

THERA EAST

Registered No: 06795987

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH, 2022



THERA EAST
(A company limited by guarantee)

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INTRODUCTION

**These papers tell readers what the company has been doing
between April 2021 and March 2022.**

**The directors have written about what has gone well and what
needs development.**

You can see how the company has managed its money.

The accounts have been checked by our Auditor – Sayer Vincent LLP.

**Some of these papers must be written in legal language. We have
introduced each section with an Easy Read text box.**

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COMPANY INFORMATION

DIRECTORS

Sally Carpenter

Jennifer Garrigan

Graham Skidmore

SECRETARY

Tarnya Thompson

COMPANY NUMBER

06795987

REGISTERED OFFICE

134 Edmund Street
Birmingham
B3 2ES

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COMPANY INFORMATION

AUDITOR

Sayer Vincent LLP
Statutory Auditor
Invicta House
108-114 Golden Lane
London
EC1Y 0TL

BANKERS

Barclays Bank PLC
43 High Street
Sutton
Surrey
SM1 1DR

SOLICITORS

Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham
B3 2ES

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DIRECTORS' AND STRATEGIC REPORT
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This section explains that directors are responsible for putting together accounts which must show a true and fair view. This is the law.

The directors are pleased to present their report and financial statements for the year ended 31 March, 2022.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report, the Strategic Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

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- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 company will continue in operation.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy, at any time, the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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PRINCIPAL ACTIVITIES

The principal activity of the company during the year was to support people with a learning disability in the East of England.

DIRECTORS

The directors who served during the year, or subsequent to the year-end, were:

Sally Carpenter

Dries De Coster (resigned 14 October, 2022)

Jennifer Garrigan

Brenda McLoughlin (resigned 15 October, 2022)

Paul Patarou (appointed 23 August, 2021,
resigned 9 November 2022)

Graham Skidmore

Neil Yeomans (resigned 11 October, 2022)

Louise Duffield (resigned 22 March, 2022)

The directors have no financial interest in the company, it being limited by guarantee.

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DIRECTORS' AND STRATEGIC REPORT
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Directors and Strategic Report¹



chairman

Chairperson's Report

"This report talks about the work that we do with people with a learning disability and how our staff are supported. It also sets out and explains our financial performance.

This introduction is being written in a time of change for Thera East board. I am therefore writing this as interim Chairperson. We have seen the resignation of Louise Duffield earlier in the year. In addition, we have seen further change with Brenda McLoughlin, Managing Director, Neil Yeomans, Chairperson, Dries de Coster and Paul Patarou, Non-executive directors, moving on from their roles. I am very aware that directors give their time and energy to a company in a range of different ways. I would therefore like to thank them for their hard work with Thera East over recent years. We are currently working with Thera Trust board to attract and recruit new directors.

Since our last report, we are seeing, in the UK, a difference in response to the Covid-19 pandemic. However, within social care we continue to work to strict infection control guidance. We remain vigilant, encourage the take up of vaccinations, and support people who have lost loved ones or continue to suffer the effects of Covid-19 and the impact of more isolated lives as a result of the restrictions that had been in place.

¹ Thera East seeks to make its annual report and accounts accessible to all of its readers, including those with a learning disability, whilst meeting all statutory requirements. This approach requires us to "tell the story" comprehensively for the year. Key information required as part of the strategic report (context to the financial statements, analysis of our performance and insight into our objectives, strategies and risks) is woven throughout and a single integrated report is therefore being provided.

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Whilst we reflect on the negative impact of Covid-19, we celebrate the new skills that have been learned, not least our ability to use Zoom and Microsoft Teams; for work and for supporting people with a learning disability to stay connected, as well as the new hobbies and interests which people acquired.

We are pleased to see that those we support are now able to go back out into the community to resume some of their favourite activities, attend social gatherings (with appropriate precautions) and even to go on holiday.

Due to the widely reported staff supply issues across many sectors in the UK, social care including Thera East, is a challenging environment for our staff teams to work in. Our highly dedicated teams are working additional hours to ensure consistency of support to people, whilst we are utilising agency workers to fill gaps where we can. We are aware that this is not the best way to care for and support people; Thera East is making every effort to recruit more suitable permanent staff to improve the situation and to support people consistently with staff that know them well and who work within Thera's Vision and values.

I would like to take this opportunity to again thank our staff for their dedication and hard work through these additional pressures and challenges. In doing so, also to thank Thera Trust central services for their continued support and advice.

Jenny Garrigan

Interim Chairperson

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What is Important for Thera East²

Thera East is part of the Thera charitable group of companies. Thera has always said that the people it supports must be involved in how the organisation does its job. Thera's Vision clearly sets out Thera's philosophy of control and involvement by people with a learning disability:

- ✓ Thera will show that people with a learning disability can be leaders in society;
- ✓ Thera will be controlled by people with a learning disability;
- ✓ People supported by Thera can say how their Thera company is directed and managed;
- ✓ People with a learning disability will design the support they want from Thera;
- ✓ Thera will respect the rights and wishes of people at work, at home and in the community;
- ✓ People with a learning disability will check the quality of support from their Thera company;
- ✓ Thera Group will be led by a charity.

² Thera Trust' is our parent company. Its charitable objects are "the relief of persons with learning disabilities, their families and carers by the provision of support services including services in the support of residential, respite and other suitable forms of care, education and work opportunities and to promote public awareness of the needs of such persons and to give support to their families" and "the promotion of the effective use of charitable resources for the benefit of the public by the provision of services to organisations involved in the relief of persons with learning disabilities, their families and carers."

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support

Thera East Supports People with a Learning Disability

"As of 31 March, 2022, Thera East was providing support to 208 people with a learning disability (229 - 31 March, 2021). Most of the work is intensive 24-hour support for people with moderate to complex support needs in their own homes. Unfortunately, after the Covid-19 period, our community support never fully recovered and a number of people have chosen not to return to being supported by Thera East.

This year saw some relaxation of the Covid-19 rules. As restrictions lifted, people supported returned to the activities they had missed out on and many found new things to do.

We were pleased to help three young people move from their family homes to a shared house in Billericay at the end of last year. This was a big step towards independence for the young people who were used to having parents around. One parent thanked us, saying that her daughter is the happiest she has been in years, since being supported by Thera East to live in her own shared home.

Once again, due to Covid-19 restrictions, we could not hold our annual celebration event in advance of the annual general meeting (AGM). The AGM was therefore held via a Microsoft Office Teams call and was attended by the Board and our Company Members.

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As we embark on year three of Thera East's three-year strategy that is based on three strands - Connecting People, Improving Lives, Building Futures - we will need to turn our attention to the next three years. We will continue to deliver the strategy through our robust annual plans. In 2022-23 we will focus on driving up quality as a shared goal for every member of staff. We will promote choice, healthy living and access to recreational, employment and enterprise opportunities. Thera East will strengthen our PBS and PROACT SCIPr coaches.

We have continued to address retention in the last year and it will remain a priority in the coming year as we recognise pressures on social care. We are using various recruitment methods to get the best results.

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story

Stories!

As ever, the real test of how we are performing is the extent to which the people we work with are satisfied with what we do. We are proud therefore to share some of their stories.

- We started to support four people who were able to move into their new home; they were previously entirely dependent on their parents. This has given them the chance to gain new skills and more independence. The care and support took a person-centred approach from day one, where an entire team and home were designed around the needs of the people moving in. This started with the individuals choosing their own staff, then choosing where they wanted to live and who they wanted to live with. They have all been friends for many years and this new venture is a real testament to true friendship and a zest for a new adventure. Their quality of life has improved significantly; the sense of well-being created by moving out of your parental home for the first time is incomparable.

- “Paul” had a home massage service organised for him to assist with his well-being and circulation; he enjoyed the session and the plan is to for “Paul” to be able to do this once a month now that the Covid-19 restrictions have eased. “Paul” is a wheelchair user and it is important that he has regular breaks to enable him to change his positioning and to help him relax throughout the day. “Paul” enjoyed his first massage session so much that he wanted to make this a regular activity and something that he could look forward to and that would support his overall well-being.

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- “Sean” attended a training course, Food Safety In Catering Level 2 in November. “Sean” went on his own by going on the bus to Ipswich. This boosted his confidence and he was very pleased with his achievement. He was supported to visit the training centre the week before so he knew where he was going. He used his phone to take photos of the road layout and points of reference from the centre to the bus station.
- “David” was supported to get a new wheelchair; one with bigger wheels. This makes it easier for him to propel himself and therefore gives him further independence. This maintained “David’s” independence and enabled him to freely roam around his own home as and when he chooses. The self-propel was safer for him and he wasn’t using his feet to manipulate his movements. This has now encouraged “David” to be more active as he is not otherwise able to weight bare.
- “Diane” met her brother and sister for the first time; there had been no contact with them for 30 years following the passing of their mother. The siblings want to keep in touch and will slowly introduce “Diane” to the rest of their family. “Diane’s” siblings contacted social services to try to find her initially. Her staff team then supported a meeting and, whilst this was a little overwhelming for “Diane”, she is now back in regular contact with her brother and sister. Whilst there is a lot of catching up to do, “Diane” is enjoying having visitors and building relationships. She has lots of lovely family photos to look at and she carries around a photo of her little sister.

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- “Steve” was supported to have a very special birthday. He went to Hyde Park in London, which is something that he has always wanted to do. Birthdays are very special for “Steve”, so much so that, shortly after Christmas, “Steve” starts a countdown! “Steve” also enjoys transport – so this birthday trip hit all the right notes and involved trains, tubes and buses.
- During lock down, “Alan” had his 60th Birthday but was unable to celebrate this in full due to restrictions. However, “Alan” made up for this as soon as he could and was supported to book an Elvis impersonator who helped kick off the celebrations. “Alan” is a huge fan of Elvis, loves a party and singing along to karaoke, which we know he will talk about for a long time to come.
- “Daniel” was supported to clean and clear out his summer house. This was a long task and support staff and the management team supported him to empty, sort and recycle a lot of his belongings. “Daniel” is ready to relax in his clean summer house this summer. For a long time “Daniel” was struggling to fit all the things he wanted to into his summer house and needed that bit of support and encouragement to make a start on the clearing out. Now he has a wonderful space that he can call his own and go and spend time in there relaxing in the garden.
- “John” has been slowly developing his independence. He now attends the gym independently without support and more recently got a part time job at Sainsburys. “John’s” ultimate goal is to move into his home, so

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every step towards this is a celebration of how far "John" has come and how proud the team are of him and his achievements.

- "Richard" went to London. He had been planning the trip for a while. He was involved in every step of the preparation; from choosing what to see, all the way to how to pay for the underground tickets. He had an amazing time. Days out and their planning, supported by his staff, enabled "Richard" to explore his interests wider afield. He took pictures to store on his iPad to show his family and friends and to reminisce, using this as event markers of his achievements and activities over the year. This year's trip was extra special because there were no Covid-19 restrictions.
- "Ryan" made steady progress with managing his type 2 diabetes. Staff have worked with "Ryan" to help him understand the risks of diabetes and how making better choices can improve his health and wellbeing. This has helped "Ryan" to be in control and to make better informed choices about his health.

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People with a Learning Disability Help Manage Thera East

People who are supported by Thera East have a lot of influence on how the company is directed and managed as well as leading the design and delivery of their own support. People have an opportunity to become 'company members' of Thera East and can vote on a range of important issues that affect the organisation.

Graham Skidmore is the Service Quality Director for Thera East; Graham is a key member of the Thera East Board and takes the lead on quality.

"The year of 2021-2022 has been a challenging year with transitioning from solely working at home into slowly going back to meetings and visits in person. It has meant that we have had to adapt to new ways of working due to Covid-19.

Bridie continued to support me as my Executive Assistant and we have worked well together over the last year; we have found some improved ways of working using Microsoft Teams and Zoom.

We have been better connected with other Service Quality Directors and Executive Assistants to allow us to learn from each other and gain skills and knowledge to develop in our job roles. We also attended extra training sessions together.

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We have held both virtual visits via Teams calls and visits in person to people we support. These have been a great way to meet with people supported, but the challenges we faced have been about being able to see as many people as we would like to. People supported mostly relied on using a staff member's laptop to do the calls. We have noticed that more people are purchasing their own devices now. I used these calls to check in on people supported.

Some Being Heard Hubs are back up and running again since Covid-19; these had to be temporarily stopped due to Government restrictions.

The Brightlingsea Coffee Club and The Ahead Club are back open. It has been nice to see people socialise safely again and "Be Heard". The Being Heard Hubs are held at the same time and on the same day every week; they are held locally to where people live. This means they are easily accessible if anyone we support needs someone to talk to or some information about local advocacy groups, events and support in their area, information about Thera and much more.

I am now a trainer for Restore2mini and Stomp (stop the over medicating of people with a learning disability, autism or both). I plan to share this throughout Thera East in our Welcome to Thera sessions. This will help with awareness of Restore2mini which is about recognising the early signs that someone we support is unwell and using a SBARD (Situation, Background, Assessment, Recommendation, Decision) tool to support staff to take action

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in reporting this to the GP in a timely response, using the right questions to get the best outcome for the person supported. Stomp will raise awareness to ensure people are not over-medicated by psychotropic medications by booking GP medication reviews.

We have been unable to do our celebration day in person but have celebrated with people we support and staff by sharing online their good work and rewards have been sent out to them.

During 2022, we have a planned date for a celebration day in person.

We continued to use Iplanit. It helps people plan what they want to do and helps their staff teams and circles of support know about their goals and achievements. I encouraged staff to print off the Iplanit person centred plans and create visual plans as well. The outcomes from Iplanit have reduced from the previous year due to people not being able to achieve some goals whilst Covid-19 restrictions were in place.

Supporting people into employment has always been a key area of focus. For most of 2021, people were not interested in employment due to the Covid-19 restrictions. Towards the end of 2021 and beginning of 2022, we saw a rise in interest and people supported starting voluntary or paid work. Over the last year we have been working with Path2Jobs to find ways of making the employment process and support much better. We have been looking to develop a progression pathway beyond Thera, including personal development and employer engagement.

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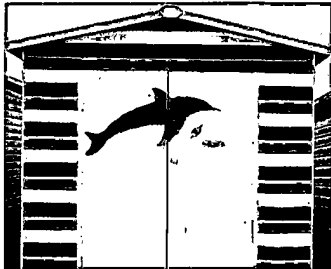
We have an active company membership in Thera East. Our Annual General Meeting was held in December, 2021. We were online again this year and it went really well. I continued to encourage people to become a company member of Thera East, talking to people about the benefits of membership and sending information to people outlining what membership is about. We attended management team meetings to tell them about membership.

I have fridge magnets and letters sent out to people we support so that they know who I am and how they can contact me if they need anything. During the year, I visited as many people online as possible and attended lots of different groups so that I could hear from them and share important information.

The new Thera East Beach Hut was originally painted and opened in June, 2019 by people we support in Thera East. The Thera East Beach hut is fully accessible for wheelchair users with a new metal ramp going into the Beach Hut which is open plan. It is seafront facing and close to changing and toilet facilities which include a hoist. It is somewhere people can get together for team/family/friend bonding time over tea and cakes, play some games or just relax with the sound of the sea in the distance.

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Due to Covid-19 restrictions in 2020, we were unable to use this as much as we had hoped but were still able to open for a few months of the year while government guidelines allowed us to do this. In 2021 we were still under Covid-19 restrictions, but the months that we could open were a great success with people supported and the general public hiring the hut which helped pay towards the licence fees and running costs. We hope to be able to do this again for 2022.

We have been working with Thera East Anglia on a new project called "Dolphin Fit". The sessions are held online via Zoom; they have been positive for the people we support. The fitness sessions get people moving and more active; they are sociable, fun and we have also celebrated birthdays, had song requests and invited special guests along. This is more of a seasonal activity as we have found during the summer more people are out in their community enjoying the nicer weather.

Although the year has been challenging, I have gained new skills which I plan to continue to use. I am now able to use Microsoft Teams and Zoom to work from home which is managing my time better as I am not having to travel so much to do admin. I can work with my Executive Assistant on

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documents together and attend meetings online. We can have more catch ups and training with other Service Quality Directors than I had before when we weren't using Teams or Zoom. I can share my screen on Teams which helps me to communicate what I want to say or do.

I am looking forward to the celebration day in Mersea this year and giving out recognition awards to people we support"

Graham Skidmore
Service Quality Director

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staff

Thera East Employs Good Staff

During the year, Thera East employed 511 people (2020-21 - 579), the majority of whom are support workers and many are supported to work flexibly around their own lifestyles. Sadly, we have seen some people we support pass away during the difficult period we have all been through. As a result, the number of staff we need to employ has also fallen.

Our staff are our most important asset and we take considerable pride in their achievements, their dedication and the level of commitment they make every day in delivering high quality support to people. We have continued to invest in staff by offering first class support, training and development throughout Thera, ensuring that staff are capable and motivated to meet the needs of the people we support.

As befits an organisation with Thera's Vision, we are committed to ensuring that all job applicants and employees are treated fairly and valued regardless of sex, disability, race, age, marital status, sexual orientation, religion, colour, ethnic or national origin. We value diversity and social inclusion across all our activities and our recruitment process ensures that all applicants have equal opportunity. It is our policy to:

- ✓ give full and fair consideration of applications of employment made by disabled persons, having regard to their particular aptitudes and abilities;

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- ✓ continue the employment of and arrange training for employees who have become disabled persons while employed as well as the training, career development and promotion of disabled persons.



We have achieved the status of a Disability Confident Employer, which recognises that our systems and processes are adapted to encourage recruitment of staff with a disability and supporting them at work.

Thera's Vision states "Thera will respect the rights and wishes of people at work, at home and in the community". This demonstrates an approach not only to people supported by the organisation, but also to members of staff and volunteers.

Staff are able to engage formally with the organisation as company members alongside people supported and family members and by electing representatives to the company's Employee Consultative Council, a sub-committee of the Board, providing a direct line of communication between directors and the workforce.

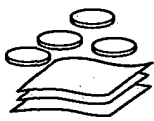
Thera East has a well-established Employee Consultative Council, which considers a range of matters relating to its staff. This includes sharing important information about Thera and finding out what staff think about important decisions that may affect them.

The Employee Consultative Councils are the formal mechanism for ensuring that Thera delivers on its philosophy of involvement in relation to its staff as well as meeting its obligations under Information and

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Consultation Regulations, 2004, for example in relation to changes to pay, terms and conditions. During the year, Thera East held four Employee Consultative Council meetings.



money

Thera East's Money

Thera's accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with Thera East's Articles of Association and applicable law.

Turnover in 2021-22 was £13.6m. (2020-21 £13.5m.). The relatively small increase after price inflation reflects fewer people supported and fewer hours of support during the year.

The surplus for the year was £426k (2020-21 £504k). The Directors determined that the surplus made during the year would be contributed to Thera Trust as a donation under gift-aid.



risk

Managing Thera East's Risk

Key risks which are inherent in the nature of our work include the abuse or neglect of vulnerable people, a failure to comply with CQC Fundamental Standards or other regulatory requirements or a failure to realise Thera's Vision. As the wider economy has deteriorated and labour markets tightened, Thera East's biggest risk is now to its ability to retain

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and recruit sufficient staff to provide the day to day care and support that it is contracted to undertake.

The social care market in which Thera East operates continues to experience significant funding challenges as commissioners attempt to reconcile increasing demand within a tighter funding environment. Although limitations are expected to continue, this has so far had limited impact on Thera East's activities. Thera East supports people with a learning disability in the main who have a substantial and critical assessed need. Accordingly, these individuals are at a much lower risk of having their support reduced because of funding challenges, with local authorities and commissioners prioritising this area of spending to date.

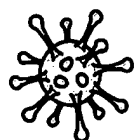
Like all care and support service providers, Thera East is exposed to a range of external factors that may put pressure on continuing the provision of care and support to a person with a learning disability. However, the specialist area of the market in which Thera East works benefits from much lower levels of this pressure, as it is in both the commissioning body and the individual's long term interests to maintain continuity of support, particularly of the high quality that Thera East provides.

The directors have assessed and monitored the major risks to which Thera East may be exposed through a risk management strategy. Other than those sector risks outlined above, there were no material strategic changes within the organisation during the year that are perceived to expose the organisation to additional material risk.

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In addition, Thera East's Health and Safety Committee provides the formal mechanism for Thera jointly with staff safety representatives to fulfil their obligations under health and safety legislation and in line with the Group's Health and Safety Policy.



COVID-19

Covid-19

The accounts to which this report relates are for the year ending 31st March, 2022. There have been substantial periods of time during which the activities of Thera East have been disrupted or curtailed. During the year, Thera has maintained and constantly reviewed policy and guidelines in line with legal and regulatory requirements. Sufficient supplies of personal protective equipment were secured and maintained throughout the year. Governance, management and administrative activity was facilitated and maintained with access to online meeting facilities.

Throughout the year, a number of Thera East's areas of work have needed to reduce in volume or to be suspended entirely. These include support to people in the community and support to people in venues where people congregate. Instead, activities have often been focused either on providing greater volumes of support to more people at home, with, in many cases, staff being re-deployed to undertake this work rather than being furloughed; or alternative means of virtual support. Where activity levels have changed, income levels were sustained ensuring medium term stability once restrictions eased. There has been no material

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impact since the balance sheet date on financial performance or working capital as a direct result of Covid-19. Additional costs, for example on personal protective equipment, have been funded either in this way or with additional specifically targeted income.

The impact of these factors has diminished after the balance sheet date.

The directors continue to ensure that they act in line with policy and guidance issued by Thera Trust, the parent company of Thera East, to review the specific risks relating to Thera East's work arising from Covid-19 and to respond accordingly as necessary.

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This section explains that the directors have told the Auditor everything they should and that they have worked within the law.

The Board continues to monitor the external regulatory, funding and employment law environment closely. Directors are satisfied that systems are in place to minimise the incidence and impact of risks to the extent to which these are in the control of Thera East.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

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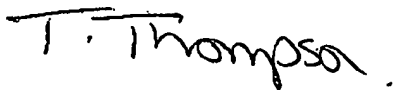
DIRECTORS' AND STRATEGIC REPORT
for the year ended 31 March, 2022

This section asks Company Members to agree that the Auditor Sayer Vincent LLP, be chosen again as the company's Auditor.

RE-APPOINTMENT OF AUDITOR

In accordance with s.485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for the re-appointment of Sayer Vincent LLP as auditor of the Company.

This Directors' and Strategic Report was approved by the board on 15 December 2022 and signed on its behalf.



Tarnya Thompson
Secretary

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THERA EAST

This page explains that the Auditor is reporting that the accounts give a true and fair view of the company and that they are put together as the law says they should be put together.

OPINION

We have audited the financial statements of Thera East (the 'company') for the year ended 31 March 2022 which comprise the statement of income and retained earnings, balance sheet, statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the company's affairs as at 31 March, 2022 and of its profit for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THERA EAST**

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 company 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 directors' 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 Thera East'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.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THERA EAST**

Our responsibilities and the responsibilities of the directors 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 directors' annual report, including the strategic report, other than the financial statements and our auditor's report thereon. The directors 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.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THERA EAST**

**This section explains that the Auditor must tell us if they are unhappy
with how the directors managed the company.**

**The Audit report says that there is nothing bad the Auditor wishes to
report to Company Members.**

**OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES
ACT 2006**

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

- The information given in the directors' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The directors' annual report, including the strategic report, has been prepared in accordance with applicable legal requirements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY
EXCEPTION**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' annual report and the strategic report.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THERA EAST**

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 directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the statement of directors' responsibilities set out in the directors' annual report, the directors 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 directors 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 directors are responsible for assessing the company'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 directors either intend to

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THERA EAST

Director's responsibilities are explained on page 4.
This page explains that it is the Auditor's responsibility to audit (check)
the accounts as the law says they should.

liquidate the 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.

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

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THERA EAST**

This page explains how the Auditor checks the accounts.

irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

CAPABILITY OF THE AUDIT IN DETECTING IRREGULARITIES

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the company's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the company operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a

THERA EAST
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THERA EAST**

fundamental effect on the operations of the company from our professional and sector experience.

- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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 is also greater regarding

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THERA EAST**

irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

USE OF OUR REPORT

This report is made solely to the 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Orchard (Senior statutory auditor)

15 December 2022

**for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL**

THERA EAST
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THERA EAST**

You will see that this report and accounts also includes accessible information so that the directors of Thera East are ensuring that all Company Members, including those with a learning disability, are able to fulfil their duties in law including to receive the accounts and to appoint the directors and Auditor.

The law does not say we must provide this information, but Sayer Vincent LLP say it is in line with the statutory report and accounts.

THERA EAST

(A company limited by guarantee)

SUMMARY OF MONEY

For the year ended 31 March, 2022

What we have earned and what we have spent:	£
Money we got in	14,358,984
What we spent on our staff	(10,363,096)
Other money we spent	<u>(3,569,645)</u>
What is left over for this company	426,243
Contribution made to Thera Trust	<u>(426,243)</u>
What is left over from the year	<u><u>-</u></u>

What Thera East has at 31 March, 2022:	£
How much cash we had in the bank	52,774
What we are owed by others	3,241,789
What we owe to other Thera companies	(2,168,149)
What we owe to others	<u>(1,126,414)</u>
Final amount the company had at 31 March, 2022	<u><u>-</u></u>

THERA EAST
(A company limited by guarantee)
INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 March 2022

	Note	2022 Total £	Restated 2021 Total £
Turnover	3	13,590,593	13,540,374
Direct costs		(10,860,352)	(10,991,793)
Gross surplus		2,730,241	2,548,581
Administrative expenses		(2,438,579)	(2,229,749)
Operating result	4	291,662	318,832
Exceptional Covid-19 Income		721,551	800,944
Exceptional Covid-19 expenditure		(633,810)	(636,728)
Operating result after Covid-19 items		379,403	483,048
Interest receivable on intra-group borrowing		46,840	21,723
Result from ordinary activities before taxation		426,243	504,771
Taxation on result on ordinary activities	7	-	-
Total comprehensive income		426,243	504,771
Retained earnings			
Retained earnings at the beginning of the year		-	-
Total comprehensive income for the financial year		426,243	504,771
Gift aid distribution to parent charity		(426,243)	(504,771)
Retained earnings at the end of the year		-	-

The above Income and Expenditure Account is the equivalent of the Statement of Income and Retained Earnings.

All of the above activities relate to continuing operations.

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BALANCE SHEET
as at 31 March 2022

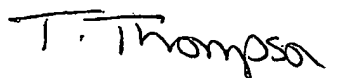
COMPANY REGISTRATION NUMBER 06795987

	Note	£	2022 £	£	2021 £
Current assets:					
Debtors	8	3,241,789		2,020,410	
Cash at bank and in hand		52,774		4,267	
		<u>3,294,563</u>		<u>2,024,677</u>	
Current liabilities:					
Creditors falling due within one year	9	(1,552,657)		(1,312,328)	
				<u></u>	
Net current assets			<u>1,741,906</u>		<u>712,349</u>
Total assets less current liabilities			<u>1,741,906</u>		<u>712,349</u>
Long term liabilities:					
Creditors falling due after more than one year	10		(1,741,906)		(712,349)
			<u></u>		<u></u>
Net assets			<u><u>-</u></u>		<u><u>-</u></u>
Reserves					
Retained earnings			<u>-</u>		<u>-</u>
Total reserves			<u><u>-</u></u>		<u><u>-</u></u>

The financial statements were approved and authorised for issue by the board and signed on its behalf on 15 December 2022.



Jennifer Garrigan
Director



Tarnya Thompson
Secretary

THERA EAST
(A company limited by guarantee)
STATEMENT OF CASH FLOWS
for the year ended 31 March 2022

	Note	2022 Total £	2021 Total £
Total comprehensive income		426,243	504,771
Interest receivable		(46,840)	(21,723)
Gift aid distribution to parent charity		(426,243)	(504,771)
(Increase) / decrease in debtors		(1,221,379)	689,185
Increase / (decrease) in creditors		1,283,846	(684,951)
Net cash provided by / (used in) operating activities		15,627	(17,489)
Cash flows from financing activities:			
Interest received		46,840	21,723
Net cash provided by financing activities		46,840	21,723
Net increase in cash and cash equivalents		62,467	4,234
Cash and cash equivalents at the beginning of year		(9,693)	(13,927)
Cash and cash equivalents at the end of year	13	52,774	(9,693)

THERA EAST
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

1 Accounting policies

a) Statutory information

Tera East is a company limited by guarantee and is incorporated in the United Kingdom (England and Wales). The registered office address is 134 Edmund Street, Birmingham, B3 2ES. The operating address is The West House, Alpha Court, Swingbridge Road, Grantham, NG31 7XT. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

b) Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in Sterling (£) which is the functional currency of the company. The financial statements are for the year ended 31 March 2022 (2021: 31 March 2021).

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the company's accounting policies. The areas involving a higher degree of judgment or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

c) Going concern

The directors consider that the company has the ability to continue operating as a going concern and there are no known material uncertainties to this. Further information is given in the directors' annual report.

d) Turnover

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable.

Revenue from a contract to provide support services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- The amount of revenue can be measured reliably
- It is probable that the company will receive the consideration due under the contract
- The stage of completion of the contract at the end of the reporting period can be measured reliably
- The costs incurred and the costs to complete the contract can be measured reliably

e) Government & local authority assistance

Government assistance in the form of Coronavirus Job Retention Scheme and Job Support Schemes is recognised as income when an eligible claim has been submitted.

Other government and local authority grants are recognised at fair value when the company has entitlement after any performance conditions have been met, the receipt is probable and the amount can be measured reliably.

f) Taxation

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

THERA EAST
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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

1 Accounting policies (continued)

g) Pensions

Thera East participates in The Pensions Trust Ethical Fund which is a defined contribution scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

Thera East also participates in the NHS Pension Scheme which is a defined benefit scheme. Contributions to the scheme are charged against net income in the period in which they are payable. The pension charge is based on a full actuarial valuation as disclosed in the relevant note to the financial statements. Contributions for the NHS scheme are set by the Government Actuary.

h) Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

i) Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible into known amounts of cash with insignificant risk of change in value.

j) Financial instruments

The company enters into only basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans from related parties. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

k) Parent charity and financial support

An Intra-Group Agreement exists between Thera Trust and twenty eight of its subsidiaries. This Intra-Group Agreement incorporates a Funding Agreement which allows Thera Group companies to benefit from the movement of funds around the Group. Each subsidiary, other than The Camden Society, Equal Futures and Thera Limited, has acceded to this Intra-Group Agreement with Board approval. In addition to this, Thera Trust and its subsidiaries have all individually agreed not to demand the repayment of any inter-company borrowings within twelve months of the date on which the balance sheet is signed. Any amounts due to or from Group companies that have been shown as due within one year relate to balances arising from operational activities and gift aid. A market rate of interest has been charged on balances between group companies.

2 Judgements in applying accounting policies and key sources of estimation uncertainty

The directors of the company make estimates and assumptions concerning the future. Management are also required to exercise judgement in the process of applying the charitable company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

Management have considered whether Covid-19 has impacted on any areas of estimation in reporting these accounts. Other than the general background uncertainty created by Covid-19's economic impact, management do not believe that it impacts on any specific aspects of the numbers reported in these accounts.

THERA EAST
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

2 Judgements in applying accounting policies and key sources of estimation uncertainty (continued)

In preparing these financial statements, the directors have delegated to management the authority to make the following judgements:

Group financial support

The directors of all of the subsidiaries within the Thera Group that have acceded to the Intra-Group Agreement as referred to above, have received assurance from the board of Thera Trust that adequate financing is in place to meet the group's financing needs and this has enabled the directors to confirm that management can prepare the accounts on a going concern basis.

Recoverability of trade debtors

Trade and other receivables are recognised to the extent that they are judged recoverable. Management reviews are performed to estimate the level of reserves required for irrecoverable debt. Provisions are made specifically against invoices where recoverability is uncertain.

Management makes allowance for doubtful debts based on an assessment of the recoverability of debtors. Allowances are applied to debtors where events or changes in circumstances indicate that the carrying amounts may not be recoverable. Management specifically analyse historical bad debts, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of the provision for doubtful debts. Where the expectation is different from the original estimate, such difference will impact the carrying value of debtors and the charge in the income and expenditure account.

Provisions

A provision is recognised when the company has a present legal or constructive obligation as a result of a past event for which it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flow at a rate that reflects the time value of money and the risks specific to the liability.

Whether a present obligation is probable or not requires judgment. The nature and type of risks for these provisions differ and management's judgement is applied regarding the nature and extent of obligations in deciding if an outflow of resources is probable or not.

3 Turnover

The whole of the turnover is attributable to income from contracts with Local Authorities, other organisations and individuals to provide support to people with a learning disability.

All turnover arose within the United Kingdom.

Income from central government and local authorities in relation to Covid-19 exceptional income amounted to £721,551 (2021 - £800,944).

THERA EAST
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

4 Operating result

	2022 £	2021 £
The result for the year is stated after charging:		
Auditor's remuneration - audit	10,610	10,100
- other services	2,120	2,020

Auditor's remuneration for the group is disclosed in full in the parent charitable company and is recharged to the subsidiary as part of the overall recharge of the group's management and administration costs.

5 Employees

Staff costs (including directors' remuneration) during the year were as follows:

	2022 £	2021 £
Wages and salaries	9,461,560	9,304,241
Social security costs	714,827	700,825
Pension costs:		
Defined benefit	5,613	5,896
Defined contribution	181,096	184,028
	10,363,096	10,194,990

The pension contributions shown above differ slightly from those disclosed within the detailed pension note below as the figures below take into account additional employee pension contributions paid in addition to the employer contributions that relate directly to the employees of Thera East in the defined benefit scheme.

The average monthly number of employees (including directors) on a head count basis during the year was as follows:

	2022 Number	2021 Number
Direct and relief support work	531	551
Management and administration	11	10
	542	561

THERA EAST
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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

6 Directors' remuneration

	2022 £	2021 £
Directors' remuneration	86,255	84,990
Company contributions to pension schemes	2,598	2,560
	<u>88,853</u>	<u>87,550</u>

During the year retirement benefits were accruing to 2 directors (2021: 2) in respect of defined contribution pension schemes.

The total of employee benefits (including employer's pension contributions and employer's national insurance) received by key management personnel is £98,364, (2021: £96,854). The company considers its key management personnel comprises the Managing Director and the Service Quality Director.

7 Taxation

	2022 £	2021 £
UK corporation tax at 19% (2021: 19%)	-	-

All of the profits are paid to the parent charity as a Gift Aid distribution and a corresponding tax credit is recorded at the point of distribution. Therefore, the corporation tax charge for the year is nil (2021: nil).

Factors affecting the tax charge for the year

The tax assessed for the year is lower than (2021 - lower than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

Result from ordinary activities before tax	426,243	504,771
Result from ordinary activities before tax multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	80,986	95,906
Effects of:		
Tax credit from gift aid distribution	(80,986)	(95,906)
Total tax charge for the year	<u>-</u>	<u>-</u>

THERA EAST
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

8 Debtors

	2022 £	2021 £
Trade debtors	1,471,751	651,927
Other debtors	98,506	95,541
Prepayments and accrued income	1,671,532	1,272,942
	<u>3,241,789</u>	<u>2,020,410</u>

9 Creditors: amounts falling due within one year

	2022 £	2021 £
Amounts due to group undertakings	426,243	504,771
Bank overdraft	-	13,960
Trade creditors	54,613	48,135
Taxation and social security	235,771	197,375
Other creditors	511,665	192,219
Accruals and deferred income	324,365	355,868
	<u>1,552,657</u>	<u>1,312,328</u>

THERA East is part of the group overdraft facility with Barclays (£1.5m) which is secured by a Group bank account-offset cross guarantee, a cross guarantee and debenture creating fixed and floating charges over the assets of several Group companies, and a floating charge over the assets of THERA (Scotland).

10 Creditors: amounts falling due after one year

	2022 £	2021 £
Amounts due to group undertakings	1,741,906	712,349
	<u>1,741,906</u>	<u>712,349</u>

The repayment period for the amounts owed to group undertakings is disclosed in the accounting policy called Parent charity and financial support.

THERA EAST
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

11 Pension commitments

Pensions Trust Ethical Fund

Tera East participates in The Pensions Trust Ethical Fund, which is a defined contribution scheme for the benefit of its employees. Contributions payable during the period amount to £181,096 (2021: £184,028). The amount outstanding in respect of this Scheme at the year-end was £418 (2021: £757).

NHS Pension Scheme

For some employees, who have previously worked in the NHS, Tera East also participates in the NHS Pension Scheme, which is a defined benefit scheme. Contributions to this scheme, which are charged against net income, are set by the Government Actuary, as set out below. The pension charge for the year in respect of this Scheme was £23,210 (2021: £24,039). The amount outstanding at the year end was £nil (2021: £nil).

Past and present employees are covered by the provisions of the two NHS Pensions Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at: www.nhsbsa.nhs.uk/pensions.

Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS Body of participating in the scheme is taken as equal to the contributions payable to that scheme for the accounting period.

NHS Pension Scheme (continued)

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the Financial Reporting Manual (FRM) requires that 'the period between formal valuations shall be four years, with approximate assessments in intervening years'. An outline of these follows:

a) Accounting Valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2022, is based on valuation data as 31 March 2021, updated to 31 March 2022 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FRM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

THERA EAST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2022

11 Pension commitments (continued)

b) Full Actuarial (funding) Valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay.

The 2016 funding valuation also tested the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. There was initially a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

HMT published valuation directions dated 7 October 2021 (see Amending Directions 2021) that set out the technical detail of how the costs of remedy are included in the 2016 valuation process. Following these directions, the scheme actuary has completed the cost control element of the 2016 valuation for the NHS Pension Scheme, which concludes no changes to benefits or member contributions are required. The 2016 valuation reports can be found on the NHS Pensions website at <https://www.nhsbsa.nhs.uk/nhs-pension-scheme-accounts-and-valuation-reports>.

12 Related party transactions

In line with the exemption conferred by section 33.11(b) of FRS 102, Thera East has chosen not to disclose related party transactions between group companies on the grounds that 100% of the voting rights are held by Thera Trust and that Thera East is included in Thera Trust's consolidated financial statements.

13 Changes in net debt

	At 1 April 2021	Cash flows	Other changes	At 31 March 2022
	£	£	£	£
Cash at bank and in hand	4,267	48,507	-	52,774
Overdraft facility repayable on demand	(13,960)	13,960	-	-
Total cash and cash equivalents	(9,693)	62,467	-	52,774

14 Ultimate parent undertaking and controlling party

Thera East's ultimate parent company is Thera Trust, a charitable company limited by guarantee (company number 3593418) and registered in England and Wales (charity number 1090163). Thera Trust is ultimately controlled by the board of trustees.

Copies of the consolidated Thera Trust financial statements are available from the Charity Commission. The company distributes available profits to its parent undertaking.