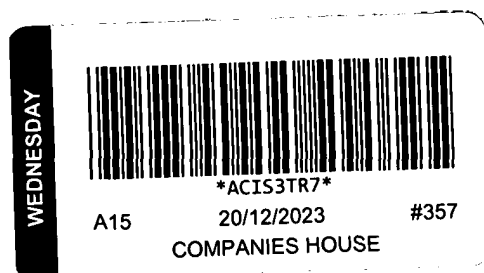


Charity registration number 703002

Company registration number 2506147 (England and Wales)

DRIVE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023



DRIVE

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DRIVE

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2023



Performance Report 2022/2023



What our staff say about Drive

DRIVE

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

FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their annual report and financial statements for the year ended 31 March 2023.

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

Introduction

CEO's summary

I am excited and proud to introduce you to our 2022 -23 Performance Report. We have had an innovative and creative year, writing our new Business Plan to develop Drive's future together.

The new Business Plan 2023 -2026 sets out how we intend to work to maximise resources and invest in the future to maintain the high- quality services that we have developed over 40 years. The plan was developed collaboratively through energetic, inspiring workshops with people we support, our staff and trustees, creating goals to increase opportunities for individuals to gain new skills and independence, strengthen our workforce, and expand our financial resilience. We have restructured the management team to enhance our leadership and transform how we deliver our vision.

Our workshops included transforming our Vision and Mission Statement:

Vision and Mission

Drive's Vision is:

For people needing support to live their best lives.

Our Mission is:

To be at the forefront of delivering high quality, innovative support, that empowers choice, belonging, and independent living in local communities.

We have made great strides with our Digital Strategy, moving into year 2 of our Big Lottery People and Places funding to strengthen our infrastructure and develop the skills of our staff and the people we support. The opportunities that digital, data and technology offer to connect with others, collaborate, learn, and improve people's lives have never been greater.

We are delighted to share that our specialist services in Neath won a Regional Award for Wales in Housing and Care in the British Care Awards for the second year in a row, an exceptional and much deserved achievement.

DRIVE

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

FOR THE YEAR ENDED 31 MARCH 2023

Our frontline staff and managers have responded brilliantly to an unprecedented crisis in recruitment for social care services across the sector. We have been so proud of the teamwork and flexibility that has been consistently demonstrated, team Drive has shown strength, resilience, and huge heart during a difficult time. Thank you for your tremendous support this year, the opportunities, and achievements for people that we support have excelled, despite challenges, and have been an inspiration to us all.

Our Human Resources Team has responded imaginatively to this crisis, attending jobs fairs and open days, and creating positive stories about career opportunities and achievements of people that we support on social media. Their innovation has raised awareness of the positive impact that great support can have, and significantly improved recruitment across the organisation.

Financial pressures have continued to be challenging for the organisation; however, it has led to innovation and creativity. The astounding response of our staff, families, and the people we support to the COVID-19 pandemic strengthened the culture and values of the organisation. Our priority in 2023 will be to continue to plan for and respond to the recruitment crisis in the social care sector, and to support all staff and people we support through the cost-of-living crisis.

Thank you to all staff, trustees, and the people we support for making Drive such a unique and special place to work.

Implementing our Vision

Our Strategic aims over the next 3 years include:



- **My Life, My Way:** People we support have a voice, choice, control and are listened to and heard
- **Accessible communities:** changing facilities, lifts and door access, easy read information, improved transport
- **More support to families:** new Domiciliary Care service with peripatetic team, more Short -Term Care, Drive family network
- **Recruit more volunteers:** volunteer co-ordinator and recruitment process

DRIVE

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

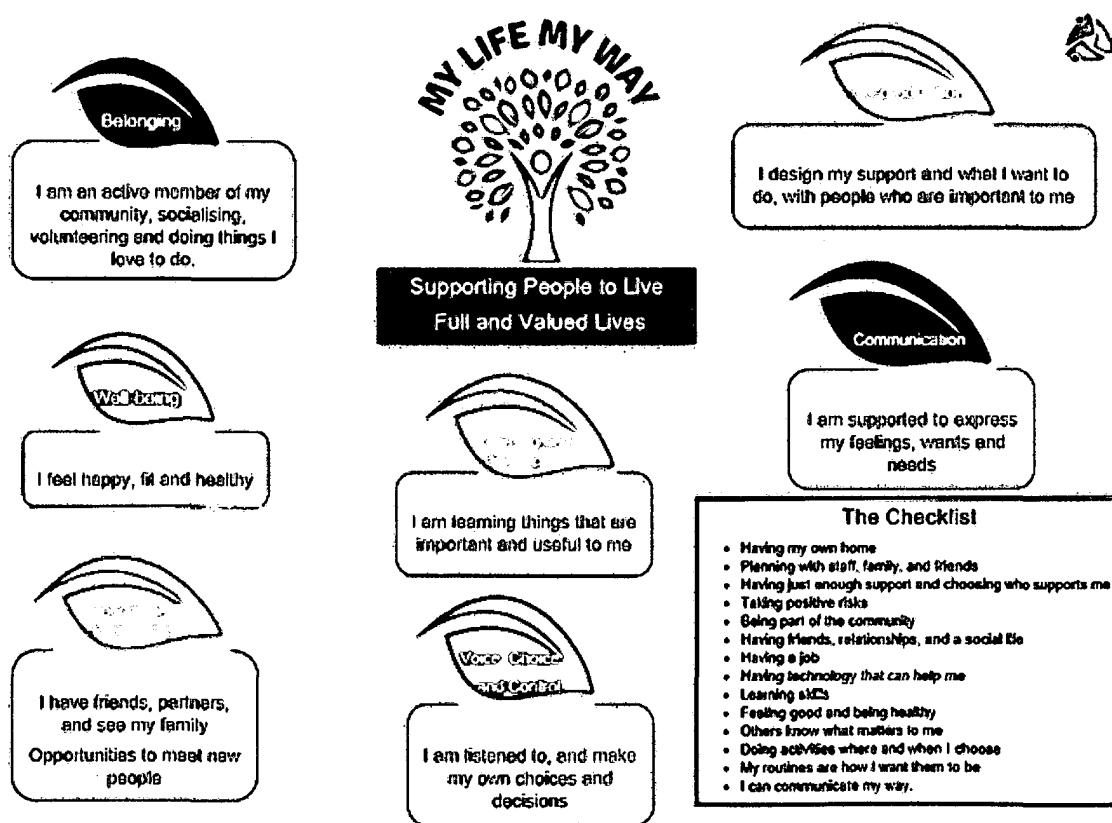
FOR THE YEAR ENDED 31 MARCH 2023



- **Expand Specialist Support:** more accommodation closer to home
- **Digital First:** well trained staff, digital infrastructure, access for people we support
- **Connect Hubs:** provide more day, evening and weekend opportunities in local communities, utilising staff skills, local community groups and local business
- **Eco Champions:** support reduction of carbon footprint, recycling, beach and park cleans

Co-production – My Life, My Way

Drive's uniqueness lies in our collaborative culture. We believe that co-production and the full involvement of the people we support and our staff in the management of the organisation is crucial to our effectiveness. We have explored our aims with people we support over the last 12 months through creating an exciting new My Life, My Way strategy.



DRIVE

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

FOR THE YEAR ENDED 31 MARCH 2023

The My Life, My Way team have rebranded and supported community development and co-produced alternatives to day service provision in all local authorities. They have organised smaller, local conferences at the request of people we support and implemented new initiatives through the People and Places Big Lottery award:

Engaged a Digital Artist	Digital workshops for staff and people we support	New equipment for virtual and hybrid activities	More opportunities to volunteer
New Boccia classes	Tablets in all houses	Connect hubs	Monthly discos
Opportunity to join a choir	Walking Groups	Therapy dog walks	Developing skills in Woodwork

DRIVE

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

FOR THE YEAR ENDED 31 MARCH 2023

What people have told us about the project?



Woodwork

'Fun, learning new things, like working with wood, Christmas trees, bird tables and feeders. Go every week don't like to miss the activity. Facilitator explains step by step. I like to do the teas and coffees. Makes me feel more confident I can go in I feel as if I have achieved lots of my goals.' (Supported Person, Pontypridd)

Choir

'Started going every week, don't like to miss it. One of my favourite activities made friends, started to help Wendy to lead the choir on some songs, I got more confident each week and now I help lead all the session with Wendy. Singing makes me feel amazing, I feel like I achieve.' (Supported Person, Pontypridd)



Valleys Connect

'I support a gentleman on a Friday for 5 hours, we used to go bowling and have a cup of tea. Then it was sometimes difficult to know what to do with the rest of our time together, especially if the weather was wet. Now with Valleys Connect running on a Friday we attend there, the gent I support loves it! We stay there for the day, and he gets involved in fun activities whatever the weather. The gent has also made friends with people his own age and has begun to develop some great friendships.' (Drive Support Worker, Aberdare)

Therapy Dog Walking

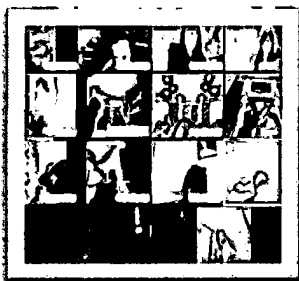
'I started the therapy dog walking in Barry Sidings. I love dogs and would love to have one but can't where I live. Sometimes it was difficult to get to Barry Sidings if there wasn't a support worker on shift who drives. I asked my staff if I could have bus training so I could get to Barry Sidings independently. I was a bit nervous about this but knew if I could get there myself, I wouldn't have to miss any sessions. I am proud I can get there by myself now. I love seeing the dogs and the other people who go are nice to.' (Supported Person. Pontypridd)



DRIVE

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

FOR THE YEAR ENDED 31 MARCH 2023



Virtual Activities

'The virtual activities started up during lockdown and were a god send for the people we support and to us support workers. They are fun activities that the people I support really enjoy, it also gave us the chance to connect with others when getting out and about was difficult. Even though there aren't as many online activities now because people are out and about more, it is great that the music activities (Music with Steve and Karaoke) are still running. The ladies I support look forward to seeing their friends online and love singing along.' (Team Manager, Bridgend)

Disco

'I have help to run the monthly disco. I enjoy doing this very. I like getting together with my friends to chat and dance. It is nice to see everyone getting together to see people we haven't seen for a while.' (Supported Person, Neath)

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.

DRIVE

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

FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance

Achievements

People we Support Lead the Way

We have....

- Held 2 local conferences on Let's Get Digital and Eco Champions.
- Created Digital stories and one- page profiles.
- Created Connect Hubs providing local community opportunities.
- Increased volunteering and work opportunities.
- Set up walking groups led by people we support.
- Arranged regular beach and park cleans.
- Joined with other providers to expand our choir.
- People have made more friends and developed more skills through partnership with community groups and other providers.

Long Term Financial Stability is sustained

We have...

- Successfully fundraised for digital equipment, a new cabin for the Eco Project, gardening equipment, and activities for people we support in Neath.
- Continued to pay up to and above the Real Living Wage.
- Developed and recruited a new post, Head of Finance and Payroll.
- Negotiated positive up-lifts with Local Authorities.

Staff Deliver a Quality Service

We have...

- Achieved the Gold Investors in People Standard.
- Developed and recruited a new post, Head of People and Learning.
- Delivered new Digital Training to all managers.
- Digital steering group and champions.
- Designed a delivered a 4-week induction program.
- Increased our presence on social media.
- Achieved advanced accreditation with the NAS for 2 projects.

DRIVE

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

FOR THE YEAR ENDED 31 MARCH 2023

The Organisation is well lead and governed.
We have...

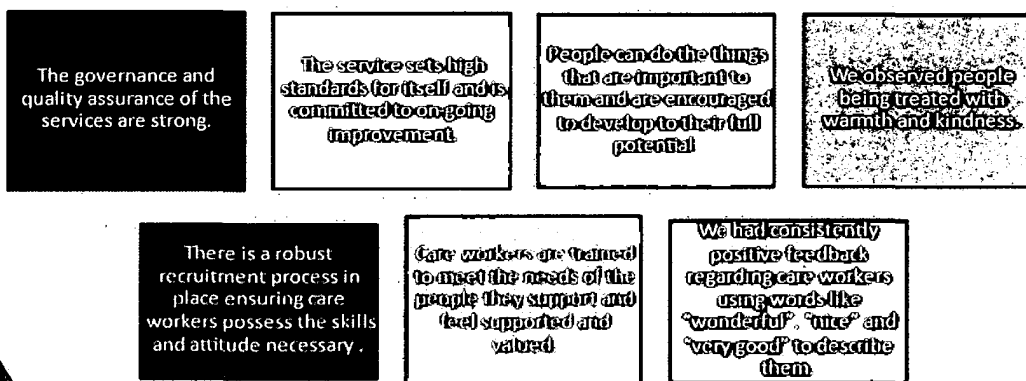
- Restructured the Leadership team.
- Created new posts for succession planning.
- Recruited a new Trustee with marketing skills.
- Developed a new Business Plan.
- Created and implemented a Digital Strategy.
- Created local, community-based alternatives to Day Centres.
- Presented our community partnership developments at the Foundational Economy Alliance.
- Joined the Board of Learning Disability Wales.
- Launched iTrent for Human Resources.

Positive Inspection Report: Supported Living

We had an extremely positive inspection report for supported living services in February, with no improvement or priority action recorded. Findings included:



CIW Inspection 2023



DRIVE

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

FOR THE YEAR ENDED 31 MARCH 2023

Positive inspection Report: Short Term Care

Similarly, our Short-Term Care service received an outstanding report, with no improvement or priority action plans.

Short Term Care CIW Inspection 2023

People are supported to make choices and have control over their day to day lives.

People's care and support is provided in an environment that supports the achievement of their personal outcomes.

People can be confident that support workers are following an accurate and up to date plan of how they would prefer their care needs to be met.

The service provider has a clear management structure and robust quality assurance processes in place.

Support Worker feedback included "I love my job", "the training is really good", "we get lots of information about people", "staff pull together as a team".

DRIVE

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

FOR THE YEAR ENDED 31 MARCH 2023

Achievements: The people we support...

Volunteering and working



The men supported in Mountain Ash successfully studied for Food Hygiene certificates, enabling some of them to volunteer and work at a local Church Café, and volunteer in the food bank.

P moving to his new home



'I came to Drive at the end of April and moved into a lovely bungalow in Sarn. I was very happy about this as I had previously lived with one individual and used to go to day center with the other person, so I was moving in with my old friends. Since moving in we have all been as thick as thieves and been doing a lot of activities together such as gardening, days out, and pub nights. I have even been doing a lot more walking to help with my mobility. I've been getting back into my old hobbies like playing pool and I am planning with staff to start going back to golf and go to the horse racing.'

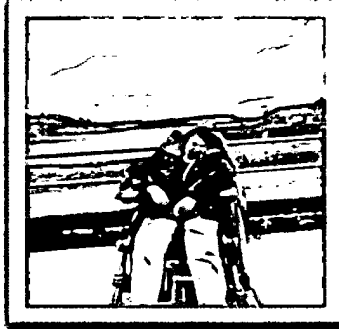
DRIVE

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

FOR THE YEAR ENDED 31 MARCH 2023

A getting out and about

AH from Monmouth enjoyed her first holiday in 10 years, traveling to Scotland to achieve a lifetime of seeing Highland cows. She also organised a trip for herself and co-tenants to Western, the first time they have all been out together since the lockdown.



K getting Digital



K has grown in confidence since moving in Viesther in October 2022 from his family home. He participates in any activity that is going on and he especially enjoyed completing his video for our red-carpet show case event and sharing his story. He picked all his own pictures of his favourite things and spelt all the names of the animals and music correctly, independently. He also did some short voice notes to add to the video. On his 2nd session he designed the poster that was used to promote the event to the whole organisation.

DRIVE

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

FOR THE YEAR ENDED 31 MARCH 2023

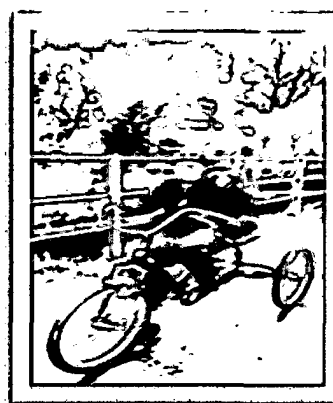
Service Delivery

Area	Targeted Support	Supported Living	Short Term Care	H&WB	ECO	Total
Cwm Taf Bridgend	3	41	0	0	0	44
Cwm Taf Merthyr	4	29	0	0	0	33
Cwm Taf RCT	62	98	35	31	5	231
Gwent Monmouth	1	5	0	0	0	6
Swansea Bay NPT	0	14	0	0	0	14
Total for service provision	70	187	35	31	5	328

We continue to offer a wide range of services, including supported living in shared accommodation and individual flats. Our Health and Wellbeing services of 16 – 18 flats provide an opportunity to learn new skills and confidence, with many people moving on to their own more independent flats in the last 5 years. Pen Llew Court provides 18 flats and a communal area, offering the opportunity to experience more independence for people moving from supported living or family homes.



Our Short -Term Care service continues to provide holidays for 35 families and has also facilitated successful transitions for people moving from family homes to flats or supported living. We have also provided domiciliary home support to help families and people supported get to know staff before trying the service. The pictures show staff supporting a gentleman during sessional support to get to know him before his first stay. Drive is applying for funding to develop a Sensory Garden, and a voluntary group, Men's Shed, are working in partnership with the team to develop the project.



DRIVE

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

FOR THE YEAR ENDED 31 MARCH 2023

Compliments and Complaints

There have been 18 complaints during the reporting period, compared to 14 the year before. Many compliments have been received from professionals and families. Complaints including their investigations and outcomes, are reported to the Management Board on a quarterly basis for discussion and lessons learned.

"The staff are incredibly knowledgeable, compassionate and empathetic. I am delighted she has settled in so well." Assistant Behaviour Therapist.

Cooking lasagne from scratch. "This is absolutely lovely and exactly what I'd hoped he'd get from coming to Oxford Buildings. Please thank the staff from me." Care Manager.

"X was very anxious about his first stay at Short Term Care. I appreciate the extra lengths staff go to which give him and me confidence." Parent

"It's truly heart-warming to see how much the staff genuinely care for x in such a wonderful way. They know her so well and it's just the most lovely thing for us as a family to see." Sister

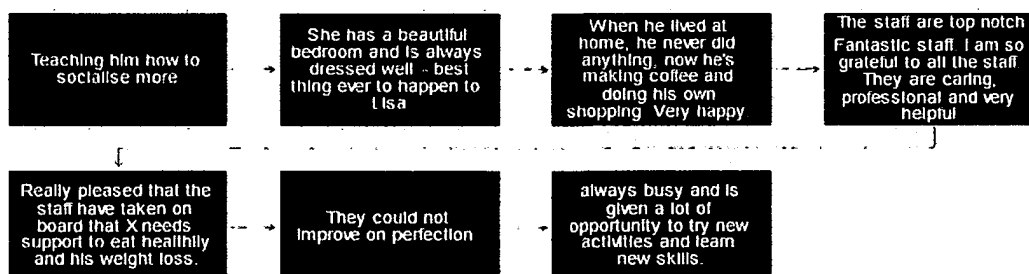
"If one of your goals as a company is trying to give your residents the normality of a loving family home, your workers are absolutely smashing it." Next door neighbour.

Family Survey

Our Stakeholder Questionnaire for 2022 was incredibly positive. 74 surveys were completed which represents 29% of the families and relatives across all local areas.

95% of families responded positively about the support people receive saying people are treated with respect, are supported with their health and wellbeing, and they have no concerns about their relative's safety.

Positive feedback



DRIVE

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

FOR THE YEAR ENDED 31 MARCH 2023

Things to work on

Communication

Staff turnover

More activities

Keep the keyworker system in place

Generic house email

Customer Satisfaction

To ensure Drive continues to provide a good service we rely on feedback from the people we support. One of the methods used to collect this valuable information is through the completion of Good Service questionnaires. These are carried out every year across a sample of Drive's services.

A total of 88 questionnaires were completed at the Autumn conferences, at people's homes throughout January and February, and at Connect Community Hub activities.

What people told us

97% of people questioned said they were very happy or happy, with the most common reason being that people were pleased with their staff.

Over 80% of individuals said that they felt they had enough support to do the things they want to do.

80% of the individuals spoken to said they get involved in the activities run by Drive.

9% of individuals said they want to go out more and have more activities to join in with.

12% of individuals stated they did not feel they received enough support with friendships and relationships.

Things we need to focus on

- Cost of living: monitor the impact on individual's activities and choices.
- IT skills training for staff and people we support.
- Sexuality and relationships training.
- Access to activities and suitable venues.
- Review the Good Service Questionnaire.

DRIVE

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

FOR THE YEAR ENDED 31 MARCH 2023

Employee Survey

Drive values the opinions of employees and seeks regular feedback through forums and monitoring activity. An employee survey is an additional method we use to capture feedback on employee experience, satisfaction, motivation, and morale.



98% - work is meaningful to the people we support



97% - valued member of the team



96% - have the correct training in order to do my job well and meet objectives set in supervision



96% - make a positive impact for the organisation



94% - communication shared by Drive on wellbeing is useful



94% - have clearly defined goals to help develop my skills and abilities



92% - feel valued and listened to by my manager



91% - would recommend Drive as a good place to work

Investors in People

Drive was assessed against the Investors in People Standard during January and February, a standard for people management and leadership. Previously awarded Silver in 2020, we were delighted to receive the gold standard on this occasion.

What the assessment found



DRIVE

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

FOR THE YEAR ENDED 31 MARCH 2023

Health and Safety

Drive's Health and Safety Committee oversees the health and safety activity of the Organisation and meet on a quarterly basis to monitor reports and discuss any issues that staff raise. Drive's comprehensive Health and Safety policies, procedures and training ensure as far as is reasonably practicable the safety and welfare of all employees, supported people visitors etc. During the year, an external audit of health and safety highlighted a positive approach to health and safety across the organisation.

Drive promotes a positive culture of healthy and safe working balanced with positive risk-taking strategies that enable the people Drive supports to live full and valued lives. All staff receive health and safety training. This begins with induction training and is ongoing through a rolling program that ensures that staff are up to date with current legislation and good practice guidance. Drive's qualified trainers deliver the following courses:

Fire Safety	Health and Safety
First Aid	Risk Assessment
Positive Behaviour Management	Stress Management
Positive Behaviour Support Theory	Wheelchair Safety
Moving and Handling	Food Hygiene
Medication Awareness	Epilepsy

Drive's annual Health and Safety Report ensured the Management Board receive a full account of Health and Safety activity throughout the year.

Drive's Wellbeing Group offer a range of support, training as Mental Health First Aiders, and giving regular updates on mental health initiatives. The group includes staff from all areas of the organisation and has been extremely successful in discussing and promoting health and wellbeing.

Training and Development

Formal registration of Drive's occupational workforce has remained a central focus during 2022 with a comprehensive onboarding training program to enable initial registration with Social Care Wales. This continues to have incredibly positive outcomes and feedback. Staff have found it to be extremely supportive and have stayed connected with one another as they join their new teams. They will then need to achieve a relevant qualification to enable them to remain on the register when they become due for renewal.

IT and Digital

Drive has implemented a Digital Strategy this year which outlines our plans until 2025 and compliments our 2022-2025 IT Strategy. We will continue to adopt a digital-first approach improving efficiency, capability and reducing duplication and waste.

During 2022/23 we continued our journey of increasing our use of digital technologies and decreasing our dependency on paper-based systems.

Year one of modernising has been successful and we are on track to have all our IT systems running Windows 11 and the latest equivalent server operating systems by 2025. Drive has started a new partnership with a leading IT support provider and will work with this organisation to fulfil our digital ambitions.

In 2024 we will see our whole Infrastructure moved into the Cloud with the objective of strengthening our Disaster Recovery and Business Continuity Plans.

The steps we have taken this year have significantly improved and strengthened our IT and cyber security for staff and the people we support and enabled Drive to meet the increased requirements for our Cyber Essentials Plus re-accreditation. We were delighted to be reaccredited with Cyber Essentials plus this year. Drive is in good standing for our next Cyber Essentials audit and any further security certification standards we may wish to achieve in the future.

DRIVE

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

FOR THE YEAR ENDED 31 MARCH 2023

Governance

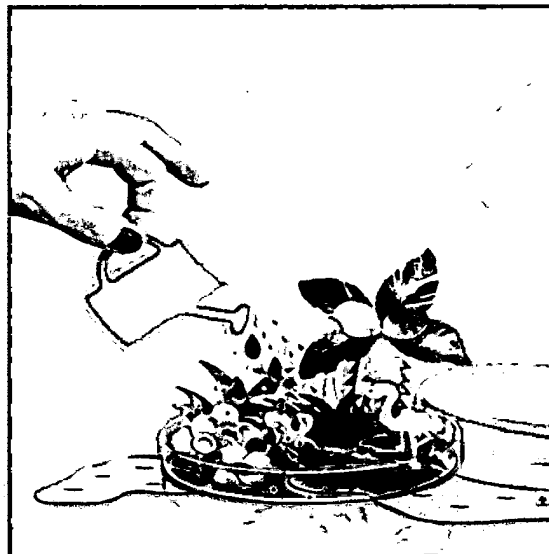
The Management Board is attended by 12 skilled and experienced Trustees who meet every two months to oversee the strategic direction and legislative compliance of the organisation. We successfully recruited a Trustee this year with skills in Communications and Marketing. We have 5 sub-committees that meet at least three times a year:

- Health and Safety
- Audit and Business Development
- Quality Assurance
- Digitalisation
- Advisory Group of Supported People

The Board has developed a new and ambitious Strategic aim for the Business Plan, to develop new areas of work, and support ECO initiatives.

We Innovate ~~tenable~~ Inclusive Sustainable Communities

- Eco initiatives – recycling, carbon footprint, beach and river cleans, growing fruit and veg
- Fundraising for new models of support
- Community partnerships and volunteers
- Support young People In Transition
- Accessibility and Inclusion:
 - > Technology
 - > Digital Competence and Growth. Being Paperless
 - > Accessible information
 - > Community facilities – lifts, changing rooms, disabled access and facilities
 - > Better Transport options



Fundraising

Drive continues to actively source fundraising opportunities through bids and grant applications that provides funds for the organisation to deliver projects and schemes that align with our charitable remit and business plan. There are several live projects with the largest, £278,002 being the Big Lottery People and Places funding which was awarded in the Autumn of 2021; This project is Digital Inclusion, Participation after Covid. More recently we have received funds from The Moondance Foundation, £14,000. This will fund the building of an accessible outbuilding (wood cabin) that will provide additional space to increase participation numbers and activities at the ECO autism specialist project.

DRIVE

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

FOR THE YEAR ENDED 31 MARCH 2023

Financial review

Results

The net incoming unrestricted surplus for the year ended 31 March 2023 amounted to £690,764 (2022: £150,172). This surplus increased the cumulative unrestricted funds to £4,866,547. The movements in the individual designated funds are shown in the notes to the financial statements.

The net incoming unrestricted surplus includes an actuarial gain on our defined benefit pension schemes of £485,000. Excluding this our operating unrestricted surplus equates to £205,764 for the year.

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 £18,281,506 (2022: £16,160,958). Expenditure from restricted reserves of £18,262,539 (2022: £16,187,904) resulted in net inflow of resources of £18,967 (2022: £26,946 outflow).

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 Housing Related Support 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 and support 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 people supported by Drive, including rent, housing associations charges and other housekeeping costs.

Reserves

The level of unrestricted reserves at the balance sheet date was £4,866,547 (2022: £4,175,783). The level of available funds (free reserves) at the balance sheet date excluding the investment made in fixed assets, defined benefit pension scheme and the amounts set aside into designated reserves, amounted to £2,901,089 (2022: £2,692,997). The charity is working towards building free reserves to align to its reserves policy.

General (free reserves) are the reserves remaining when restricted and designated reserves, and the fixed assets are excluded from total reserves.

The Trustees of Drive recognise the need to hold reserves so that the charity can continue its operations and to safeguard charity assets. The Trustees have recognised the need to maintain a level of free reserves on a risk-based approach. Drive's services are funded through commissioned contracts. The reserves are held to either enable Drive to continue to provide support services in the event of an unforeseen reduction in income from commissioners, or to fund redundancy and other cost reduction programmes in the event of the loss of a significant contract.

All charities are required to consider how much money they need to hold in reserves. The extent varies depending on the scale and nature of the charity's activities. The Trustees regularly review Drive's Reserves policy to make sure it is in in with Regulatory and contractual requirements.

The Trustees calculate the amount required to be held in target reserves based on the assessment of the risks affecting the income and expenditure of the charity on an annual basis. In assessing the amount of target reserves required, Trustees review the principal risks, unforeseen emergencies, future operating expenditure, uncertainty over future income, the business plan, and wider economic factors to estimate the required reserves.

Based on these calculations, the free reserves target for 31 March 2023 was £2.72m. The actual free reserves of £2.90m meet this target.

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.

During the year the charity was gifted a bungalow. The charity has engaged an external valuer to obtain a valuation of the property. Due to some restrictions the value placed on it is £nil and as such this has been reflected in our accounts accordingly. At present the charity is discussing the future plans regarding the bungalow.

DRIVE

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

FOR THE YEAR ENDED 31 MARCH 2023

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.

To co-ordinate this process, the approach combines oversight by the Audit and Business Development Committee. The Senior Management Team are responsible for 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.

DRIVE

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

FOR THE YEAR ENDED 31 MARCH 2023

Specific risks faced by the charity are:

- Financial instability caused by either Drive being subjected to prolonged periods of emergency (COVID-19), the way that contracts are commissioned, tendering processes, legislation around National Living Wage and Government taxation policies.
- Balancing continuity and change that requires new models of service for the benefit of the people we support; and
- Risks relating to compliance for Health and Safety and Governance
- Dilution of Drive's values/principles due to pressures in the external environment that are not aligned with Drive's mission
- Cyber security and data protection (under GDPR) – the risks for both have increased during 2023

Drive has an internal control system which incorporates risk management and is designed to provide assurance that the overall mission and objectives are regularly and robustly monitored. Drive's has a risk management framework which includes the Risk Assurance Framework and the Risk Register which are monitored by the Audit and Business Development Committee.

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.

DRIVE

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

FOR THE YEAR ENDED 31 MARCH 2023

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.

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.

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.

Key management personnel

The Management Board sets the remuneration of key management personnel, as described in the 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 and Corporate Services and Director of Operations, People and Learning, 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.

DRIVE

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

FOR THE YEAR ENDED 31 MARCH 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Name	Drive
Charity Number	703002
Company Number	2506147
Registered Office	Unit 8 Cefn Coed Parc Nantgarw Treforest RCT CF15 7QQ
Company Secretary	Rhian Jones
Trustees	Geoff Lake Jean Gregson Janet Sheldon Phillip Carroll - resigned 17/10/22 Hugh Irwin Karen Cherrett Karmeno Gauci Anthony Isingrini Katrina Kurowski Chris Kitching - resigned 21/10/22 Richard Troote Beth Mahoney - appointed 14/03/23
Solicitors	Geldards 4 Capital Quarter Tyndall Street Cardiff CF10 4BZ
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

DRIVE

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

FOR THE YEAR ENDED 31 MARCH 2023

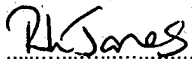
Funds held as custodian trustee

The charity manages money on behalf of the people it supports. This service includes 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: 06.10.2023

DRIVE

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2023

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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and 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 Financial Reporting Standard 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 2023 and of its incoming resources and application of resources, including its income and expenditure, 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 for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, 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.

DRIVE

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 auditor's 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.

Azets Audit Service

Katherine Parkin (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

10 October 2023

Chartered Accountants
Statutory Auditor

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

DRIVE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
Income from:							
Charitable activities	4	3,743,373	18,281,506	22,024,879	3,480,374	16,160,958	19,641,332
Investments	5	57,389	-	57,389	1,783	-	1,783
Total income		3,800,762	18,281,506	22,082,268	3,482,157	16,160,958	19,643,115
Expenditure on:							
Charitable activities	6	3,594,998	18,262,539	21,857,537	3,443,985	16,187,904	19,631,889
Net income for the year/ Net incoming resources		205,764	18,967	224,731	38,172	(26,946)	11,226
Other recognised gains and losses							
Actuarial gain on defined benefit pension schemes		485,000	-	485,000	112,000	-	112,000
Net movement in funds		690,764	18,967	709,731	150,172	(26,946)	123,226
Fund balances at 1 April 2022		4,175,783	62,554	4,238,337	4,025,611	89,500	4,115,111
Fund balances at 31 March 2023		4,866,547	81,521	4,948,068	4,175,783	62,554	4,238,337

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 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Intangible assets	12	61,020		73,735	
Tangible assets	13	1,049,601		1,074,903	
Investments	14	1		1	
		<u>1,110,622</u>		<u>1,148,639</u>	
Current assets					
Debtors	16	2,125,266		2,001,643	
Cash at bank and in hand		3,317,329		3,055,702	
		<u>5,442,595</u>		<u>5,057,345</u>	
Creditors: amounts falling due within one year	17	<u>(1,799,744)</u>		<u>(1,736,318)</u>	
Net current assets		3,642,851		3,321,027	
Total assets less current liabilities		<u>4,753,473</u>		<u>4,469,666</u>	
Creditors: amounts falling due after more than one year	19	(88,405)		(101,329)	
Net assets excluding pension surplus/(deficit)		<u>4,665,068</u>		<u>4,368,337</u>	
Defined benefit pension surplus/(deficit)	21	283,000		(130,000)	
Net assets		<u><u>4,948,068</u></u>		<u><u>4,238,337</u></u>	
Income funds					
Restricted funds	22	81,521		62,554	
<u>Unrestricted funds</u>					
Designated funds	23	601,657		496,042	
General unrestricted funds		3,981,890		3,809,741	
Pension reserve		<u>283,000</u>		<u>(130,000)</u>	
		<u>4,866,547</u>		<u>4,175,783</u>	
		<u><u>4,948,068</u></u>		<u><u>4,238,337</u></u>	

DRIVE

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2023

The financial statements were approved by the Trustees on 26th September 2023



Trustee

Company registration number 2506147

Karen Chenveit

DRIVE

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	28		228,946		338,540
Investing activities					
Purchase of intangible assets		-		(80,837)	
Purchase of tangible fixed assets		(13,483)		(14,790)	
Investment income received		57,389		1,783	
Net cash generated from/(used in) investing activities			43,906		(93,844)
Financing activities					
Repayment of bank loans		(11,225)		(9,979)	
Net cash used in financing activities			(11,225)		(9,979)
Net increase in cash and cash equivalents			261,627		234,717
Cash and cash equivalents at beginning of year			3,055,702		2,820,985
Cash and cash equivalents at end of year			3,317,329		3,055,702

DRIVE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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.

Financial statements

As the charity's trading subsidiary Drive Enterprises (Mentrau Drive) Ltd is dormant the financial statements report on the charity results only.

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 2023

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 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Intangible assets comprise primarily licence fees paid in advance for the use of software. Such assets are defined as having finite useful lives and the costs are amortised on a straight line basis over their estimated useful lives of 5 years. Intangible assets are stated at cost less amortisation and are reviewed for impairment whenever there is an indication that the carrying value may be impaired.

Amortisation 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:

Software	15% on cost
----------	-------------

1.7 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

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.8 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.

1.9 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.

1.10 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.

1.11 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 2023

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 2023

1 Accounting policies

(Continued)

1.12 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.

Following negotiations, the charity has agreed and signed an admission agreement with Rhondda Cynon Taff Council pension fund following a TUPE transfer of staff in January 2016 from Merthyr County Borough Council. In 2022 the charity were advised by Rhondda Cynon Taff Pension Fund that under FRS 102 it was now able to value the scheme's assets and liabilities relating to the charity. The relevant disclosures have been provided in the notes to these Financial Statements.

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

1.13 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.

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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

	Total	Total
	2023	2022
	£	£
Donations and gifts	-	-
	==	==

During the period the charity were donated a property to further its charitable activities. A valuation of the property was undertaken on 10th March 2023 by Andrew Forbes Chartered Surveyors, an independent qualified surveyor.

The property valuation was deemed to be £nil due to some restrictions at the property. The property has been recognised within the financial statements at £nil cost.

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

4 Charitable activities

	2023 £	2022 £
ILF and targeted support income	1,082,974	976,890
Housing Related Support Grant	168,187	662,500
Job Retention Scheme	-	5,921
Health and Local Authority	16,921,251	14,931,794
Rent and service charges	2,468,002	2,347,883
Social care financial recognition scheme	1,104,595	560,743
Other income	279,870	155,601
	<u>22,024,879</u>	<u>19,641,332</u>
Analysis by fund		
Unrestricted funds	3,743,373	3,480,374
Restricted funds	18,281,506	16,160,958
	<u>22,024,879</u>	<u>19,641,332</u>

Included within other income is £101,950 (2022: £25,326) received from the Big Lottery Community Fund.

5 Investments

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Interest receivable	<u>57,389</u>	<u>1,783</u>

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

6 Charitable activities

	2023 £	2022 £
Staff costs	18,447,758	16,395,996
Depreciation and impairment	5,017	12,201
Recruitment	16,874	17,682
Food, cleaning, health and safety	23,358	31,039
Legal and professional costs	240,512	188,251
Office expenses	148,490	197,939
Participation	13,745	8,460
Rent and utilities	1,668,972	1,610,987
Repairs, maintenance and renewals	107,513	89,111
Travel and vehicle costs	153,211	140,339
Establishment costs	132,890	108,189
Project expenditure	108,295	83,266
	<u>21,066,635</u>	<u>18,883,460</u>
Share of support costs (see note 7)	708,617	650,165
Share of governance costs (see note 7)	82,285	98,264
	<u>21,857,537</u>	<u>19,631,889</u>
Analysis by fund		
Unrestricted funds	3,594,998	3,443,985
Restricted funds	18,262,539	16,187,904
	<u>21,857,537</u>	<u>19,631,889</u>

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

7 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Staff costs	336,038	67,585	403,623	335,567	89,564	425,131
Depreciation	46,483	-	46,483	36,406	-	36,406
Bank charges	5,829	-	5,829	3,880	-	3,880
Establishment costs	18,980	-	18,980	5,163	-	5,163
Food, cleaning, health and safety	32,935	-	32,935	45,081	-	45,081
Office expenses	122,618	-	122,618	73,707	-	73,707
Rent & utilities	119,397	-	119,397	102,633	-	102,633
Repairs & maintenance	15,827	-	15,827	42,436	-	42,436
Travel & vehicle costs	10,510	-	10,510	5,292	-	5,292
Audit fees	-	13,200	13,200	-	7,300	7,300
Accountancy	-	1,500	1,500	-	1,400	1,400
	<u>708,617</u>	<u>82,285</u>	<u>790,902</u>	<u>650,165</u>	<u>98,264</u>	<u>748,429</u>
Analysed between						
Charitable activities	<u>708,617</u>	<u>82,285</u>	<u>790,902</u>	<u>650,165</u>	<u>98,264</u>	<u>748,429</u>

Governance costs includes payments to the auditors of £13,200 (2022: £7,300) for audit and £1,500 (2022: £1,400) for accountancy fees for preparation of the financial statements.

8 Net movement in funds

2023
£

2022
£

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	13,200	7,300
Depreciation of owned tangible fixed assets	38,785	41,505
Amortisation of intangible assets	<u>12,715</u>	<u>7,102</u>

9 Trustees

No trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year (2022: £nil).

10 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Care and administration staff	<u>676</u>	<u>681</u>

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

10 Employees

(Continued)

Employment costs	2023 £	2022 £
Wages and salaries	16,239,193	14,826,127
Agency staff	477,082	136,430
Social security costs	1,566,351	1,286,004
Other pension costs	568,755	572,566
	<u>18,851,381</u>	<u>16,821,127</u>

The average number of employees during the year, calculated on the basis of full-time equivalents was 538 (2022: 546).

No redundancy payments were made during the current or prior year.

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2023 Number	2022 Number
£60,000 - £70,000	2	2
£70,000 - £80,000	-	1
£80,000 - £90,000	1	1
	<u>3</u>	<u>4</u>

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 £270,341 (2022: £358,257).

11 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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

12 Intangible fixed assets

	Software £
Cost	
At 1 April 2022 and 31 March 2023	80,837
Amortisation and impairment	
At 1 April 2022	7,102
Amortisation charged for the year	12,715
At 31 March 2023	19,817
Carrying amount	
At 31 March 2023	61,020
At 31 March 2022	73,735

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 2022	1,441,307	58,537	469,011	1,968,855
Additions	-	-	13,483	13,483
At 31 March 2023	1,441,307	58,537	482,494	1,982,338
Depreciation and impairment				
At 1 April 2022	417,560	56,958	419,434	893,952
Depreciation charged in the year	24,768	1,296	12,721	38,785
At 31 March 2023	442,328	58,254	432,155	932,737
Carrying amount				
At 31 March 2023	998,979	283	50,339	1,049,601
At 31 March 2022	1,023,747	1,579	49,577	1,074,903

The carrying value of land included in land and buildings is £197,988 (2022: £197,988).

During the period the charity were donated a property to further its charitable activities. A valuation of the property was undertaken on 10 March 2023 by Andrew Forbes Chartered Surveyors, an independent qualified surveyor.

The property valuation was deemed to be £nil due to some restrictions on the property. The property has been recognised within the financial statements at £nil cost.

14 Fixed asset investments

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

14 Fixed asset investments

(Continued)

	Other investments
Cost or valuation	
At 1 April 2022 & 31 March 2023	1
Carrying amount	
At 31 March 2023	1
At 31 March 2022	1

	Notes	2023 £	2022 £
Other investments comprise:			
Investments in subsidiaries	15	1	1

15 Subsidiaries

Details of the charity's subsidiaries at 31 March 2023 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

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

16 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	2,081,725	1,841,535
Prepayments and accrued income	43,541	160,108
	<u>2,125,266</u>	<u>2,001,643</u>

17 Creditors: amounts falling due within one year

	Notes	2023	2022
		£	£
Bank loans	20	14,459	12,760
Other taxation and social security		305,421	317,077
Deferred income	18	33,423	-
Trade creditors		308,356	453,716
Other creditors		689,698	533,391
Accruals		448,387	419,374
		<u>1,799,744</u>	<u>1,736,318</u>

18 Deferred Income

	2023	2022
	£	£
Balance as at 1st April	-	115,060
Income received in the year	168,187	662,500
Released to income	(134,764)	(777,560)
	<u>33,423</u>	<u>-</u>
Balance as at 31st March		

Deferred income relates to performance related grant funding received in advance and which relates to future financial periods (2022: 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	2023	2022
		£	£
Bank loans	20	<u>88,405</u>	<u>101,329</u>

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

20 Loans and overdrafts

	2023 £	2022 £
Bank loans	102,864	114,089
Payable within one year	14,459	12,760
Payable after one year	88,405	101,329

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.

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 £494,755 (2022: £494,566). At the year end £6,587 (2022: £74,465) is held in creditors pending debit by the pension companies.

The charge to profit or loss in respect of defined contribution schemes was £494,755 (2022 - £494,566).

Defined benefit schemes

The company participates in the Rhondda Cynon Taff County Borough Council Pension Fund, a Local Government Pension Scheme which is a defined benefit scheme based on final pensionable salary.

Valuation

Movements in the fair value of plan assets:

Key assumptions

	2023 %	2022 %
Discount rate	4.7	2.7
Expected rate of increase of pensions in payment	2.7	3
Expected rate of salary increases	3.95	4.25
CPI Inflation	2.7	3
Pension accounts revaluation rate	2.7	3

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

21 Retirement benefit schemes

(Continued)

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	2023 Years	2022 Years
Retiring today		
- Males	21.6	21.6
- Females	24.2	23.9
Retiring in 20 years		
- Males	22.9	22.6
- Females	25.7	25.4

Amounts recognised in the profit and loss account:

	2023 £	2022 £
Current service cost	70,000	74,000
Net interest on defined benefit liability/(asset)	4,000	4,000
Total costs	74,000	78,000

Amounts taken to other comprehensive income:

	2023 £	2022 £
Actual return on scheme assets	107,000	(3,000)
Less: calculated interest element	50,000	39,000
Return on scheme assets excluding interest income	157,000	36,000
Actuarial changes related to obligations	(766,000)	(148,000)
Effects of changes in the amount of surplus that is not recoverable	124,000	-
Total costs/(income)	(485,000)	(112,000)

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

21 Retirement benefit schemes

(Continued)

The amounts included in the balance sheet arising from the charity's obligations in respect of defined benefit plans are as follows:

	2023 £	2022 £
Present value of defined benefit obligations	1,348,000	2,004,000
Fair value of plan assets	(1,755,000)	(1,874,000)
(Surplus)/deficit in scheme	(407,000)	130,000
Restriction on scheme assets	124,000	-
Total (asset)/liability recognised	(283,000)	130,000

Movements in the present value of defined benefit obligations:

	2023 £
Liabilities at 1 April 2022	2,004,000
Current service cost	70,000
Benefits paid	(23,000)
Contributions from scheme members	9,000
Actuarial gains and losses	(766,000)
Interest cost	54,000
At 31 March 2023	1,348,000

The defined benefit obligations arise from plans funded as follows:

	2023 £
Wholly unfunded obligations	1,348,000
Wholly or partly funded obligations	-
	1,348,000

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

21 Retirement benefit schemes

(Continued)

Movements in the fair value of plan assets:

	2023 £
Fair value of assets at 1 April 2022	1,874,000
Interest income	50,000
Return on plan assets (excluding amounts included in net interest)	(157,000)
Benefits paid	(23,000)
Contributions by the employer	2,000
Contributions by scheme members	9,000
	<hr/>
At 31 March 2023	1,755,000
	<hr/>

The fair value of plan assets at the reporting period end was as follows:

	2023 £	2022 £
Equity instruments	1,195,000	1,265,000
Debt instruments	402,000	455,000
Property	137,000	137,000
Cash	12,000	11,000
Other	9,000	6,000
	<hr/>	<hr/>
	1,755,000	1,874,000
	<hr/>	<hr/>

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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 2023
	Balance at 1 April 2021	Incoming resources	Resources expended	Balance at 1 April 2022	Incoming resources	Resources expended	
	£	£	£	£	£	£	£
Building Fund	28,006	-	(3,414)	24,592	-	(1,707)	22,885
Thomas Bailey Trust Fund	8,035	-	(732)	7,303	-	(367)	6,936
The Horticultural Fund	15,000	-	-	15,000	-	-	15,000
The Progress Housing Trust Fund	23,989	-	(23,989)	-	-	-	-
Local Authority Funding	-	16,003,552	(16,003,552)	-	18,164,856	(18,164,856)	-
Job Retention Scheme	-	5,921	(5,921)	-	-	-	-
Millenium Stadium Charitable Trust	7,450	-	(7,450)	-	-	-	-
First Choice Grant - Neath Connect	-	-	-	-	700	(200)	500
Moondance Reserve Eco	-	-	-	-	14,000	-	14,000
The National Lottery - Pen Llew	7,020	-	(7,020)	-	-	-	-
The National Lottery Community Fund - People & Places	-	25,326	(17,603)	7,723	101,950	(87,473)	22,200
Landfill Tax Disposal Fund	-	21,382	(17,507)	3,875	-	(3,875)	-
Ford of Britain trust	-	2,994	(2,994)	-	-	-	-
The Foundational Economy Challenge Fund - Collaboration Project	-	36,500	(32,439)	4,061	-	(4,061)	-
WCVA - VSRF Emergency Fund - Positive Behavioural Support Strategy	-	62,887	(62,887)	-	-	-	-
Co-operative Community Fund	-	2,396	(2,396)	-	-	-	-
	89,500	16,160,958	(16,187,904)	62,554	18,281,506	(18,262,539)	81,521

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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.

Job Retention scheme was funding provided by HMRC to support wages costs during the COVID-19 pandemic.

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

The First Choice Fund was received for a Neath disco start up.

The Moondance Fund is to meet capital costs for an accessible outbuilding that will provide additional space to increase participation numbers and activities at the Eco Autism Specialist Project.

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

The National Lottery Community Fund - People and Places, awarded £278,002 over 3 years to support accessibility and development of digital skills and knowledge.

Landfill Tax Disposal Fund funding was received from the WCVA Landfill Disposal Community Tax Fund to fit solar panels and LED lighting at the Eco project.

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

22 Restricted funds

(Continued)

Ford of Britain Trust funding of £2,994 was received to fund three computers in Bridgend.

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

WCVA - VSRF Emergency fund - Positive Behavioural Support Strategy funding was received of £62,887 for our Positive Behaviour Support (PBS) Strategy, funding training and the PBS Co-ordinator post for six months.

Co-operative Community Fund – Choir funding of £2,396 was received to fund the choir

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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:

	Balance at 1 April 2021 £	Transfers £	Balance at 1 April 2022 £	Transfers £	Balance at 31 March 2023 £
Tenant Welfare and Move On	46,033	-	46,033	-	46,033
House Reserves	208,352	(54,546)	153,806	13,732	167,538
Redundancy Reserve	100,000	-	100,000	-	100,000
Health & Wellbeing Reserve	11,000	-	11,000	-	11,000
Planned Maintenance	39,912	-	39,912	-	39,912
Merthyr Connect Reserve	5,019	-	5,019	-	5,019
Garden Maintenance STC	1,000	-	1,000	-	1,000
AFC Reserve	926	-	926	-	926
Progress and Innovation	204,026	(65,680)	138,346	91,883	230,229
	<u>616,268</u>	<u>(120,226)</u>	<u>496,042</u>	<u>105,615</u>	<u>601,657</u>

Tenant Welfare Reserve and Move On Reserve 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.

House Reserve has been established to meet costs of replacing, updating and maintaining household items on a cyclical basis.

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

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

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.

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.

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

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

Progress and Innovation Reserve has been established to fund investment in developing and improving Drive's services, brand and digital capabilities.

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

24 Analysis of net assets between funds

	Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 March 2023 are represented by:								
Intangible fixed assets	61,020	-	-	61,020	73,735	-	-	73,735
Tangible assets	1,019,780	-	29,821	1,049,601	1,043,008	-	31,895	1,074,903
Investments	1	-	-	1	1	-	-	2
Current assets/(liabilities)	2,989,494	601,657	51,700	3,642,851	2,794,326	496,042	30,659	3,321,027
Long term liabilities	(88,405)	-	-	(88,405)	(101,329)	-	-	(101,329)
Provisions and pensions	283,000	-	-	283,000	(130,000)	-	-	(130,000)
	<u>4,264,890</u>	<u>601,657</u>	<u>81,521</u>	<u>4,948,068</u>	<u>3,679,741</u>	<u>496,042</u>	<u>62,554</u>	<u>4,238,337</u>

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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, is also a director of Cefn Coed Management Limited. During the year Drive paid the company management fees totalling £1,665 (2022: £971). At the year end the charity owed the company £nil (2022: £648).

Drive Enterprises (Mentrau Drive) Ltd is a trading subsidiary of Drive - refer to Subsidiaries note.

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

As at 31 March 2023 Drive Enterprises (Mentrau Drive) Ltd owed the charity £nil (2022: £nil).

As at 31 March 2023 the charity owed Drive Enterprises (Mentrau Drive) Ltd £1 (2022: £1).

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:

	2023 £	2022 £
Within one year	25,412	6,570
Between two and five years	37,501	714
In over five years	790	-
	<u>63,703</u>	<u>7,284</u>

DRIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

28	Cash generated from operations	2023 £	2022 £
	Surplus for the year	224,731	11,226
	Adjustments for:		
	Investment income recognised in statement of financial activities	(57,389)	(1,783)
	Amortisation and impairment of intangible assets	12,715	7,102
	Depreciation and impairment of tangible fixed assets	38,785	41,505
	Difference between pension charge and cash contributions	72,000	67,000
	Movements in working capital:		
	(Increase) in debtors	(123,623)	(159,810)
	Increase in creditors	28,304	488,360
	Increase/(decrease) in deferred income	33,423	(115,060)
	Cash generated from operations	228,946	338,540

29	Analysis of changes in net funds	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
	Cash at bank and in hand	3,055,702	261,627	3,317,329
	Loans falling due within one year	(12,760)	(1,699)	(14,459)
	Loans falling due after more than one year	(101,329)	12,924	(88,405)
		2,941,613	272,852	3,214,465