

Charity Registration No. 1122214

Company Registration No. 05962393 (England and Wales)

**REGIONAL DRIVING ASSESSMENT CENTRE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

REGIONAL DRIVING ASSESSMENT CENTRE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr P McCormick
	Mr M N Smith
	Mr G Russell
	Mr P Seedhouse
	Mr A M Chishti
	Ms K B Forbes
	Mr R E Heap
Secretary	Mr S M Barratt
Charity number	1122214
Company number	05962393
Registered office	Patrick Farm Barns Meriden Road Hampton-In-Arden Solihull United Kingdom B92 0LT
Auditor	Ormerod Rutter Limited The Oakley Kidderminster Road Droitwich Worcestershire WR9 9AY

REGIONAL DRIVING ASSESSMENT CENTRE

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REGIONAL DRIVING ASSESSMENT CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, 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 also trades under the name RDAC.

Objectives and activities

Policies and objectives

The charity's activities and services are summarised in its Mission Statement, i.e. to help older people and people with disabilities to achieve a better quality of life by helping them to maintain or achieve independent mobility as drivers and passengers. Our primary function is driving assessment. Our aim is to offer practical advice on fitness to drive, equipment and adaptations, and retraining which will enable people to drive safely and comfortably.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Review of activities

The Regional Driving Assessment Centre (RDAC) is one of the 17 centres across the UK accredited by Driving Mobility to help the elderly and disabled people achieve independent mobility as drivers and passengers. The charity was established in 2006 and started trading in 2007. In July 2018 we had to relocate to temporary premises due to HS2 and we moved into our own premises in Hampton in Arden in March 2020. We operate a satellite centre in Manchester and Oxford and currently have 12 outreach services held at various locations near to the main centres.

Achievements

As for many businesses, 2020-21 was an incredibly difficult year for RDAC due to the Covid pandemic. National lockdowns and restrictions meant that RDAC, along with all UK assessment centres, were prevented from delivering assessments for significant periods of the year. These periods ran from April to mid July 2020, November 2020, and January to the end of March 2021. During these periods of lockdown, the majority of staff were furloughed and although new referrals were received, the RDAC was restricted to providing an information and advice service only.

The lockdown periods meant that waiting lists increased significantly and during the periods of the year when assessments were permitted, RDAC performed exceptionally well, exceeding targets for these periods by some margin. This was a testament to all staff at RDAC who were required to adapt to operating with new procedures, significant levels of PPE as well as high levels of anxiety and concern around Covid.

Despite the impact of Covid, we saw increasing demand for driving assessments across a number of areas, especially from NHS services. Referral levels were strong throughout the year, and we are confident that without the impact of Covid, we would have succeeded in meeting both internal and external targets. As a result of Covid, along with all UK assessment centres, we were not able to complete our forecasted number of assessments which will result in a funding clawback from the Department for Transport during 2021 – 22.

At the end of March 2021, we saw the retirement of our long serving CEO, Colin Barnett. Following a rigorous recruitment process, in December 2020 the Board appointed Sean Barratt, Assessment Team Manager for RDAC North, as CEO elect, and he would take up the role of CEO from 1st April 2021. A handover period commenced in January 2021.

REGIONAL DRIVING ASSESSMENT CENTRE

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

During the year we also saw the transition of Chair of Trustees from Patrick McCormick to Gerry Russell who had previously been Vice Chair. Patrick remained on the board, and we also welcomed Rob Heap who was co-opted to the board during the previous year.

At the end of the previous year, in March 2020 we moved into our purpose-built new headquarters near Hampton-in-Arden. This followed a period working from temporary premises since July 2018, following the long-anticipated compulsory purchase of our Network Park offices by HS2 Ltd. Funded through a combination of reserves built up in recent years specifically for this purpose, from some additional funding from the Department for Transport, and also some borrowing, the new premises are located in an area which is more accessible both for our clients and our staff and provides sufficient space for our foreseeable needs. Staff had barely moved into the new building when lockdown restrictions were imposed. This meant that the new building was not used to its full potential for most of the year.

Achievements: 5-Year Plan

The following sets out RDAC's progress this year against specific objectives in its 5-year plan.

Objective 1. Accreditation, facilities and procedures

- New permanent premises secured for the Scunthorpe outreach
- New purpose-built head office opened in Hampton in Arden
- New accounting procedures introduced
- All current policies updated
- Appraisals for all staff carried out as required

Objective 2. Trustees

One additional trustee was appointed to our board at the AGM, having been co-opted during the previous year.

Objective 3. Systems and targets

Coronavirus fears and then lockdown meant we did not reach our assessments target but along with all UK assessment centres the DfT are working with us to minimise the impact on funding.

The new (DM) business system is getting near to testing and should be in place in September.

Objective 4. Expansion

The new Head office and assessment centre in Hampton in Arden will allow us to expand services for Birmingham with more assessment rooms, space for new services and a conference room. This year we secured permanent premises for our outreach in Scunthorpe.

Objective 5. Communication

We have continued with the bulletins within RDAC and through Driving Mobility. Use of the marketing services provided by DM has enabled us to improve our visibility and presence. We continue to make use of Facebook and Twitter which helps to promote our service and to continue to expand our referrer base. We provide information on the website specifically aimed at the NHS sector who now provide around 50% of referrals to the RDAC.

Objective 6. Finance

The new building was completed within budget and although some snagging items remain to be resolved it has been completed well.

Support from the DfT as well as the government furlough scheme helped us through the Covid pandemic. Funding remains strong allowing for future development activity to take place.

Financial review

Reserves policy

As referred above in recent years we have built up reserves to enable us to open our own purpose-built centre, and these reserves have now been used for this purpose. We now aim to increase our reserves situation following the use of it for the new building.

REGIONAL DRIVING ASSESSMENT CENTRE

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

FOR THE YEAR ENDED 31 MARCH 2021

Plans for the future

This forthcoming year will be very challenging due mostly to the continuing impact of Coronavirus. Our primary focus during the year will be to maximise the number of assessments completed by year end, and we don't anticipate further expansion in terms of new centres or outreaches. We do however intend to launch an RDAC Driving School during the next year as well as increasing the diversification of assessment services.

We wish to record our gratitude for the support provided by Government (with regard to furlough and other support) and specifically by DfT with regard to the additional and continuing support for centres in which it has invested considerably over previous years. Over the coming year, we intend to work collaboratively with all stakeholders, trustees, managers and staff of RDAC and look forward to ensuring the best outcomes for our clients and our staff.

The charity is currently in communication with HMRC regarding the VAT treatment of its income and VAT recovery on costs. The charity registered for VAT during the period and processed VAT returns resulting in an initial VAT recovery. This return was calculated assuming that all input VAT is recoverable but the charity is of the opinion that as some income streams are outside the scope of VAT, that potentially some restriction on the recovery of VAT may be appropriate. The Trustees are currently unable to quantify the potential repayment of input VAT that may arise from a VAT restriction and are in contact with HMRC to obtain some agreement. The VAT debtor has been included within these financial statements as the amount was recovered post year end but a provision has also been included for the potential repayment of this claim based on a revised calculation. The Trustees feel that it is prudent to leave this potential liability within the financial statements and will continue to liaise with HMRC to arrive at an agreement regarding future treatment.

Structure, governance and management

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Trustees

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

Mr P McCormick
Mr M N Smith
Mr G Russell
Mr P Seedhouse
Mr A M Chishti
Ms K B Forbes
Mr R E Heap

Method of appointment or election of Trustees

The Trustees are elected at the annual general meeting and subject to re-election at each subsequent Annual General Meeting.

The directors of the company are also the charity trustees for the purposes of company law, and serve as members of the Management Committee. Those who served during the year are shown in the legal and administrative details.

All members of the Management Committee give their time voluntarily and receive no benefits from the charitable company apart from expenses reclaimed as disclosed in the notes to the accounts.

We recruit through word-of-mouth and by direct approach to people who have skills that we require. In accordance with our Memorandum and Articles of Association members are nominated and elected at our Annual General Meeting. We can also co-opt members throughout the year.

REGIONAL DRIVING ASSESSMENT CENTRE

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

FOR THE YEAR ENDED 31 MARCH 2021

Organisational structure and decision making

The organisation is run by the Board of Trustees. The Chief Executive (Sean Barratt), supported by the Senior Management Team, is responsible to the Trustees.

Policies adopted for the induction and training of Trustees

The Trustees in conjunction with the CEO have now produced an updated induction and training policy which requires the Chair of the Trustees and the RDAC management team to ensure the induction process is carried out effectively.

Statement of Trustees' responsibilities

The Trustees, who are also the directors of Regional Driving Assessment Centre 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.

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 was approved by the Board of Trustees.



Mr G Russell

Trustee

Dated: 16 November 2021

REGIONAL DRIVING ASSESSMENT CENTRE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF REGIONAL DRIVING ASSESSMENT CENTRE

Opinion

We have audited the financial statements of Regional Driving Assessment Centre (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of 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 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

REGIONAL DRIVING ASSESSMENT CENTRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF REGIONAL DRIVING ASSESSMENT CENTRE

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the charitable company, we identified the principal risks of non-compliance with laws and regulations including those that have a direct impact on the preparation of the financial statements and the extent to which non-compliance might have a material effect on the financial statements. Audit procedures performed included discussions with management, review of board meeting minutes, testing of journals, designing and performing audit procedures and challenging assumptions and judgements made by management in relation to accounting estimates.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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.

REGIONAL DRIVING ASSESSMENT CENTRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF REGIONAL DRIVING ASSESSMENT CENTRE

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Ormerod Rutter Limited

17/11/2021
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Chartered Accountants
Statutory Auditor

The Oakley
Kidderminster Road
Droitwich
Worcestershire
WR9 9AY

Ormerod Rutter Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

REGIONAL DRIVING ASSESSMENT CENTRE

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

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes						
<u>Income and endowments from:</u>							
Donations and legacies	3	291,784	-	291,784	-	-	-
Income from charitable activities	4	1,445,808	-	1,445,808	1,423,947	-	1,423,947
Investment income	5	204	-	204	411	-	411
Other income	6	36,223	-	36,223	52,450	-	52,450
Total income		1,774,019	-	1,774,019	1,476,808	-	1,476,808
<u>Expenditure on:</u>							
Charitable activities	7	1,366,677	15,990	1,382,667	1,218,303	223,524	1,441,827
Net income/(expenditure) for the year/							
Net movement in funds		407,342	(15,990)	391,352	258,505	(223,524)	34,981
Fund balances at 1 April 2020		793,021	42,151	835,172	534,516	265,675	800,191
Fund balances at 31 March 2021		1,200,363	26,161	1,226,524	793,021	42,151	835,172

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.

REGIONAL DRIVING ASSESSMENT CENTRE

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	11		1,432,829		1,464,314
Current assets					
Debtors	12	551,294		92,428	
Cash at bank and in hand		400,879		138,077	
		<u>952,173</u>		<u>230,505</u>	
Creditors: amounts falling due within one year	13	<u>(704,090)</u>		<u>(434,709)</u>	
Net current assets/(liabilities)			248,083		(204,204)
Total assets less current liabilities			1,680,912		1,260,110
Creditors: amounts falling due after more than one year	15		(454,388)		(424,938)
Net assets			<u>1,226,524</u>		<u>835,172</u>
Income funds					
Restricted funds	16		26,161		42,151
Unrestricted funds			1,200,363		793,021
			<u>1,226,524</u>		<u>835,172</u>

REGIONAL DRIVING ASSESSMENT CENTRE

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2021

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 16 November 2021



Mr G Russell
Trustee

Company Registration No. 05962393

REGIONAL DRIVING ASSESSMENT CENTRE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	20		239,899		382,062
Investing activities					
Purchase of tangible fixed assets		(18,174)		(1,410,012)	
Proceeds on disposal of tangible fixed assets		3,299		4,168	
Investment income received		204		411	
Net cash used in investing activities			(14,671)		(1,405,433)
Financing activities					
Proceeds of new bank loans		-		450,000	
Repayment of bank loans		37,574		-	
Net cash generated from financing activities			37,574		450,000
Net increase/(decrease) in cash and cash equivalents			262,802		(573,371)
Cash and cash equivalents at beginning of year			138,077		711,448
Cash and cash equivalents at end of year			400,879		138,077

REGIONAL DRIVING ASSESSMENT CENTRE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Regional Driving Assessment Centre is a private company limited by guarantee incorporated in England and Wales. The registered office is Patrick Farm Barns, Meriden Road, Hampton-In-Arden, Solihull, B92 0LT, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

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

1.3 Charitable funds

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

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.

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.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

REGIONAL DRIVING ASSESSMENT CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.5 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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:

Leasehold property	over the lease term
Fixtures and fittings	20% on cost
Motor vehicles	25% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 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.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

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.

REGIONAL DRIVING ASSESSMENT CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

3 Donations and legacies

	Unrestricted funds	Total
	2021 £	2020 £
Donations and gifts	151	-
Government grants	291,633	-
	<u>291,784</u>	<u>-</u>

4 Income from charitable activities

	2021 £	2020 £
Grants and contracts	1,232,427	1,189,027
Assessments and courses	213,381	234,920
	<u>1,445,808</u>	<u>1,423,947</u>

5 Investment income

	2021 £	2020 £
Interest receivable	<u>204</u>	<u>411</u>

6 Other income

	2021 £	2020 £
HS2 compensation	-	52,450
Proceeds from sale of Drive Mobility vehicles	36,223	-
	<u>36,223</u>	<u>52,450</u>

REGIONAL DRIVING ASSESSMENT CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

7 Charitable activities

	2021 £	2020 £
Staff costs	973,598	961,276
Vehicle costs	73,466	83,825
Related costs	892	11,190
Training	1,110	16,521
Loss on disposal of motor vehicles	3,299	4,168
Bad debts	500	-
Insurance	36,295	22,339
	<u>1,089,160</u>	<u>1,099,319</u>
Share of support costs (see note 8)	271,495	305,858
Share of governance costs (see note 8)	22,012	36,650
	<u>1,382,667</u>	<u>1,441,827</u>
Analysis by fund		
Unrestricted funds	1,366,677	1,218,303
Restricted funds	15,990	223,524
	<u>1,382,667</u>	<u>1,441,827</u>
For the year ended 31 March 2020		
Unrestricted funds	1,218,303	
Restricted funds	223,524	
	<u>1,441,827</u>	

REGIONAL DRIVING ASSESSMENT CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

8 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Depreciation	46,360	-	46,360	30,974	-	30,974
Property costs	130,516	-	130,516	153,051	-	153,051
Room hire	1,394	-	1,394	4,990	-	4,990
Telephone, postage and stationery	30,615	-	30,615	34,690	-	34,690
Legal and professional fees	-	-	-	-	17,972	17,972
IT costs and equipment rental	28,784	-	28,784	43,999	-	43,999
Repairs and renewals	8,393	-	8,393	2,713	-	2,713
Advertising	1,486	-	1,486	996	-	996
Sundry expenses	13,895	-	13,895	28,502	-	28,502
Bank charges	10,052	-	10,052	5,943	-	5,943
Accountancy fees	-	20,812	20,812	-	17,365	17,365
HR support	-	1,200	1,200	-	1,313	1,313
	<u>271,495</u>	<u>22,012</u>	<u>293,507</u>	<u>305,858</u>	<u>36,650</u>	<u>342,508</u>
Analysed between Charitable activities	<u>271,495</u>	<u>22,012</u>	<u>293,507</u>	<u>305,858</u>	<u>36,650</u>	<u>342,508</u>

All support costs are recharged to the organisations single charitable activity in recognition of the use of the support facilities to the activity.

9 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2021 £	2020 £
Fees payable to the auditors:		
Audit of the annual accounts	<u>4,500</u>	<u>4,375</u>

REGIONAL DRIVING ASSESSMENT CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Staff	39	38

Employment costs

	2021 £	2020 £
Wages and salaries	883,315	871,762
Social security costs	70,196	71,787
Other pension costs	20,087	17,727
	973,598	961,276

There were no employees whose annual remuneration was £60,000 or more.

11 Tangible fixed assets

	Leasehold property £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 April 2020	1,389,171	147,121	31,950	1,568,242
Additions	-	9,048	9,126	18,174
Disposals	-	-	(4,950)	(4,950)
At 31 March 2021	1,389,171	156,169	36,126	1,581,466
Depreciation and impairment				
At 1 April 2020	-	87,601	16,327	103,928
Depreciation charged in the year	14,032	24,119	8,209	46,360
Eliminated in respect of disposals	-	-	(1,651)	(1,651)
At 31 March 2021	14,032	111,720	22,885	148,637
Carrying amount				
At 31 March 2021	1,375,139	44,449	13,241	1,432,829
At 31 March 2020	1,389,171	59,520	15,623	1,464,314

REGIONAL DRIVING ASSESSMENT CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

12 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	137,113	34,590
Other debtors	335,875	-
Prepayments and accrued income	78,306	57,838
	<u>551,294</u>	<u>92,428</u>

13 Creditors: amounts falling due within one year

	Notes	2021	2020
		£	£
Bank loans	14	33,186	25,062
Other taxation and social security		24,633	32,362
Trade creditors		66,697	303,947
Other creditors		569,332	60,500
Accruals and deferred income		10,242	12,838
		<u>704,090</u>	<u>434,709</u>

14 Loans and overdrafts

	2021	2020
	£	£
Bank loans	<u>487,574</u>	<u>450,000</u>
Payable within one year	33,186	25,062
Payable after one year	<u>454,388</u>	<u>424,938</u>

The long-term loans are secured by fixed charges over the land and buildings at Patrick Farm Barns, Meriden Road, Hampton-In-Arden, Solihull, England, B92 0LT.

15 Creditors: amounts falling due after more than one year

	Notes	2021	2020
		£	£
Bank loans	14	<u>454,388</u>	<u>424,938</u>

REGIONAL DRIVING ASSESSMENT CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

16 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:

	Balance at 1 April 2019 £	Resources expended £	Balance at 1 April 2020 £	Resources expended 31 March 2021 £	Balance at 31 March 2021 £
DFT Project	6,437	(3,814)	2,623	(2,623)	-
DFT Office Relocation	200,000	(200,000)	-	-	-
Leicester Grant	6,343	(6,343)	-	-	-
Manchester Grant	52,895	(13,367)	39,528	(13,367)	26,161
	<u>265,675</u>	<u>(223,524)</u>	<u>42,151</u>	<u>(15,990)</u>	<u>26,161</u>

The DFT Project was dealt with in previous years but elements of the funding were used to purchase tangible fixed assets. These assets were capitalised in accordance with standard accounting policies and are being depreciated. The depreciation charge is allocated to the restricted fund as shown above and the restricted fund carried forward is the net book value of those assets.

The Leicester and Manchester grant funding is to be utilised for the provision of training new members of staff and the acquisition of a premises and new vehicles. The staff and training costs were expensed in previous periods and the assets purchased were capitalised in accordance with standard accounting policies and are being depreciated. The above expenditure in this financial year relates to depreciation of those assets and the restricted fund carried forward is the net book value of those assets.

The office relocation grant funding was to be used to help move the charity to a new premises. The move took place during this year and the fund has been fully expensed.

17 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:				
Tangible assets	1,432,829	-	1,432,829	1,464,314
Current assets/(liabilities)	221,922	26,161	248,083	(204,204)
Long term liabilities	(454,388)	-	(454,388)	(424,938)
	<u>1,200,363</u>	<u>26,161</u>	<u>1,226,524</u>	<u>835,172</u>

REGIONAL DRIVING ASSESSMENT CENTRE

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

18 Operating lease commitments

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

	2021 £	2020 £
Within one year	60,448	67,949
Between two and five years	199,031	182,297
In over five years	1,270,248	1,322,032
	<u>1,529,727</u>	<u>1,572,278</u>

19 Related party transactions

Remuneration of key management personnel

	2021 £	2020 £
Aggregate compensation	<u>187,576</u>	<u>171,593</u>

The following persons are considered to be members of key management personnel as at 31st March 2021:

Colin Barnett
Sean Barratt
Steve Dent
Clare Jones
Amy Leddington

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

	Services received		Expenses payable	
	2021 £	2020 £	2021 £	2020 £
Trustees	-	-	22	30
Other related parties	7,680	8,664	-	-
	<u>7,680</u>	<u>8,664</u>	<u>22</u>	<u>30</u>

£7,680 (2020 : £8,664) was paid to Debbie Barnett, the spouse of Colin Barnett for professional services.

£nil (2020: £30) was paid to G Russell, a trustee, for expenses reimbursed.

£22 (2020: £nil) was paid to R Heap, a trustee, for expenses reimbursed.

No other trustees received any remuneration or benefits during the year (2020: £nil).

REGIONAL DRIVING ASSESSMENT CENTRE

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

20	Cash generated from operations	2021	2020
		£	£
	Surplus for the year	391,352	34,981
	Adjustments for:		
	Investment income recognised in statement of financial activities	(204)	(411)
	Depreciation and impairment of tangible fixed assets	46,360	30,974
	Movements in working capital:		
	(Increase) in debtors	(458,866)	(14,511)
	Increase in creditors	261,257	331,029
	Cash generated from operations	239,899	382,062
21	Analysis of changes in net (debt)/funds	At 1 April 2020	Cash flowsAt 31 March 2021
		£	£
	Cash at bank and in hand	138,077	262,802
	Loans falling due within one year	(25,062)	(8,124)
	Loans falling due after more than one year	(424,938)	(29,450)
		(311,923)	(86,695)