

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022
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 2022

	Page
Report of the Trustees	1 to 3
Independent Examiner's Report	4
Statement of Financial Activities	5
Balance Sheet	6 to 7
Notes to the Financial Statements	8 to 19

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 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).

The Trustees present their report with the financial statements of the Charity for the year ended 31 August 2022. 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 lockdown restrictions lifted, the team were able to resume activities and school visits began again from the beginning of the new academic year. There was still caution around Covid transmission and so the number of places available at any one session were reduced. However, schools had been keen to return to Warning Zone and all sessions were fully booked and attended throughout the year. This popularity continued and bookings for 2022/23 academic year stood at 75% by the end of the 2021/22 academic year.

There has also been an increased uptake in Road Crew sessions with safety sessions delivered to over 5,000 young people throughout AY 2021/22.

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 and has been working to update some of the zones to reflect a more contemporary and reflective approach to dangers and risks, including a recent refreshment of the personal safety zone. This now allows for direct reference to issues such as County Lines involvement which is real and present threat to young people in our region.

The charity remains indebted to its volunteers without whose dedication and professionalism our programmes could not be delivered. Volunteer numbers have reduced as a result of Covid and, although many loyal individuals continue to give excellent service and despite regular and ongoing recruitment activity, there is a need to review the delivery model to see if any changes can be made to the large number of volunteers needed to run operations at its optimal rate.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022**

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 the charity could continue to meet its repayment obligations.

Frog Island school visits were severely impacted during lockdown, but the new academic year brought fewer restrictions and the centre has been fully booked for the entire academic year.

Fundraising activity has resumed and some of the charity's traditional and well-attended fundraising events have taken place again. Corporate fundraising has continued to be slow to gain momentum but plans are in place to continue to work with the local business community in order to maintain an upward trajectory.

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.

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 £90,000 but this figure is kept under review annually.

At 31 August 2022, the General Reserves were £168,242 which is sufficiently higher than the agreed reserves figure. The Trustees will continue to monitor the level of reserves to ensure that they remain 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.

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)

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022**

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.

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 19 January 2023 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 2022.

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.

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

9 February 2023

WARNING ZONE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted fund £	Designated Funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	216,436	-	68,517	284,953	310,772
Charitable activities	5					
Contribution Towards Programme Delivery		99,058	-	-	99,058	17,482
Other trading activities	3	57,248	-	-	57,248	30,757
Investment income	4	27	-	-	27	7
Total		<u>372,769</u>	<u>-</u>	<u>68,517</u>	<u>441,286</u>	<u>359,018</u>
EXPENDITURE ON						
Raising funds	6	5,855	-	-	5,855	790
Charitable activities						
Programme Delivery		<u>340,332</u>	<u>15,908</u>	<u>104,339</u>	<u>460,579</u>	<u>353,878</u>
Total		<u>346,187</u>	<u>15,908</u>	<u>104,339</u>	<u>466,434</u>	<u>354,668</u>
NET INCOME/(EXPENDITURE)		26,582	(15,908)	(35,822)	(25,148)	4,350
Transfers between funds	17	2,000	-	(2,000)	-	-
Other recognised gains/(losses)						
Gains on revaluation of fixed assets		<u>-</u>	<u>298,000</u>	<u>-</u>	<u>298,000</u>	<u>-</u>
Net movement in funds		<u>28,582</u>	<u>282,092</u>	<u>(37,822)</u>	<u>272,852</u>	<u>4,350</u>
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>139,660</u>	<u>810,908</u>	<u>59,810</u>	<u>1,010,378</u>	<u>1,006,028</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>168,242</u></u>	<u><u>1,093,000</u></u>	<u><u>21,988</u></u>	<u><u>1,283,230</u></u>	<u><u>1,010,378</u></u>

The notes form part of these financial statements

WARNING ZONE LIMITED (REGISTERED NUMBER: 05304570)**BALANCE SHEET****31 AUGUST 2022**

	Notes	Unrestricted fund £	Designated Funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS						
Tangible assets	11	10,178	1,043,000	21,988	1,075,166	835,254
Investment property	12	-	150,000	-	150,000	125,000
		<u>10,178</u>	<u>1,193,000</u>	<u>21,988</u>	<u>1,225,166</u>	<u>960,254</u>
CURRENT ASSETS						
Debtors	13	57,728	-	-	57,728	151
Cash at bank and in hand		150,008	-	-	150,008	206,606
		<u>207,736</u>	<u>-</u>	<u>-</u>	<u>207,736</u>	<u>206,757</u>
CREDITORS						
Amounts falling due within one year	14	(21,401)	(20,000)	-	(41,401)	(38,554)
		<u>186,335</u>	<u>(20,000)</u>	<u>-</u>	<u>166,335</u>	<u>168,203</u>
NET CURRENT ASSETS						
		<u>186,335</u>	<u>(20,000)</u>	<u>-</u>	<u>166,335</u>	<u>168,203</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>196,513</u>	<u>1,173,000</u>	<u>21,988</u>	<u>1,391,501</u>	<u>1,128,457</u>
CREDITORS						
Amounts falling due after more than one year	15	(28,271)	(80,000)	-	(108,271)	(118,079)
		<u>168,242</u>	<u>1,093,000</u>	<u>21,988</u>	<u>1,283,230</u>	<u>1,010,378</u>
NET ASSETS		<u>168,242</u>	<u>1,093,000</u>	<u>21,988</u>	<u>1,283,230</u>	<u>1,010,378</u>
FUNDS	17					
Unrestricted funds:						
General fund					168,242	139,660
Scenarios					-	741
Operational Freehold Property					774,392	789,559
Revaluation reserve					293,608	20,608
Fair value reserve					25,000	-
					<u>1,261,242</u>	<u>950,568</u>
Restricted funds					<u>21,988</u>	<u>59,810</u>
TOTAL FUNDS					<u>1,283,230</u>	<u>1,010,378</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2022 in accordance with Section 476 of the Companies Act 2006.

The notes form part of these financial statements

BALANCE SHEET - continued

31 AUGUST 2022

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 19 January 2023 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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

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.

Taxation

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

WARNING ZONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

1. ACCOUNTING POLICIES - continued

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.

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	114,743	113,027
Grants	151,080	131,921
Donated services and facilities	19,130	14,925
Government Grants	-	50,899
	<hr/>	<hr/>
	284,953	310,772
	<hr/>	<hr/>

WARNING ZONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

2. DONATIONS AND LEGACIES - continued

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

	Year Ended 31.8.22 £	Year Ended 31.8.21 £
Services of a seconded Fire Officer	14,412	12,170
Notional interest on interest-free/preferential loans	4,250	2,600
Miscellaneous	468	155
	<u>19,130</u>	<u>14,925</u>

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

	2022 £	2021 £
Office of the Police and Crime Commissioner	50,000	50,000
Leicester, Leicestershire and Rutland Road Safety Partnership	-	12,500
The Rank Foundation	-	43,199
St Philip's Centre	16,080	19,250
Randal Charitable Foundation	68,517	-
Other grants	16,483	6,972
	<u>151,080</u>	<u>131,921</u>

3. OTHER TRADING ACTIVITIES

	2022 £	2021 £
Fundraising events	29,223	9,036
Rental income	28,025	21,721
	<u>57,248</u>	<u>30,757</u>

4. INVESTMENT INCOME

	2022 £	2021 £
Deposit account interest	27	7
	<u>27</u>	<u>7</u>

WARNING ZONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

5. INCOME FROM CHARITABLE ACTIVITIES

	2022	2021
	£	£
Direct income from schools Activity Contribution Towards Programme Delivery	<u>99,058</u>	<u>17,482</u>

6. RAISING FUNDS

Raising donations and legacies

	2022	2021
	£	£
Fundraising events	<u>5,855</u>	<u>790</u>

7. NET INCOME/(EXPENDITURE)

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

	2022	2021
	£	£
Independent examiners remuneration	3,575	3,402
Depreciation - owned assets	<u>36,468</u>	<u>61,560</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

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

9. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	237,498	198,663
Social security costs	7,455	13,765
Other pension costs	4,053	3,509
	<u>249,006</u>	<u>215,937</u>

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

	2022	2021
Employees	<u>14</u>	<u>12</u>

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

Included within staff costs is £14,412 (2021: £12,170) being the deemed expense in relation to the donated services of the seconded Fire Officer(s).

WARNING ZONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - 31 AUGUST 2021

	Unrestricted fund £	Designated Funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	290,772	-	20,000	310,772
Charitable activities				
Contribution Towards Programme Delivery	17,482	-	-	17,482
Other trading activities	30,757	-	-	30,757
Investment income	7	-	-	7
Total	<u>339,018</u>	<u>-</u>	<u>20,000</u>	<u>359,018</u>
EXPENDITURE ON				
Raising funds	790	-	-	790
Charitable activities				
Programme Delivery	<u>270,217</u>	<u>42,756</u>	<u>40,905</u>	<u>353,878</u>
Total	<u>271,007</u>	<u>42,756</u>	<u>40,905</u>	<u>354,668</u>
NET INCOME/(EXPENDITURE)	68,011	(42,756)	(20,905)	4,350
Transfers between funds	<u>6,252</u>	<u>-</u>	<u>(6,252)</u>	<u>-</u>
Net movement in funds	74,263	(42,756)	(27,157)	4,350
RECONCILIATION OF FUNDS				
Total funds brought forward	65,397	853,663	86,968	1,006,028
TOTAL FUNDS CARRIED FORWARD	<u><u>139,660</u></u>	<u><u>810,907</u></u>	<u><u>59,811</u></u>	<u><u>1,010,378</u></u>

WARNING ZONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

11. TANGIBLE FIXED ASSETS

	Freehold property £	Scenarios £	Fixtures and fittings £
COST OR VALUATION			
At 1 September 2021	875,000	405,693	56,130
Additions	-	-	672
Revaluations	175,000	-	-
At 31 August 2022	1,050,000	405,693	56,802
DEPRECIATION			
At 1 September 2021	89,833	368,731	46,363
Charge for year	15,167	14,457	3,189
Revaluation adjustments	(98,000)	-	-
At 31 August 2022	7,000	383,188	49,552
NET BOOK VALUE			
At 31 August 2022	1,043,000	22,505	7,250
At 31 August 2021	785,167	36,962	9,767
	Motor vehicles £	Computer equipment £	Totals £
COST OR VALUATION			
At 1 September 2021	7,800	45,578	1,390,201
Additions	-	2,708	3,380
Revaluations	-	-	175,000
At 31 August 2022	7,800	48,286	1,568,581
DEPRECIATION			
At 1 September 2021	6,240	43,780	554,947
Charge for year	1,560	2,095	36,468
Revaluation adjustments	-	-	(98,000)
At 31 August 2022	7,800	45,875	493,415
NET BOOK VALUE			
At 31 August 2022	-	2,411	1,075,166
At 31 August 2021	1,560	1,798	835,254

WARNING ZONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

11. TANGIBLE FIXED ASSETS - continued

Cost or valuation at 31 August 2022 is represented by:

	Freehold property £	Scenarios £	Fixtures and fittings £
Valuation in 2022	1,050,000	-	-
Cost	-	405,693	56,802
	<u>1,050,000</u>	<u>405,693</u>	<u>56,802</u>
	Motor vehicles £	Computer equipment £	Totals £
Valuation in 2022	-	-	1,050,000
Cost	7,800	48,286	518,581
	<u>7,800</u>	<u>48,286</u>	<u>1,568,581</u>

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 in 2022 undertaken by Andrew Granger & Co Limited at an open market value of £1,200,000 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 £210,000.

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

	£
<u>Cost</u>	
At 1st September 2021 and 31 August 2022	904,814
<u>Depreciation based on cost</u>	
At 1st September 2021	144,080
Charge for the year	14,596
At 31 August 2022	158,676

WARNING ZONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

11. TANGIBLE FIXED ASSETS - continued

Net book value

At 31 August 2022	746,138
At 1st September 2021	760,734

12. INVESTMENT PROPERTY

FAIR VALUE

At 1 September 2021	125,000
Revaluation	25,000

At 31 August 2022	150,000
-------------------	---------

NET BOOK VALUE

At 31 August 2022	150,000
At 31 August 2021	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.

Fair value at 31 August 2022 is represented by:

Valuation in 2022	150,000
-------------------	---------

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Other debtors	4,200	63
Prepayments and accrued income	53,528	88
	57,728	151

WARNING ZONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank loans and overdrafts (see note 16)	9,808	9,566
Other loans (see note 16)	20,000	20,000
Other creditors	2,633	257
Social security and other taxes	4,469	4,494
Other creditors	-	817
Accruals and deferred income	4,491	3,420
	<u>41,401</u>	<u>38,554</u>

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

	2022	2021
	£	£
Bank loans (see note 16)	28,271	38,079
Other loans (see note 16)	80,000	80,000
	<u>108,271</u>	<u>118,079</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.

17. MOVEMENT IN FUNDS

	At 1.9.21	Net movement in funds	Transfers between funds	At 31.8.22
	£	£	£	£
Unrestricted funds				
General fund	139,660	26,582	2,000	168,242
Scenarios	741	(741)	-	-
Operational Freehold Property	789,559	(15,167)	-	774,392
Revaluation reserve	20,608	273,000	-	293,608
Fair value reserve	-	25,000	-	25,000
	<u>950,568</u>	<u>308,674</u>	<u>2,000</u>	<u>1,261,242</u>
Restricted funds				
Aviva	750	(750)	-	-
Water Zone	34,667	(13,000)	-	21,667
WZ Roadcrew	22,393	(22,072)	-	321
Bruce Wake Charitable Foundation	2,000	-	(2,000)	-
	<u>59,810</u>	<u>(35,822)</u>	<u>(2,000)</u>	<u>21,988</u>
TOTAL FUNDS	<u>1,010,378</u>	<u>272,852</u>	<u>-</u>	<u>1,283,230</u>

WARNING ZONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	372,769	(346,187)	-	26,582
Scenarios	-	(741)	-	(741)
Operational Freehold Property	-	(15,167)	-	(15,167)
Revaluation reserve	-	-	273,000	273,000
Fair value reserve	-	-	25,000	25,000
	<u>372,769</u>	<u>(362,095)</u>	<u>298,000</u>	<u>308,674</u>
Restricted funds				
Aviva	-	(750)	-	(750)
Water Zone	-	(13,000)	-	(13,000)
WZ Roadcrew	-	(22,072)	-	(22,072)
Randal Roof Fund	68,517	(68,517)	-	-
	<u>68,517</u>	<u>(104,339)</u>	<u>-</u>	<u>(35,822)</u>
TOTAL FUNDS	<u>441,286</u>	<u>(466,434)</u>	<u>298,000</u>	<u>272,852</u>

Comparatives for 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>1,006,028</u>	<u>4,350</u>	<u>-</u>	<u>1,010,378</u>

WARNING ZONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

17. MOVEMENT IN FUNDS - continued

Comparative 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>359,018</u>	<u>(354,668)</u>	<u>4,350</u>

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.

WARNING ZONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

17. MOVEMENT IN FUNDS - continued

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.

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 £4,053 (2021: £3,509). Contributions of £nil (2021: £818) 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 £12,850 (2021: £7,072). An amount of £708 (2021: £nil) was owed to Signum Corporate Communications Limited at the year end.

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