

Charity Registration No. 703002

Company Registration No. 2506147 (England and Wales)

DRIVE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021



DRIVE

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DRIVE

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

Drive's Performance Report celebrates our achievements from 31 March 2020 to 31 March 2021. From March to 2020 the organisation has focused on emergency response plans to ensure the safety of the people we support, our staff and their families. This has encompassed the formulation of Business Continuity Plans for the organisation and each service provided, individual risk plans for each supported person, and planning for the impact of additional expenditure due to furlough, staff self-isolation, quarantine and the purchase of additional Personal Protective Clothing. There have also been increased costs due to home-working arrangements for office staff, and the additional IT equipment needed to facilitate this.

The response to this emergency from families, the people we support and our staff has been astounding. The teamwork and camaraderie shown by office and support staff has been extraordinary. We have kept each other going through an extremely difficult time, which has included bereavements and moments of great sadness. It is testimony to the culture and values across the organisation that we have supported each other through it so well.

We are extremely grateful to our Management Board, staff, the people we support and their families for their energy and positive outlook during this time. We are particularly grateful to the frontline staff and managers who have worked over and above to keep support going under extremely difficult circumstances. Their courage and strength of character has been humbling.

Our Mission

'Drive enables people with disabilities to live full and valued lives.'

Our Vision

Our values continue to guide everything we do so that we provide support with people to:

- Achieve their full potential
- Exercise choice within all aspects of their lives
- Be actively engaged in all aspects of their lives

Our uniqueness lies in our partnership with the people and families that we support. Person centred approaches and active support lie at the heart of our support planning to make sure people are empowered to make choices about how they live their lives. We have maintained our participation groups during 2020, running local Drive Talking Groups online to have more opportunities to listen to people's experiences of how we run the organisation and their experiences of our support. People also created new activities through the Talking groups, including themed discos and a film club.

'Your life, Your way'

Our Aims

We provide support to people with learning disabilities, autism, mental health issues and behaviours that can challenge to live enjoyable and meaningful lives at home and in the community. We provide the right level of help to support people to grow in confidence by developing skills, achieving their goals, and having meaningful friendships and relationships.

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TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2021



Last year a poster on My Rights was produced by people we support, outlining the aims that they want us to promote.

We work together with staff, families and the people we support to achieve:

- Community Presence: living within ordinary communities and developing or maintaining meaningful relationships with families and friends.
- Choice: expressing individuality and actively participating in decisions about daily life or life-defining matters.
- Competence: support to improve social and life skills in order to pursue interests, have fun and live more independently.
- Dignity and Respect: being valued by other people and experiencing valued roles at home and in the community.
- Participation: being able to join in with activities and events with others with the right level of support.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake. We have considered the relevant guidance and are satisfied that we provide considerable public benefit as demonstrated in this report. We will refer to the guidance when reviewing our purpose and mission and in planning future activities.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

We review our aims and objectives annually through the Trustees self-assessment of skills and Governance, and a Performance Report celebrating achievements and reviewing information for best practice. During 2020/21 we produced a new three-year Business Plan, and a 12 month emergency response plan for navigating the Pandemic.

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TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance

People we support lead the way

Drive will work with people we support and their families to:

- Ensure they contribute to the governance of the organisation.
- Produce innovative service developments and flexible models of support that build on people's capabilities and shared interests.
- Ensure that people are listened to and that the organisation and services are developed and managed based on what people say.
- Develop different models of support in local communities.
- Promote and increase independence through positive risk taking, skills development and health and wellbeing.

Long term financial stability is sustained

Drive will work in partnership with relevant stakeholders to:

- Find innovative and efficient ways of managing our resources.
- Ensure Drive remains financially stable.
- Review our Business Development Strategy to plan for potential growth or service development.

Staff deliver a quality service

Drive's staff management systems will ensure that:

- Effective recruitment strategies are implemented.
- A healthy and open culture is maintained.
- Employees are empowered to actively participate in localised decision making.
- Effective training and development strategies are continued.
- The health and wellbeing of employees is promoted.

The Organisation is well led and governed

A committed, diverse, effective management board and senior management team will ensure:

- The Supported Person Advisory Committee is empowered to represent the voice of people supported.
- Positive engagement and effective relationship management with all stakeholders (people supported, their families, Local Authority and Health Board professionals).
- Contractual and regulatory requirements are achieved.
- High quality service provision is evidenced.
- Health and safety systems meet legislative best practice.

All Departments are writing plans to make sure the Business Plan aims are being worked on and implemented.

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TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

Achievements in 2020/21

People we Support Lead the Way

We have....

- Maintained and improved high quality services and positive outcomes for people we support while interpreting and implementing frequently changing legislation and guidance from Welsh Government and Public Health Wales.
- Developed online activities and live events for supported people throughout the week including evenings and weekends, to support their health and wellbeing.
- Developed a new centre for autistic young adults through the ECO Project.
- Created partnerships with the RNIB.
- Continued to run local talking groups online so that people we support can give feedback and develop new initiatives.

Long Term Financial Stability is sustained

We have....

- Recruited a new Finance Director following the retirement of Carol Ravenscroft.
- Reviewed and improved the Total Rewards Strategy.
- Paid staff above the National Minimum wage.
- Successfully undertaken a statutory audit remotely.
- Instigated remote working for office staff ensuring that critical functions such as paying staff were met.
- Successfully attained places on the commissioning Framework for Bridgend County Borough Council
- Secured grant funding for new initiatives including £3,000 for Bridgend Connect, £75,000 for ECO Specialist Autism Service, £65,000 for our Positive Behaviour Support Strategy, £20,000 for IT equipment to help supported people maintain contact with friends and family throughout the pandemic.
- Developed and IT and Digitalisation Strategy.
- Reviewed the Reserves Policy.
- Created a new Corporate Officer Post that is strengthening data protection and has led on PPE supplies to keep people safe.

Staff Deliver a Quality Service

We have...

- Registered the Workforce in accordance with Social Care Wales requirements.
- Delivered a remote learning portfolio during lockdown – resulting in shaping of a 2021 onwards blended learning approach.
- Conducted recruitment in a remote world – how to manage it remotely, new ways of engagement such as Introduction to Social Care, new candidate guide, Hijinx promotional film.
- Been awarded silver after an Investors in People accreditation. Finalists in the awards for our category.
- Developed our Awards ceremony to be held virtually at the Annual General Meeting.
- Reviewed the Health and Safety action plan and included a Wellbeing Champion relaunch, policy overhaul, and covid related activity such as risk assessments.
- Introduced Pick n Mix – agile working for 2021 and beyond – based on evaluation of office staff preferences and a decisive move into working more flexibly for the benefit of both Drive and staff.

The Organisation is well led and governed.

We have....

- Developed a Strategic Plan to support the Organisation through a Pandemic.
- Created Business Continuity Plans in a timely way, including assessment of key functions and equipment for home-working.
- Rapid development of Emergency decision-making processes for Governance.

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TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

- Production of a Business Plan and Strategic aims including consultation with Board, staff and people supported.
- Creation of new posts to support the Business Plan.
- Review of Risk and Assurance Framework, Risk Register.
- Commenced delivery of multiple complex new services during the Pandemic – Viesther (Closer to Home initiative), ECO Specialist Autism Service, Penllew Court (17 self-contained flats), Taff Vale Court (taken over from another service provider).
- Provided ongoing support and communication to operational staff at all levels to maintain safe working practices and positive physical and mental health and wellbeing.

Delivery of Support Services

The figures below are accurate to 31.03.2021.

Area	Target Support	Supported Living	Respite Care	H&WB	ECO	Total
Cwm Taff Bridgend	6	41	0	0	0	47
Cwm Taff Merthyr	9	28	0	0	0	37
Cwm Taff RCT	66	92	33	31	2	224
Gwent Monmouth	3	6	0	0	0	9
Swansea Bay NPT	0	13	0	0	0	13
Total for service provision	84	180	33	31	2	330

Excluding voids - Comparisons with previous years

	2017-18	2018-19	2019-20	2020-21
Bridgend	50	49	46	47
Merthyr	41	43	38	37
Monmouth	15	10	11	9
RCT	169	180	166	154
Neath	10	14	14	13
Total	285	296	275	260

Other Services

Service Provided	2017-18	2018-19	2019-20	2020-21
Respite Care	39	37	35	33
Health and Wellbeing	31	26	29	31
Horticultural project	27	20	8	2
Total	97	83	72	66

The number of people in supported living tenancies have reduced due to people moving-on, and sadly some people passing away. We had 24 voids at the end of March 2021, and three services in RCT were decommissioned due to the opening of Penllew Court. All three were of poor quality and been discussed as part of a planned move-on program for some years.

Our Respite Care Service supported 35 families during 2019/20 and has developed the garden and additional activities, which has added to the quality of experiences that people have when they come to stay. The house has been re-decorated and is a vibrant, welcoming place for people to have a holiday. The service was suspended during March 2020 due to the risks presented by COVID-19 of cross-infection. It will provide emergency and planned respite accommodation to one/two individuals at a time during COVID-19 restrictions, as this can be done safely utilising the self-contained flat.

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TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

The Tenancy and Wellbeing service continues to successfully provide a step-down facility for people to gain new skills and confidence before progressing to more independent accommodation. The Pandemic has brought challenges to the service, but a grant for an improved IT infrastructure and tablets for supported people helped to reduce isolation and maintain activities for people living there.

After successfully gaining a grant from the Foundational Economy Challenge fund, the Horticultural project has been transformed into an ECO project for people with complex Autism. Our first referral was accepted in January for a young man transitioning from a Residential School, and the second started in January. Staff have trained to use the TEACCH method of support.

We were also successful in opening a new Closer to Home project in Bridgend for two adults who can have challenging behaviour. These projects ensure that individuals can be supported in their local communities, rather than in assessment and treatment units or private secure units that are often based in England.

Support to people living with families through the targeted support service was suspended for most of 2020 due to the pandemic. Risk Assessments are being completed for the support to start again in 2021.

Finance

The Welsh Government released funding to support businesses during the pandemic, to cover increased costs and support individuals having to shield or self-isolate. Local authorities have issued PPE stocks to provider organisations. As a result, additional costs to the organisation have been covered and the Organisation remains in a financially stable position.

From September of this year we have employed a consultant to support the business Plan by fundraising. This has proved very successful and has strengthened our work on Positive Behaviour Support and Autism.

Inspection and Contract Monitoring

As well as having robust internal Quality Assurance processes, Drive is monitored externally by each Local Authority, and the Care Inspectorate for Wales. Contract monitoring is conducted at least annually, with CIW inspections being carried every 12 – 18 months.

Contract Monitoring

Our relationships with all Local Authorities continue to be strong, however, monitoring activity has been limited due to COVID-19. Some virtual visits have been conducted in RCT, and physical monitoring has continued in some services in Neath Port Talbot.

Care Inspectorate for Wales

Inspectors maintained monthly contact during the first six months of the Pandemic and this has now reduced to every three months. Inspectors have been very satisfied with responses during calls.

Families

Feedback from families is now recorded in three monthly area manager visits, as well as through our compliments and complaints procedure. As we cannot meet at the usual planned events the Responsible Individual has started telephoning a sample of family members once a quarter. Our Stakeholder Questionnaire for 2020 was very positive.

- 96% of relatives are very satisfied or satisfied with the service.
- 100% are very satisfied or satisfied with the quality of staff support.
- 94% were satisfied or very satisfied that their relatives are treated with dignity and respect
- 94% were satisfied or very satisfied that their relatives health and wellbeing is being well supported.

Recommendations for improvement are summarised in the report and include:

- Ensure that families have information about how to complain.
- Ensure families have information and communication from their Team Managers.
- Send a quarterly newsletter to families.

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TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

Customer Satisfaction

Drive's approach to quality assurance includes several processes for getting feedback from supported people and how they experience their support. Our quality assurance activities include surveys with supported people, surveys of relatives, contract monitoring, internal audit and regulatory inspection reports.

At least two events are usually held to gather feedback from supported people each year. Although virtual events were held the questionnaires couldn't be completed at them, however, the Talking Groups have added an extra dimension to our quality assurance process.

Our Participation Team has completed a Good Service Report for 2020 based on Good Service Questionnaires completed either virtually, or with members of staff.

2020	2019	2018	2017	2016
67	56	60	69	56

Supported people were asked for information about what they thought was good or bad about support from Drive. The overwhelming majority of supported people surveyed were happy with their support.

Governance

The Management Board is attended by 12 skilled and experienced Trustees who meet every two months to oversee the strategic direction and legislative compliance of the organisation. The future aims of the organisation have been reviewed and refreshed through the Business Plan, and included consultation with staff, supported people, families, as well as Trustees. Trustees also attended a presentation on Resilience and Recovery following COVID-19 and considered the use of the Reserves Policy during the pandemic.

Training in Health and Safety for Trustees was attended in January 2021, and a robust self-assessment process was conducted during a development day, which will inform training and Board recruitment activity during the year.

The Articles of Association are reviewed every three years by the Management Board. The Business Continuity Plan, Risk and Assurance Framework, Risk Register, Schedule of Delegated Authority and Conflicts of Interest Register are reviewed annually. Safeguarding, Compliments and Complaints, Local Authority monitoring reports and Employee engagement and Conduct issues are amongst a comprehensive range of information submitted to every meeting to ensure and facilitate robust governance procedures and discussions.

The Board met more frequently this year to support us during the pandemic by taking emergency decisions to release more finance, approve a 6-month Business Plan to respond to the Pandemic, and approve Business Continuity Plans. The Management Board have been extremely supportive during this time, giving additional time as needed.

COVID-19 Recovery Plan

A 6-month Strategic Plan has been developed to support the work of the organisation going forward into recovery from COVID-19. This includes increasing the frequency of financial monitoring, planning the return of training and critical business functions to the office, and engaging with local authorities to plan resources for daytime provision and additional costs. Additional funding from Welsh Government has contributed to the additional cover required for the closure of day centres, costs for furlough and the cost of PPE.

Risk Management

The Management Board and Drive's Business Planning Group have reviewed the Risk and Assurance Framework and Risk Register in order to mitigate the major risks that the organisation may be exposed to, including those presented by COVID-19. The Risk Register is updated annually but has been more frequently reviewed during the first quarter of the year in order to support the management of an emergency situation.

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TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

Health and Safety within the organisation continues to be overseen by the Health and Safety Committee, which includes representatives from the Senior Management Team, Trustees, and staff from all levels of the organisation. We have continued to implement the action plan generated by an external audit in 2018.

Financial review

Results

The net incoming unrestricted surplus for the year ended 31 March 2021 amounted to £165,798 (2020: £138,064 deficit). This surplus increased the cumulative unrestricted funds to £4,025,611. The movements in the individual designated funds are shown in the notes to the financial statements.

The restricted funds include the monies received for the provision of care in the local authority areas in which the charity works. The total incoming resources from these sources amounted to £15,420,699 (2020: £13,587,785). Expenditure from restricted reserves of £15,419,525 (2020: £13,582,751) resulted in net inflow of resources of £1,174 (2020: £5,004).

All of the incoming resources have been applied to further the principal objects of the charity. The funding for the year continued to be received from those local authorities with whom the charity has a service level agreement. In addition, the charity received Supporting People Grant from those same local authorities as well as contributions from the service users in the form of housing benefit and other contributions. The principal cost for the year was staff salaries and related costs. The staff provide the level of care required to meet the charity's obligations under the service level agreements. In addition, the charity meets the cost of accommodation on behalf of its service users, including rent, housing associations charges and other housekeeping costs.

The trustees recognise the need to hold reserves to help to continue the principal objects of the charity should the level of funding fall. In addition, the need to establish a base reserve of free reserves to build up the level equivalent to two months operating costs has been recognised by the trustees, to mitigate the risk of losing a specific grant funder. The level of unrestricted reserves at the balance sheet date was £4,025,611 (2020: £3,859,813). The level of available funds (free reserves) at the balance sheet date excluding the investment made in fixed assets and the amounts set aside into designated reserves, amounted to £2,359,125 (2020: £2,085,860) which is currently below two months operating costs target. The charity is working towards building free reserves to align to its reserves policy.

The trustees use designated reserves to set funds aside for a specific purpose or project; the details of which are shown in the notes to the financial statements.

Investment powers

Under the Memorandum and Articles of Association the charity has the power to invest for the furtherance of the charity's principal activity. All investments comply with the Charity Commission guidelines.

The trustees, having regard to the liquidity requirements of the charity have operated a policy of keeping surplus cash balances as liquid as possible and any surplus balances will be invested in fixed term deposit accounts.

Financial controls

The Management Board is responsible for the organisations' strategy and policy framework. It delegates the day to day management and implementation of that framework to the Chief Executive Officer, Rhian Jones, and other senior managers (the Senior Management Team).

There have been no material changes in policy during the year.

Risks

The approach to risk management, set out in policy and guidelines, has been approved by the board. The approach allocates responsibility for risk management and established a framework in which risks are identified and evaluated so that an appropriate response can be determined and affected.

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TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

To co-ordinate this process, the approach combines oversight by the audit committee and senior management, tasked with preparing a register for the specific risks and controls relating to organisation functions. The register will form the basis for action plans designed to address weaknesses in controls identified and mitigate risks where this is considered to be desirable.

The Chief Executive and Directors are expected to:

- Establish clear objectives for their area of operation and identify and evaluate the key risks to achieving those objectives;
- Incorporate risk responses into a system of internal control which is designed to address opportunities, facilitate effective and efficient operations, protect Drive's interests and ensure compliance with applicable law and guidance;
- Follow Drive's guidelines and standards relating to particular types of risk and ensure that emerging risks are identified, and an appropriate response is effected;
- Monitor the effectiveness of the systems for risk and internal control and report significant weaknesses or non-compliance to the senior management team (SMT);
- Ensure that the risk management system is communicated to staff and embedded in operational processes; and
 - Assign responsibility for managing risks within boundaries agreed by the SMT and the audit committee.

In its broadest sense, responsibility for the ongoing management of risk rests with all staff in their respective area of operation.

Specific risks faced by the charity are:

- Financial instability created by Covid-19/legislation/case law such as the National Living Wage, Welfare Reform, definition of working time etc., together with the impact of the way services are being commissioned;
- Balancing continuity and change in an unstable financial environment that requires new models of service for the benefit of the people we support; and
- Dilution of Drive's values/principles due to pressures in the external environment that are not aligned with Drive's Mission.

Drive has an internal control system which incorporates risk management and is designed to provide reasonable assurance that we will achieve our overall mission and objectives. Drive continues to work on a new approach to internal controls and risk management with consultants Sayer Vincent to enhance its risk and assurance framework.

Disabled employees

The charity operates a policy of equal opportunities for employment which includes disabled employees. This policy gives full and fair consideration to applications for employment by the charity made by disabled persons, having regard to their particular aptitude and abilities, for continuing the employment of, and for arranging appropriate training for, employees of the charity who have become disabled persons during the periods when they were employed by the charity and otherwise, for the training, career development and promotion of disabled persons employed by the charity.

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TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

Plans for the Future

Work on	Work on Rights and Co-production with people we support
Strengthen	Strengthen Partnerships with families
Continue	Continue to fundraise for Innovation
Increase	Increase our capacity for digitalisation
Design	Design new models of support for day opportunities
Support	Support the Fair Pay Campaign
Implement	Implement our Positive Behaviour Support and Autism Strategy
Produce	Produce effective outcome monitoring
Partnerships	Create more partnerships to explore new models of support

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TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management

Legal status

The organisation is a company limited by guarantee, registration number 2506147, and is governed by its Articles of Association. Drive is also registered with the Charity Commission, number 703002. The trustees are also directors of the charitable company.

Appointment, induction and training of new trustees

Board members are drawn from a wide background, bringing together professional, commercial parent/carer and local experience. The Board are elected by the members at the annual general meeting. New Board members are given training by the Company Secretary. The Board meets on a regular basis through the year and establishes ad hoc Task and Finish Groups to look into specific areas, as required.

Organisation

The organisation is managed by a voluntary Management Board whose role is to set the overall objectives for Drive and to ensure that the organisation is keeping within its legal and moral obligations. The Management Board holds the ultimate power and responsibility for Drive.

Key management personnel

The Management Board sets the remuneration of key management personnel, see notes to the financial statements. Key management personnel are defined as the charity's senior management team, which comprises of the Chief Executive, Director of Finance, Director of Operational Services and Director of HR, together with its Trustees. Drive has a Total Reward Strategy and the remuneration of key management personnel is part of that process. No formal benchmarks, parameters or criteria are used to generate automatic pay increases, and decisions for all staff are made to reflect the financial position of the organisation within the current economic climate. Trustees do not receive any remuneration for their role, although they are entitled to claim expenses.

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TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Name	Drive
Charity Number	703002
Company Number	2506147
Principal office	Unit 8 Cefn Coed Parc Nantgarw Treforest RCT CF15 7QQ
Registered Office	Unit 8 Cefn Coed Parc Nantgarw Treforest RCT CF15 7QQ
Company Secretary	Ms Rhian Jones
Trustees	Mr Geoff Lake Ms Jean Gregson Ms Janet Sheldon Mr John Minkes Mr Hugh Irwin Ms Jennifer Jones Mr Karmeno Gauci Mr Anthony Isingrini Mrs Katrina Kurowski Mr Chris Kitching Mr Richard Troote Ms Karen Cherrett - resigned 25 November 2020 appointed 18 May 2021
Solicitors	Hugh James 3rd Floor Aribee House Greyfriars Road Cardiff

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TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

Independent Auditors

Azets Audit Services
Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

Bankers

Barclays
PO Box 52
Cardiff
CF1 4XR

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TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2021


Funds held as custodian trustee

The charity manages money on behalf of the people it supports. This service included paying expenditure on their behalf; detailed records are kept to ensure that the charity is able to identify amounts owed to/by each individual.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees report, including the strategic report, was approved by the Board of Trustees.



R Jones - Secretary

Dated: 31.08.2021

DRIVE

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2021

The trustees, who are also the directors of Drive for the purpose of company law, 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).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

DRIVE

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF DRIVE

Opinion

We have audited the financial statements of Drive (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, 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 Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees report have been prepared in accordance with applicable legal requirements.

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INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DRIVE

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

DRIVE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF DRIVE

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Sarah Case FCA DChA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

Chartered Accountants
Statutory Auditor

22-09-2021

Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

DRIVE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income from:							
Donations and legacies	3	2,569	-	2,569	50	-	50
Charitable activities	4	3,083,474	15,420,699	18,504,173	3,581,103	13,587,755	17,168,858
Investments	5	2,071	-	2,071	15,066	-	15,066
Total income		3,088,114	15,420,699	18,508,813	3,596,219	13,587,755	17,183,974
Expenditure on:							
Charitable activities	6	2,922,316	15,419,525	18,341,841	3,727,944	13,582,751	17,310,695
Other	9	-	-	-	6,339	-	6,339
Total resources expended		2,922,316	15,419,525	18,341,841	3,734,283	13,582,751	17,317,034
Net income/(expenditure) for the year/ Net movement in funds							
		165,798	1,174	166,972	(138,064)	5,004	(133,060)
Fund balances at 1 April 2020		3,859,813	88,326	3,948,139	3,997,877	83,322	4,081,199
Fund balances at 31 March 2021		4,025,611	89,500	4,115,111	3,859,813	88,326	3,948,139

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

DRIVE

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	13	1,101,618		1,122,361	
Investments	14	1		1	
		<u>1,101,619</u>		<u>1,122,362</u>	
Current assets					
Debtors	16	1,841,833		2,444,027	
Cash at bank and in hand		<u>2,820,985</u>		<u>1,751,937</u>	
		4,662,818		4,195,964	
Creditors: amounts falling due within one year	17	<u>(1,538,018)</u>		<u>(1,248,291)</u>	
Net current assets		<u>3,124,800</u>		<u>2,947,673</u>	
Total assets less current liabilities		<u>4,226,419</u>		<u>4,070,035</u>	
Creditors: amounts falling due after more than one year	19	<u>(111,308)</u>		<u>(121,896)</u>	
Net assets		<u><u>4,115,111</u></u>		<u><u>3,948,139</u></u>	
Income funds					
Restricted funds	22	89,500		88,326	
<u>Unrestricted funds</u>					
Designated funds	23	615,908		706,778	
General unrestricted funds		<u>3,409,703</u>		<u>3,153,035</u>	
		<u>4,025,611</u>		<u>3,859,813</u>	
		<u><u>4,115,111</u></u>		<u><u>3,948,139</u></u>	

The financial statements were approved by the Trustees on 31-8-2021

Mr H Irwin
Trustee

Company Registration No. 2506147

DRIVE

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	28		1,092,455		(1,087,714)
Investing activities					
Purchase of tangible fixed assets		(19,414)		(21,642)	
Investment income received		2,071		15,066	
Net cash used in investing activities			(17,343)		(6,576)
Financing activities					
Repayment of bank loans		(6,064)		(53,525)	
Net cash used in financing activities			(6,064)		(53,525)
Net increase/(decrease) in cash and cash equivalents			1,069,048		(1,147,815)
Cash and cash equivalents at beginning of year			1,751,937		2,899,752
Cash and cash equivalents at end of year			2,820,985		1,751,937

DRIVE

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

1 Accounting policies

Charity information

Drive is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit 8, Cefn Coed, Parc Nantgarw, Nantgarw, CF15 7QQ, UK.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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 charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Further details of each fund are disclosed in the notes.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Donations are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Investment income is recognised on a receivable basis.

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Housing benefit claimed on behalf of all service users is accounted for on a receivable basis.

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Grants of a revenue nature are credited direct to the revenue account in the period to which they relate. A provision for estimated grant clawback has been made in the financial statements where there is an indication a clawback will be made. Capital grants received to fund the purchase of fixed assets are brought into the restricted funds via the statement of financial activities and reduced annually by the charge for depreciation.

1.5 Resources expended

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Charitable expenditure comprises these costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustees meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

1.6 Tangible fixed assets

Individual fixed assets costing £1,000 or more are initially recorded at cost.

All tangible fixed assets (other than the horticultural building which is held at valuation – open market value) are included at cost.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold interest in land and buildings	2% on cost
Fixtures, fittings and equipment	15% on cost
Motor vehicles	25% on cost
Horticultural building	2.5% on cost

1.7 Fixed asset investments

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.8 Impairment of fixed assets

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ (expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.11 Retirement benefits

The charity operates three types of pension schemes being defined contribution, auto enrolment pension and defined benefit, depending on Terms and Conditions of employees. Contributions are charged in the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

The defined contribution scheme is a stakeholder pension. For employees that started before July 2014 employer contributions are made on behalf of employees at a rate of 6% of employee's basic salary. The amount paid and accrued relating to employees basic pay during the financial year are charged to the Statement of Financial Activities. These contributions are invested separately from the assets of the charity.

From July 2014 the charity operated an auto enrolment pension scheme for new employees and to supplement the defined contribution scheme to comply with the Pension Act 2014.

The charity has also entered into a defined benefit pension scheme in respect of 6 employees that transferred under TUPE from Monmouthshire County Borough Council in 2008. The charity has paid amounts as defined under the admission agreement between Torfaen County Borough Council and Monmouthshire County Borough Council under The Local Government Pension Scheme (Benefit, Membership and Contributions) Regulations 2007, and The Local Government Pension Scheme (Administration) Regulations 2008. The charity is in negotiation regarding an admission agreement with Rhondda Cynon Taff Council pension fund following a TUPE transfer of staff in January 2016 from Merthyr County Borough Council.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	2,569	50

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

4 Charitable activities

	2021 £	2020 £
ILF and targeted support income	842,867	1,124,920
Supporting People grant	654,227	658,111
Job Retention Scheme	198,150	-
Health and Local Authority	14,194,975	12,907,928
Rent and service charges	2,182,546	2,087,646
Social care financial recognition scheme	373,347	-
Other income	58,061	390,253
	<u>18,504,173</u>	<u>17,168,858</u>
Analysis by fund		
Unrestricted funds	3,083,474	3,581,103
Restricted funds	15,420,699	13,587,755
	<u>18,504,173</u>	<u>17,168,858</u>

5 Investments

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Interest receivable	<u>2,071</u>	<u>15,066</u>

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

6 Charitable activities

	2021 £	2020 £
Staff costs	15,329,087	14,380,934
Depreciation and impairment	12,201	12,858
Recruitment	22,664	28,575
Food, cleaning, health and safety	139,815	64,998
Interest and bank charges	-	3,043
Legal and professional costs	195,165	165,270
Office expenses	131,411	156,661
Participation	14,500	26,130
Rent and utilities	1,606,393	1,431,924
Repairs, maintenance and renewals	98,436	109,023
Travel and vehicle costs	85,449	216,839
Establishment costs	78,100	76,732
	<u>17,713,221</u>	<u>16,672,987</u>
Share of support costs (see note 7)	533,439	543,476
Share of governance costs (see note 7)	95,181	94,232
	<u>18,341,841</u>	<u>17,310,695</u>
Analysis by fund		
Unrestricted funds	2,922,316	3,727,944
Restricted funds	15,419,525	13,582,751
	<u>18,341,841</u>	<u>17,310,695</u>

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

7 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Staff costs	306,678	86,386	393,064	301,737	86,448	388,185
Depreciation	27,957	-	27,957	24,424	-	24,424
Bank charges	396	-	396	-	-	-
Establishment costs	20,896	-	20,896	3,612	-	3,612
Recruitment	6,200	-	6,200	1,615	-	1,615
Food, cleaning, health and safety	16,710	-	16,710	14,940	-	14,940
Office expenses	80,025	-	80,025	98,889	-	98,889
Rent & utilities	27,734	-	27,734	38,671	-	38,671
Repairs & maintenance	43,044	-	43,044	37,697	-	37,697
Travel & vehicle costs	3,799	-	3,799	21,891	-	21,891
Audit fees	-	8,795	8,795	-	7,784	7,784
	<u>533,439</u>	<u>95,181</u>	<u>628,620</u>	<u>543,476</u>	<u>94,232</u>	<u>637,708</u>
Analysed between Charitable activities	<u>533,439</u>	<u>95,181</u>	<u>628,620</u>	<u>543,476</u>	<u>94,232</u>	<u>637,708</u>

Governance costs includes payments to the auditors of £8,795 (2020- £7,784) for audit fees.

8 Net movement in funds

2021
£

2020
£

Net movement in funds is stated after charging/(crediting)

Fees payable to the company's auditor for the audit of the company's financial statements	8,795	7,784
Depreciation of owned tangible fixed assets	40,158	37,282
Loss on disposal of tangible fixed assets	-	6,339
	<u>48,953</u>	<u>44,405</u>

9 Other

Total Unrestricted funds
£

2021 2020

Net loss on disposal of tangible fixed assets	-	6,339
	<u>-</u>	<u>6,339</u>

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

10 Trustees

During the year, Drive paid Karen Cherrett for consultancy services of £11,220. Karen Cherrett resigned as a trustee on 25th November 2020 before commencing the work and was re-appointed as a trustee on the 18th May 2021, once the consultancy services were completed.

No other trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

11 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Care and administration staff	703	701
Employment costs	2021 £	2020 £
Wages and salaries	13,949,705	13,177,032
Social security costs	1,210,217	1,075,805
Other pension costs	562,229	516,282
	15,722,151	14,769,119

The average number of employees during the year, calculated on the basis of full-time equivalents was 559 (2020: 556).

The charity made redundancy payments of £12,786 (2020: £nil) during the year. At 31st March 2021 £nil was outstanding (2020: £nil).

The number of employees whose annual remuneration was £60,000 or more were:

	2021 Number	2020 Number
£60,000 - £70,000	3	2
£70,000 - £80,000	-	1
£80,000 - £90,000	1	-

Senior management remuneration

The key management personnel of the charity are as detailed in the Trustees report. The total employee benefits (including salary, employer's national insurance, pension and benefits in kind) of the key management personnel of the charity were £328,714 (2020: £305,422).

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

12 Taxation

As a registered charity, Drive is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purpose only.

Drive Enterprises (Mentrau Drive) Ltd's Corporation Tax liability for the year amounted to £nil (2020: £nil).

13 Tangible fixed assets

	Freehold interest in land and buildings £	Plant and machinery including motor vehicles £	Fixtures, fittings and equipment £	Total £
Cost				
At 1 April 2020	1,441,307	58,537	434,807	1,934,651
Additions	-	-	19,414	19,414
At 31 March 2021	1,441,307	58,537	454,221	1,954,065
Depreciation and impairment				
At 1 April 2020	368,028	49,188	395,073	812,289
Depreciation charged in the year	24,766	3,885	11,507	40,158
At 31 March 2021	392,794	53,073	406,580	852,447
Carrying amount				
At 31 March 2021	1,048,513	5,464	47,641	1,101,618
At 31 March 2020	1,073,278	9,349	39,734	1,122,361

14 Fixed asset investments

		Other investments
Cost or valuation		
At 1 April 2020 & 31 March 2021		1
Carrying amount		
At 31 March 2021		1
At 31 March 2020		1
Other investments comprise:	Notes	2021 £
Investments in subsidiaries	15	1
		2020 £
		1

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

14 Fixed asset investments

(Continued)

15 Subsidiaries

Details of the charity's subsidiaries at 31 March 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Drive Enterprises (Mentrau Drive) Ltd	Unit 8, Cefn Coed, Parc Nantgarw, Nantgarw, CF15 7QQ	Dormant	Ordinary Shares	100.00	

The aggregate capital and reserves and the results for the year of the subsidiary was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Drive Enterprises (Mentrau Drive) Ltd	-	564

16 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	1,785,690	2,282,397
Other debtors	-	2,173
Prepayments and accrued income	56,143	159,457
	<u>1,841,833</u>	<u>2,444,027</u>

17 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Bank loans	20	12,760	8,236
Other taxation and social security		262,009	235,751
Deferred income	18	115,060	229,515
Trade creditors		373,247	180,963
Other creditors		387,717	104,600
Accruals		387,225	489,226
		<u>1,538,018</u>	<u>1,248,291</u>

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

18 Deferred Income

	2021 £	2020 £
Balance as at 1st April	229,515	326,477
Income received in the year	654,227	658,111
Released to income	(768,682)	(755,073)
Balance as at 31st March	<u>115,060</u>	<u>229,515</u>

Deferred income relates to performance related grant funding received in advance and which relates to future financial periods.

19 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loans	20	<u>111,308</u>	<u>121,896</u>

20 Loans and overdrafts

	2021 £	2020 £
Bank loans	<u>124,068</u>	<u>130,132</u>
Payable within one year	<u>12,760</u>	<u>8,236</u>
Payable after one year	<u>111,308</u>	<u>121,896</u>

The loan relates to a mortgage covering the offices at Parc Nantgarw, the term of which totals 25 years. The loan is secured on the property to which it relates.

Mortgage interest is charged at 1% above the prevailing bank's base rate and is due to be repaid in full in 2023.

In April 2020, due to Covid-19, the charity made a decision to evoke a capital repayment holiday for 1 year.

21 Retirement benefit schemes

Defined contribution schemes

The charity's staff are members of defined contribution pension schemes, with the exception of 13 staff which have TUPE rights to a defined benefit pension scheme. The assets of both the schemes are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions payable by the charity and amounted to £562,229 (2020: £516,282), of which £39,130 related to the defined benefit pension schemes. At the year-end £nil (2020: £44,227) is held in creditors pending debit by the pension companies.

The charge to profit or loss in respect of defined contribution schemes was £562,229 (2020 - £516,282).

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

22 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			Balance at 31 March 2021
	Balance at 1 April 2019	Incoming resources	Resources expended	Balance at 1 April 2020	Incoming resources	Resources expended	
	£	£	£	£	£	£	£
Building Fund	34,834	-	(3,414)	31,420	-	(3,414)	28,006
Thomas Bailey Trust Fund	9,499	-	(732)	8,767	-	(732)	8,035
The Horticultural Fund	15,000	-	-	15,000	-	-	15,000
The Progress Housing Trust Fund	23,989	-	-	23,989	-	-	23,989
Local Authority Funding	-	13,566,039	(13,566,039)	-	15,142,740	(15,142,740)	-
Job Retention Scheme	-	-	-	-	198,150	(198,150)	-
Millenium Stadium Charitable Trust	-	7,450	-	7,450	-	-	7,450
Foundational Economy Challenge Fund	-	6,091	(6,091)	-	68,809	(68,809)	-
The National Lottery Community Fund Wales - Choir	-	8,175	(6,475)	1,700	-	(1,700)	-
Comic Relief	-	-	-	-	1,000	(1,000)	-
The National Lottery Community Fund Wales - Pen Llew	-	-	-	-	10,000	(2,980)	7,020
	<u>83,322</u>	<u>13,587,755</u>	<u>(13,582,751)</u>	<u>88,326</u>	<u>15,420,699</u>	<u>(15,419,525)</u>	<u>89,500</u>

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

22 Restricted funds

(Continued)

Building Fund has been set up to meet the costs of the horticultural project.

Thomas Bailey Trust Fund was received as a contribution towards a new building at the horticultural project. The building has been capitalised and the fund will be charged with the depreciation.

The Horticultural Fund is in respect to a donation from a charitable entity, which has been used to purchase land for the horticultural project. The land has been capitalised.

The Progress Housing Trust Fund was received to fund welfare or other services.

Local Authority Funding - monies received to fund the cost of care of supported people in each Local Authority area. The restriction arises because of the geographical boundaries.

Millennium Stadium Charitable Trust was received to fund the seeing is believing project.

Foundational Economy Challenge Fund was received to fund the Horti Autism Centre.

The National Lottery Community Fund Wales was received to fund the Drive Choir.

Comic Relief Bavo funding was received to fund community activities in Bridgend.

The National Lottery Community Fund was received to fund community activities in Pen Llew

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

23 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds				Movement in funds				Balance at 31 March 2021
	Balance at 1 April 2019	Incoming resources	Resources expended	Transfers	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£	£	£	£	£
Tenant Welfare and Move On	56,648	-	-	(6,789)	49,859	-	-	(3,826)	46,033
Internal Decoration Reserve	167,394	-	-	(16,677)	150,717	-	-	4,288	155,005
Furniture Replacement Reserve	91,421	-	-	392	91,813	-	-	(26,625)	65,188
Laundry Reserve	20,319	-	-	(1,199)	19,120	-	-	(7,108)	12,012
Planned Maintenance	39,912	-	-	-	39,912	-	-	-	39,912
Garden Maintenance	2,185	-	-	(1,796)	389	-	-	-	389
Garden Maintenance STC	1,000	-	-	-	1,000	-	-	-	1,000
Household Reserve	(450)	-	-	(12,527)	(12,977)	-	-	(11,625)	(24,602)
Redundancy Reserve	100,000	-	-	-	100,000	-	-	-	100,000
Health & Wellbeing Reserve	-	-	-	11,000	11,000	-	-	-	11,000
Merthyr Connect Reserve	-	-	-	5,019	5,019	-	-	-	5,019
AFC Reserve	-	-	-	926	926	-	-	-	926
Digitalisation Strategy	-	-	-	250,000	250,000	-	-	(45,974)	204,026
	<u>478,429</u>	<u>-</u>	<u>-</u>	<u>228,349</u>	<u>706,778</u>	<u>-</u>	<u>-</u>	<u>90,870</u>	<u>615,908</u>

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

23 Designated funds

(Continued)

Tenant Welfare Reserve and Move On has been set up to assist service users to move on to more suitable/independent accommodation, and to enable the trustees to respond to a tenant's needs outside the constraints of the budget.

Cyclical Maintenance Reserve has been established to meet the cost of future cyclical maintenance, being the charity's liability to maintain its property in accordance with a planned programme of works.

Internal Decoration Reserve has been set up to meet the cost of future internal decorations, being the charity's liability to maintain the decor of its internal communal areas in accordance with a planned programme of works.

Furniture Replacement Reserve has been established to meet the cost of furniture replacement in accordance with a planned programme for future replacement in addition to those items which need to be replaced each year.

Laundry Reserve has been set up to meet the cost of future laundry expenditure, being the charity's liability to maintain and replace laundry equipment.

Planned Maintenance Reserve has been established to meet the cost of future planned large scale maintenance, above and beyond that carried out as part of the annual programme, being the charity's liability to maintain its property in accordance with planned programme of works.

Garden Maintenance Reserve has been established to meet future garden maintenance, being the charity's liability in accordance with programme of works.

Household Reserve has been established to meet the cost of small household items that need to be replaced on a cyclical basis.

Management Information Strategy Reserve has been established to invest in Drive's management information systems.

Redundancy Reserve has been established to meet any liability that may arise from restructuring central services.

Health & Wellbeing Reserve has been established to benefit the health and wellbeing of staff in line with the business plan.

Merthyr Connect Reserve has been established to create a hub for supported people where they can meet together and participate in a range of social activities.

AFC Reserve has been established to create a hub for supported people where they can meet together and participate in a range of social activities.

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

24 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:						
Tangible assets	1,050,577	51,041	1,101,618	1,067,174	55,187	1,122,361
Investments	1	-	1	1	-	1
Current assets/ (liabilities)	3,086,341	38,459	3,124,800	2,914,534	33,139	2,947,673
Long term liabilities	(111,308)	-	(111,308)	(121,896)	-	(121,896)
	<u>4,025,611</u>	<u>89,500</u>	<u>4,115,111</u>	<u>3,859,813</u>	<u>88,326</u>	<u>3,948,139</u>

25 Members Liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £nil towards the assets of the charity in the event of liquidation.

26 Related party transactions

Rhian Jones who is the Chief Executive Officer and Company Secretary of the charity became a director of Cefn Coed Management Ltd on 1st October 2018. During the year Drive paid the company management fees totalling £1,747 (2020: £1,869). At the year end the charity owed the company £nil (2020: £nil).

Jenny Jones, who is a trustee of the charity, is also a director of Morgan Denton Jones Limited and Business in Focus Limited. During the year, Drive paid Business in Focus Limited professional fees totalling £8,722 (2020: £14,251). At the year end the charity owed the company £nil (2020: £nil).

During the year, Drive paid Karen Cherrett for consultancy services of £11,220. Karen Cherrett resigned as a trustee on 25th November 2020 before commencing the work before being re-appointed as a trustee on the 18th May 2021 once the consultancy services were completed.

Drive Enterprises (Mentrau Drive) Ltd is a trading subsidiary of Drive - See Note 15.

Drive owns one, £1 ordinary share in the company.

As at the year end Drive Enterprises Ltd owed the charity £nil (2020: £nil).

As at 31 March 2021 the charity owed Drive Enterprises Ltd £1 (2020: £1).

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

27 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	6,570	13,254
Between two and five years	1,428	8,154
	<u>7,998</u>	<u>21,408</u>

28 Cash generated from operations

	2021 £	2020 £
Surplus/(deficit) for the year	166,972	(133,060)
Adjustments for:		
Investment income recognised in statement of financial activities	(2,071)	(15,066)
(Gain)/loss on disposal of tangible fixed assets	-	6,339
Depreciation and impairment of tangible fixed assets	40,158	37,282
Movements in working capital:		
Decrease/(increase) in debtors	602,193	(898,201)
Increase in creditors	399,658	11,954
(Decrease) in deferred income	(114,455)	(96,962)
Cash generated from/(absorbed by) operations	<u>1,092,455</u>	<u>(1,087,714)</u>

29 Analysis of changes in net funds

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	1,751,937	1,069,048	2,820,985
Loans falling due within one year	(8,236)	(4,524)	(12,760)
Loans falling due after more than one year	(121,896)	10,588	(111,308)
	<u>1,621,805</u>	<u>1,075,112</u>	<u>2,696,917</u>