420	4,386
	<u>38,554</u>	<u>28,230</u>

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

	2021	2020
	£	£
Bank loans (see note 16)	38,079	50,000
Other loans (see note 16)	80,000	80,000
	<u>118,079</u>	<u>130,000</u>

16. LOANS

During 2019 the charitable company received an interest free loan of £100,000 from the Everard Foundation, for which repayments are due at £20,000 per annum over a 5 year period. No repayments have yet been made. Notional interest on the loan, calculated at 2.5% above the Bank of England Base Rate, has been included as a resource expended and as an incoming resource within Donated services and gifts in kind.

WARNING ZONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

17. MOVEMENT IN FUNDS

	At 1.9.20 £	Net movement in funds £	Transfers between funds £	At 31.8.21 £
Unrestricted funds				
General fund	65,397	68,011	6,252	139,660
Scenarios	29,496	(28,755)	-	741
Operational Freehold Property	803,559	(14,000)	-	789,559
Revaluation reserve	20,608	-	-	20,608
	<u>919,060</u>	<u>25,256</u>	<u>6,252</u>	<u>950,568</u>
Restricted funds				
Aviva	7,751	(749)	(6,252)	750
Water Zone	47,667	(13,000)	-	34,667
WZ Roadcrew	24,597	(2,204)	-	22,393
National Lottery Funding	4,953	(4,953)	-	-
Bruce Wake Charitable Foundation	2,000	-	-	2,000
	<u>86,968</u>	<u>(20,906)</u>	<u>(6,252)</u>	<u>59,810</u>
TOTAL FUNDS	<u><u>1,006,028</u></u>	<u><u>4,350</u></u>	<u><u>-</u></u>	<u><u>1,010,378</u></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	339,018	(271,007)	68,011
Scenarios	-	(28,755)	(28,755)
Operational Freehold Property	-	(14,000)	(14,000)
	<u>339,018</u>	<u>(313,762)</u>	<u>25,256</u>
Restricted funds			
Aviva	-	(749)	(749)
Water Zone	-	(13,000)	(13,000)
WZ Roadcrew	20,000	(22,204)	(2,204)
National Lottery Funding	-	(4,953)	(4,953)
	<u>20,000</u>	<u>(40,906)</u>	<u>(20,906)</u>
TOTAL FUNDS	<u><u>359,018</u></u>	<u><u>(354,668)</u></u>	<u><u>4,350</u></u>

WARNING ZONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.19 £	Net movement in funds £	At 31.8.20 £
Unrestricted funds			
General fund	50,556	14,841	65,397
Scenarios	57,893	(28,397)	29,496
Operational Freehold Property	817,559	(14,000)	803,559
Revaluation reserve	20,608	-	20,608
	<u>946,616</u>	<u>(27,556)</u>	<u>919,060</u>
Restricted funds			
Aviva	8,501	(750)	7,751
Water Zone	60,667	(13,000)	47,667
WZ Roadcrew	15,000	9,597	24,597
National Lottery Funding	-	4,953	4,953
Bruce Wake Charitable Foundation	-	2,000	2,000
	<u>84,168</u>	<u>2,800</u>	<u>86,968</u>
TOTAL FUNDS	<u>1,030,784</u>	<u>(24,756)</u>	<u>1,006,028</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	323,413	(308,572)	14,841
Scenarios	-	(28,397)	(28,397)
Operational Freehold Property	-	(14,000)	(14,000)
	<u>323,413</u>	<u>(350,969)</u>	<u>(27,556)</u>
Restricted funds			
Aviva	-	(750)	(750)
Water Zone	-	(13,000)	(13,000)
WZ Roadcrew	20,000	(10,403)	9,597
National Lottery Funding	6,700	(1,747)	4,953
Bruce Wake Charitable Foundation	2,000	-	2,000
	<u>28,700</u>	<u>(25,900)</u>	<u>2,800</u>
TOTAL FUNDS	<u>352,113</u>	<u>(376,869)</u>	<u>(24,756)</u>

WARNING ZONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

17. MOVEMENT IN FUNDS - continued

Unrestricted funds comprise those funds which the Trustees are free to use in accordance with the charity's objects.

Designated funds are unrestricted funds which have been earmarked for particular purposes as follows:

Expenditure on the purchase and redevelopment of Operational Premises and the creation of Scenarios, which have in whole or in part been funded out of restricted funds (see below), is transferred to separate designated funds, net of the loans secured on the assets. These funds are reduced over the useful economic lives of the assets in line with their depreciation.

Water Zone

Whilst the charity has always had a zone specifically relating to the dangers of being in or near water it had become outdated and did not cover certain risks. Thanks to a £50,000 grant from The Mick George Community Fund with added support from the Everard Foundation and The Santander Foundation the charity was able to have a new Water Zone designed, built and installed in March 2019. Funds from the aforementioned donors was specifically used for the new zone. In addition to the historic risks covered in this zone the charity now also covers the dangers of exposure to the sun, tombstoning, cold water shock and a broader coverage of dangers relating to the seaside. All the aforementioned funds were specifically used to develop the new water Zone.

WZ Roadcrew

In 2019 the Rank Foundation awarded the charity a grant of £55,000 over three years (£15k, £20k & £20k) which is to be used only for the purposes of developing Road Crew. The first tranche was received in August 2019 followed by £20K in August 2020 and £20K in August 2021 and is being used in accordance with the terms and conditions required by The Foundation.

National Lottery

The funding was to enable Warning Zone to use our expertise and experience to work directly with social workers, school Designated Safeguarding Leads (DSLs), school nurses, police personnel and parents facing online crime affecting children and young people, on a case by case basis, providing advice, information and support on specific cases or issues involving criminal online coercion of children.

Costs broken down: Communications and marketing £1,500; Online Crime Expert - contribution to costs £5,000; Office supplies and online platform subscriptions £200.

Bruce Wake Charitable Trust

£2,000 contribution to a mobility lift to be installed at Warning Zone when the full cost has been raised.

WARNING ZONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

18. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a pension scheme. The assets of the scheme are held separately from those of the charity within independently administered funds. The charge for the year was £3,509 (2020: £3,236). Contributions of £818 (2020: £640) were unpaid at the year end.

19. RELATED PARTY DISCLOSURES

During the period the company purchased goods and services from Signum Corporate Communications Limited, amounting to £7,072 (2020: £6,246). An amount of £nil (2020: £nil) was owed to Signum Corporate Communications Limited at the year end.

Mr AM Kapur, trustee, is a director of Signum Corporate Communications Limited.

WARNING ZONE LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2021

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	113,027	89,235
Grants	131,921	109,500
Donated services and facilities	14,925	16,767
Government Grants	50,899	40,236
	<hr/>	<hr/>
	310,772	255,738
Other trading activities		
Fundraising events	9,036	10,037
Rental income	21,721	27,443
	<hr/>	<hr/>
	30,757	37,480
Investment income		
Deposit account interest	7	33
Charitable activities		
Direct income from schools	17,482	58,862
	<hr/>	<hr/>
Total incoming resources	359,018	352,113
EXPENDITURE		
Raising donations and legacies		
Fundraising events	790	4,433
Charitable activities		
Wages	198,663	197,941
Social security	13,765	9,569
Pensions	3,509	3,236
Rates and water	879	2,328
Insurance	11,674	11,358
Light and heat	10,396	13,383
Telephone and IT	7,370	6,444
Postage and stationery	1,700	2,438
Advertising	1,139	2,896
Sundries	2,393	859
Carried forward	251,488	250,452

This page does not form part of the statutory financial statements

WARNING ZONE LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2021

	2021 £	2020 £
Charitable activities		
Brought forward	251,488	250,452
Travel and subsistence	6,191	7,329
Training	420	1,392
Cleaning	6,624	11,087
Subscriptions	955	442
Repairs and maintenance	18,070	22,228
Freehold property	14,000	14,000
Scenarios	41,755	41,635
Fixtures and fittings	3,053	2,657
Motor vehicles	1,560	1,560
Computer equipment	1,193	2,848
Bank charges	935	1,037
Loan interest	2,908	4,500
	<u>349,152</u>	<u>361,167</u>
Support costs		
Governance costs		
Independent examiners remuneration	3,402	3,300
Legal fees	1,324	7,969
	<u>4,726</u>	<u>11,269</u>
Total resources expended	<u>354,668</u>	<u>376,869</u>
Net income/(expenditure)	<u><u>4,350</u></u>	<u><u>(24,756)</u></u>

This page does not form part of the statutory financial statements